



American Jewish Committee  
A Century of Leadership

Weekly Briefing on Israeli and Middle Eastern Affairs

## The Israeli Elections: What's at Stake?

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American elections produce winners—and losers. Israeli elections produce confusion, coalition negotiations, and compromises. This is likely to be the case again after February 10. Earlier in this decade, Israel abandoned its short-lived experiment with the direct election of the prime minister. Thus, the vote next week will not be directly for the two key players in contention—Likud's leader, Binyamin (Bibi) Netanyahu, on the right, and Kadima's leader, Tzipora (Tzippi) Livni, at the center—but for their parties; even so, neither seems likely to cross even the 25 percent threshold among voters at large. The polls indicate that they will have, between them, some 50 seats out of 120 in the Knesset as a whole. Thus, the difference between a split of 26:24 in favor of Kadima, on the one hand, or rather, a split of 27:23 in favor of Likud, on the other hand, may be enough to determine whom President Shimon Peres will ask to try to put together a coalition cabinet:

- Bibi, a former prime minister (1996-99), is an effective, American-educated public speaker who resumed the leadership of Likud in 2005, after Ariel Sharon left the party in anger and founded Kadima, over the Disengagement issue. He is now able to say (and, indeed, does say at every opportunity), “We told you so”—namely, that unilateral withdrawal, anywhere, will only lead to more bloodshed. This leads him to doubt the value of the Annapolis peace process; his offer would be “economic peace,” namely, significant investments in the Palestinian West Bank, while further territorial concessions await the emergence of stronger and more stable institutions on the Palestinian side. Amid the global financial and economic tsunami threatening to reach our shores, he is perceived to have been one of the best finance ministers ever (2003-05), even if his “Reaganomics” tax-cutting and supply-side ideas seem at odds with the spirit of the times.
- Livni, a soft-spoken, honest, and incorruptible administration insider, is a former Sharon protégée—and, like Bibi, the scion of a staunch right-wing family. She, like many in Kadima, has traced a trajectory from firm Likud positions to the active pursuit of a two-state solution, which, in her case, is coupled with a very firm stand against any concessions on the so-called “right of return” that would threaten Israel's ability to remain both Jewish and democratic. On most other issues, her stands are either unclear or unremarkable. Her claim to power rests on quiet competence, not loud activism—and, in recent days, a feminist message that has begun to creep into her response to Likud's negative ads (saying “this is too big for her shoulders”) and to Ehud Barak's hints that the helm should be left to those who saw battle and can make tough decisions under fire.

What the numbers also show, however, is that even if the right and the center, despite the sharp differences between Bibi and Tzippi on a full range of issues, join hands, they will still be well short of the necessary 60 MKs. Thus, three second-tier parties, with some 50 seats among them according to most polls, could hold the balance and determine, in some combination, who will lead:

- The Labor Party, once the proud founders and leaders of Israel (in 1992, they still had 44 seats in the Knesset; but following Oslo and the Rabin assassination have been going steadily downhill), are not even sure this time that they will hold onto third place in the hierarchy. If they do—and the war in Gaza, professionally well managed, greatly improved the public standing of the party's leader, Defense Minister

Ehud Barak—they may well be in a position to be the decisive third party in power (but some within Labor may oppose Barak's entry into a Bibi-led coalition).

- The rising star of this election campaign, Avigdor Lieberman's Yisrael Beitenu (Israel our home) Party, a right wing party that has built up its standing—not only among FSU *olim* (immigrants), but also, in ever-growing numbers, among young people—on a bluntly nationalistic line, aimed at the political leadership of the Israeli Arab parties, which seemed to sympathize with the enemy during the Gaza war. (“No loyalty—no citizenship” is his short, sharp slogan.) At the same time, Lieberman's party—joined by some surprising new faces, such as the former ambassador to the U.S., Danny Ayalon—advocates greater separation of “synagogue and state,” because many Russian *olim*, some in mixed marriages and most suspicious of organized religion in general, resent the power of the Orthodox rabbinate in Israel. Lieberman, unlike Likud, does support a two-state solution (but with the line drawn anew, putting some large Israeli Arab communities on the Palestinian side). Under certain circumstances, if he does rise dramatically, as the polls predict, to some 18 seats in the next Knesset, he may even ditch Netanyahu and play a role in a strange but workable coalition with Labor and Kadima—which is why tensions have been rising now between him and Netanyahu, his former friend and ally.
- As always, there will be Shas—the Sephardic ultra-Orthodox “voice of the poor” in Israeli politics—to offer an alternative coalition choice to those willing to go along with the party's agenda: namely, more money to large families and to Shas-related institutions of religious learning, as well as a stricter interpretation of the influence of *halakha* (Jewish law) on public policy (such as the recognition of conversions). The impact of the war—which tends to raise questions about the ultra-Orthodox who do not serve—may work against them; but on the other hand, the gathering economic storm gives them leverage among the underprivileged, who see them as their advocates.

Confused by this? Almost any combination of three or four among these five parties can produce a governing coalition (with smaller parties on the right joining in). A left-of-center coalition, based on Kadima, Labor, and Meretz, seems beyond mathematical reach as things stand now. Two external factors, meanwhile, may also leave their own mark—pulling, as is bound to happen, in opposite directions:

- Unless a stable ceasefire is reached within the next few days (which will lend weight to either Livni's theory of deterrence or Barak's bid for “regularization” through the agency of Egyptian mediation), the violence with Hamas might escalate again—playing directly into Bibi's hands and serving as proof that the “Olmert-Livni-Barak government” abandoned Operation Cast Lead much too soon. While the Hamas leadership in Gaza, under pressure from their population, may wish to cut a deal soon, Iran—according to Egyptian sources—is pushing Khaled Mashal in Damascus to take a radical “heroic and victorious” stand, which could lead to another Palestinian tragedy and, in the process, change the political dynamics in Israel.
- On a different plane altogether, the Obama Administration, without saying much (George Mitchell was in the region to listen and learn, not to push for any solutions just yet), is having an influence in the opposite direction: implicitly presenting a case in favor of flexible, peace-prone attitudes. This factor is therefore used by both Kadima and Labor to argue for their policies (perhaps even an attempt to “operationalize” the so-called Arab Peace Initiative) and against the confrontational line Bibi might take. If Bibi does win, as he is likely to, this consideration would enhance his already announced tendency to put together a broad government of national unity, rather than face the new winds blowing from Washington with the extreme right, even within his own party, binding his hands.