NO. 12 (1708), 25 JANUARY 2021 © PISM

BULLETIN

The Israeli Political Scene and the Next Parliamentary Elections

Michał Wojnarowicz

The continuing crisis in government has led to the dissolution of the Knesset and early parliamentary elections in Israel, the fourth in the last two years. Polls do not reveal any possible coalition variants, which increases the possibility for further elections in autumn. This scenario favours Prime Minister Benjamin Netanyahu, whose position is strengthened by the effective vaccination campaign against COVID-19 and the normalisation of relations with Gulf states.

Origins of the Crisis. The early elections scheduled for 23 March are the effect of conflicts within the unity government of Likud (Netanyahu) and Blue and White (led by Benjamin Gantz), established in May 2020. Cooperation between the parties remained poor due to Netanyahu's efforts to maintain his decision-making monopoly, weaken support for Gantz in polls, and disagreements regarding strategies to counter COVID-19, reforms of the judiciary, and filling vacancies in the administration. The disputes were concentrated on issues of the state budget. Likud started pushing for two separate budgets, one for 2020 and another for 2021, instead of the biennial one planned in the previous arrangement. The political motivation of these actions was clear—according to the coalition agreement, if early elections were triggered by a lack of a budget, it would allow Netanyahu to remain prime minister, in other cases, Gantz would become PM.

Despite the postponement of the budget deadline from August to December, the parties failed to reach an agreement. The conflict was accompanied by the erosion of the parliamentary caucus of Blue-White and defections of Likud MPs. Support from those rebel MPs allowed the opposition to reject the coalition's motion for another postponement of the budget deadline. The lack of a budget resulted in the self-dissolution of the Knesset on 23 December.

Political Scene. Likud leads the polls with around 30 seats out of 120 in the Knesset. The most important new political force is the New Hope party, founded by Gideon Saar,

former minister of Education and Internal Affairs, who in December 2019 ran against Netanyahu in the elections for Likud chairman. Saar, a popular politician with a strong position among the right-wing electorate, has been joined by several MPS from Likud, and his public support is estimated to convert to about 15 seats. The emergence of New Hope has also weakened Netanyahu's former main competitor, Naftali Bennett and his Yamina party (about 11 seats), which competes for a similar Likud-disappointed electorate. Religious groups Shas and United Torah Judaism have stable support with 8 seats, and a similar result might be reached by the secular Israel Our Home, led by Avigdor Lieberman. The Religious Zionist Party (previously part of Yamina), representing settlers, would also enter the Knesset. The participation of Blue and White is uncertain as it is balancing on the election threshold (3.25%), but still control some ministries in accordance with the coalition agreement.

The new elections exacerbated the fragmentation within the centre-left. Yair Lapid's Yesh Atid has lost part of his support (currently around 15 seats), after internal splits, including the end of the partnership with the conservative Telem. The progressive Meretz and the new left-wing "Israelis", founded by the mayor of Tel Aviv Ron Huldai, are polling weakly, possibly only winning 4-5 seats. Polls predict that the Labour Party, as well as several other groups established in recent months, will not pass the election threshold. Support for the Joint List (Arab bloc) has also decreased, converting to about 10 seats, just two-thirds of its current mandates. Consolidation of the small parties ahead of submitting

PISM BULLETIN

official electoral lists is also very likely, which will affect the final election arithmetic.

The anticipated post-election political reality creates difficult conditions for the emergence of a new coalition. Likud can count on maintaining support from religious parties and the radical right, however, it would still remain several MPs short of a majority. The opposition would have more than 60 seats, and its leaders (except Bennett) declare that they will not enter the government with the present PM. The possibility to block the formation of a Netanyahu government does not translate into the ability to form a joint government, though, especially since the largest parties reject cooperation with the Left and the Arab bloc. That impedes the establishment of a minority government formed by the leaders of the non-Likud right-wing parties (Saar, Bennett, Lapid, Lieberman, and Gantz). An alliance between these parties and religious ones also remains unlikely, as the former benefit from a proven partnership with Netanyahu.

Election Campaign Topics. The COVID-19 pandemic remains the key issue in the campaign in Israel. Israel is in its third wave of infections and a new lockdown, recording a daily increase of several thousand cases. At the same time, there is an effective vaccination process, which has already covered 2.5 million out of the country's 9.3 million citizens. The government has declared that the entire population will be vaccinated by the end of March. As prospects for the end of the pandemic rise, the election debate will focus on the economic consequences. The efficient vaccination regime has strengthened the position of the prime minister, especially in the context of his upcoming corruption trial (postponed to February due to the lockdown). Additionally, the necessity to campaign during the pandemic favours wellestablished parties such as Likud and disadvantages new parties.

A new quality in the campaign is the increased involvement of Israeli politicians in wooing the Arab electorate. Its origins are the internal changes in this community and its political aims. The Palestinian issue, which had been a priority for the parliamentary representation of the Arab population in Israel, has lost importance. Currently, the priority for Arab Israeli citizens is to improve the quality of life and solve social problems, e.g., the high crime rate. Competition for this electorate also applies to politicians and parties known for their anti-Arab rhetoric. In recent months, there was clear political cooperation between Likud and the Islamist party Raam, a conservative faction of the Joint List, which worked

to postpone the budget deadline or declared support for Netanyahu. Active participation in coalition talks with Arab parties would represent a big change in the Israeli political scene.

In foreign policy, the most important issue of the campaign will be relations with the new U.S. administration and the process of normalising relations with Arabic states. The opposition emphasises that Netanyahu's close relationship with now former President Donald Trump harmed the prospects for relations with the new American leadership. The Netanyahu government will use the transition period to increase support for settlements in the West Bank as a form of "testing" the Biden administration and maintaining political support from the settlers.

The popular, cross-party supported normalisation with states in the region will form a major part of Netanyahu's election message, also in the context of pursuing regional actions against Iran. Rapid advances in vaccination efforts in the UAE and Bahrain will allow the restoration of tourism and deepening cooperation in other areas. The possible addition of new states (e.g., Oman) to the process remains likely, but the U.S. attitude will be a benchmark.

Perspectives. There is a high probability that the Israeli elections in March will not result in a stable government and consequently will not put a halt to the political crisis. Support for the ruling Likud party will grow (thanks to the vaccination campaign), but the party's problem is its low credibility. How it has functioned in the coalition with Blue and White is a signal to other parties that attempts to reach equal agreement with Netanyahu are extremely unrealistic and unfavourable for the coalition partner. On the other hand, from the perspective of Netanyahu, further elections would work in his favour due to the expected economic recovery after the pandemic and the increasing chances of a Likud coalition with one of the leaders of the opposition (e.g., Bennett).

Foreign policy, especially cooperation with Arab states, will play an important role in the election campaign. The new electoral cycle will also be a pretext for adopting sharper rhetoric by Israeli political forces and the government against the Palestinian Authority. The EU and the new U.S. administration should be ready for a diplomatic response to the expected increase in Israel's activity in terms of settlement expansion in the West Bank. Additionally, the fact that the Israeli authorities are functioning again as an interim cabinet will make it difficult to improve Polish-Israeli intergovernmental relations.