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Arab Center for Research & Policy Studies

ASSESSMENT REPORT

Netanyahu Returns as Prime Minister: What Lies Ahead?

Policy Analysis Unit - ACRPS | Mar 2015

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Introduction

The nationalist camp, led by incumbent Prime Minister Benjamin Netanyahu and his Likud party, secured a comfortable majority of 67 out of a total 120 seats in elections to the twentieth Knesset, which were held on March 17, 2015. With this win, Netanyahu will be able to form a new government in the coming few weeks.

Characteristics of the electoral process

The latest Knesset elections displayed a number of special characteristics, including:

1. The formation in December, 2014, of the "Zionist Camp" by the Labor and Hatnuah parties, led by former Minister of Welfare Isaac Herzog and former Foreign Minister Tzipi Livni respectively. Early opinion polls indicated that the joint-ticket would pose the first significant electoral challenge to the primacy of Likud since 1999, making Netanyahu's toppling a viable outcome.
2. Netanyahu's personality became a major theme of the election campaign. Political parties of the left and center, media elites, retired members of the military and security apparatus, as well as intellectuals and academics, all used the slogan "It's Us or Him" as a protest against what they saw as the destructive nature of Netanyahu's politics.
3. The Israeli occupation was not a feature of this year's elections, just as it had not been a major election issue during the previous Knesset elections.
4. Of the various issues which hovered over the last elections, the most prominent were the cost of living and the housing crisis, alongside military and security issues.
5. The parties representing the Palestinians who live beyond the Green Line (so-called "Arab Israelis") formed an unprecedented, unified electoral bloc, bringing together pan-Arabist, Islamist and traditional leftist elements. This gave Palestinian voters 13 Knesset seats, their highest ever share.
6. The twentieth Knesset elections witnessed a general increase in turnout, with a participation rate of 72.3% of the electorate compared to 66.6% in the 2013 election and 64.7% in 2009. There are 5.3 million registered voters on the Israeli electoral roll, with a further 540,000 citizens, of whom 10% are Palestinian

citizens of Israel, waiving their right to vote by virtue of being permanently resident abroad. Amongst Jewish voters, the voting rate was roughly 80% of eligible voters, while for Palestinian citizens living within the Green Line, the figure was 64.5%. This was up, however, from a turnout of 57.9% of registered Palestinian voters in 2013, and 53% during the 2009 polls. When the 10% of expatriate registered Israeli voters are Arabs, this brings the actual participation rate for Palestinian voters living within the Green Line to 68% of eligible voters.

A new political landscape

On election day, Netanyahu's Likud party defied the opinion polls and secured an unexpected increase of its Knesset representation, gaining 30 seats compared to the 20 won as part of a joint list with Yisrael Beiteinu in 2013. The immediate reasons for this change are two-fold: firstly, a decline in popularity of Yisrael Beiteinu, led by outgoing Foreign Minister Avigdor Lieberman, which today controls six Knesset seats compared to the 11 won as part of the joint list in the 2013 elections; and the Likud's ability to regain the support of voters who might otherwise have backed more marginal right-wing parties.

The decline in support for Lieberman's Yisrael Beiteinu results from ongoing police investigations of the party's leadership on charges of embezzlement and corruption, and from a change in voter behavior on the part of the Russian voters who formed the party's electoral base. With increased integration into Israeli society, Russian Israelis, particularly the young, now cast their votes for other parties. The Likud's gains stemmed from fears amongst supporters of far-right parties that a Netanyahu loss could lead to a formation of a government by Isaac Herzog of the Zionist Camp. In addition, the Israeli Right continues to gain political backing because of a demographic increase in its support base.

The new Kulanu party established by former Likud Minister for Social Welfare and Social Services, Moshe Kahlon, member of the Mizrahi ("Eastern") Jewish community, garnered 10 seats in its first Knesset election. Kahlon's popularity stems from the reforms he brought in during his tenure at the Ministry for Social Welfare and Social Services, particularly his moves to reduce costs for cellphone users. Kahlon's campaign messages were dominated by socioeconomic issues, particularly housing and the high cost of living which affects working class and middle class Israelis. His party adopts a right-wing line on matters related to the Palestinians.

Shas, a right-wing party representing the interests of Mizrahi Jews, was a net loser in

the elections, winning only seven seats in comparison to the 11 which they controlled after the 2013 polls. Shas' losses were due to the deep rifts caused by a power struggle following the death of its charismatic leader Rabbi Ovadia Yossef in October, 2013. The ensuing contest pitted former leader of the party Eli Yishai against Rabbi Yossef's appointed heir Arieh Dari, with the former breaking off to form a new party called Yachad, in December, 2014. Yachad subsequently formed an electoral coalition with the fascist Otzma Yehudit, but the combined group, which included Mizrahim as well as members of the National Religious communities, failed to reach the electoral threshold needed to win a single Knesset seat. Ultimately, this meant that the Right camp lost a total of three seats in the Knesset. Yahadut HaTora HaMeuhedet, another religious party which represents the Ashkenazi Haredi community, won six Knesset seats compared to seven previously.

The Zionist Camp, meanwhile, won a total of 24 seats in this Knesset, compared to the 15 controlled by Labor and the six controlled by Hatnuah, its two constituent parties, in the outgoing legislature. Yesh Atid, a group formed and led by Yair Lapid, won a total of 11 seats compared to the 19 which it won in 2013. Zionist Left party Meretz won five seats compared to the six it held in the previous Knesset. The Arab parties, who fielded a unified list for the first time, gained two seats from their previous combined total of 11 to now control 13 Knesset seats.

Factors influencing the election outcome

Opinion polls on the eve of the elections had predicted that the Zionist Camp would win between one and three seats more than the Likud party. These findings were in line with a number of factors which contributed to an apparent decline in the Likud's popularity:

1. Netanyahu's failure to resolve the economic hardships faced by working class and middle class Israelis, primarily the increased cost of living and an acute housing crisis.
2. Continued tension in the relationship between Netanyahu and the White House has led to criticism from leading commentators and business and security figures that the Israeli prime minister was risking the strategic relationship between the United States and Israel, the country's most important sources of strength.
3. The defection of Moshe Kahlon and establishment of Kulanu, which competed with the Likud for a section of its electoral support base, and particularly Mizrahi Jewish voters.
4. Tensions between Netanyahu and the leaders of other right-wing parties,

including Lieberman and Kahlon, led some to believe that Zionist Camp leader Isaac Herzog could be charged by the President of Israel with the formation of a government.

Netanyahu's surprise victory, and his triumph over the Zionist Camp, which Likud beat by six seats, and the victory of the right-wing and religious camp over the left and center left more generally, was due to a number of factors:

1. The continued shift towards the right in Israeli society: for the past 20 years, Israeli society, including both religious and secular elements, has increasingly embraced hard-line political positions. Repeated, in-depth opinion polls have shown that Israeli voters identify with the right and have grown dismissive and adversarial towards the traditional left and its values.
2. Netanyahu enjoyed a decisive, deep-seated public opinion advantage over his rival Isaac Herzog.
3. A majority of Israelis accept Netanyahu's worldview in terms of military and security affairs, including both the Iranian nuclear program and the conflict with the Palestinians. Herzog, in contrast, has failed to produce a coherent vision of his own which could be an alternative to the one presented by Netanyahu.
4. Throughout the electoral campaign, it was clear that the right-wing/religious camp would dominate over the parties of the left and center-left, but Netanyahu had continued to worry that a lead by the Zionist Camp over Likud would bring the President of Israel to ask Herzog to form a government. Particularly worrying was that Moshe Kahlon had not made an explicit statement about what he would do in such a situation. The fact that the last few days of campaigning became a personal competition between Netanyahu and Herzog allowed the Likud leader to focus on attracting right-wing voters to the Likud through an intense media campaign of hardline rhetoric. One tactic deployed by the campaign was to exaggerate the threat of a high voter turnout enabling 'the Left' to return to power. Through such tactics, Netanyahu was able to draw backing from across the right-wing camp, and especially supporters of the Yisrael Beiteinu and HaBayit HaYehudi.
5. Netanyahu's disputes with the White House and with the European Union were never translated into concrete actions against Israel, and thus did not exact a political toll or have an impact felt by the average Israeli voter.
6. The Zionist Camp failed to form a clear, straightforward ideological and political alternative to the Likud. They continued to uphold settlement construction, especially in the areas known as the "settlement blocs" in the West Bank, and

sounded like a broken record when it came to preparedness to negotiate with the Palestinian Authority. The Zionist Camp leader, Isaac Herzog, gave the impression of being unprepared to lead, and unsuited for the position of prime minister. Netanyahu's leadership skills, meanwhile, are widely recognized, as is his ability to take center stage in a campaign for the position of prime minister at a time when the personal character of the incumbent is given great importance. In addition, the Zionist Camp failed to make inroads amongst Mizrahi Jews, Russian Israelis and the traditionally religious (Orthodox, Haredi and Hasidic) sectors of the Jewish Israeli population. With its failure to attract voters in marginal towns, the Zionist Camp's only support base was limited to middle and upper-middle class Ashkenazi Jews living in major cities.

Conclusion

Once he clears the hurdles that accompany putting together a coalition in Israel, Netanyahu will be able to form an extremist right-wing government. Membership in Netanyahu's government will likely be limited to members of the Nationalist Camp and members of religious parties. Netanyahu's next government will likely continue the same policies towards the Palestinians which he has adopted thus far, especially in relation to settlement activity in the occupied West Bank and East Jerusalem. This will put Netanyahu's next government on a collision course not only with the Palestinians, but with the European Union, the White House and the international community.

This provides the opportunity for Israel to be isolated in the world community, and be compelled to address the Palestinian people's grievances. In order for that to happen, however, the Palestinian Authority, and with it the Palestinian national movement more broadly, would have to rise to the challenge of resisting the Israeli occupation, both through the popular resistance and through international venues such as the UN Security Council, where it could demand a timetable for an end to the occupation and the imposition of sanctions on Israel.