

Assessing the Israeli Elections: Domestic Politics and the Peace Process

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Brief Analysis

Israel's elections are a watershed event: by a margin of less than 1 percentage point Benjamin Netanyahu will become the first directly elected prime minister in Israel's history (a full list of prime ministerial and parliamentary election results appears at the end of this article). Among Jewish Israelis, the differential was about 11 percent in favor of Netanyahu; among non-Jewish voters, who constituted about 12 percent of the electorate, more than 90 percent supported Peres. According to the election law, Netanyahu has forty-five days to form a cabinet and present it to the new Knesset. During this time, Peres remains prime minister presiding over a caretaker government. In the Knesset race, the outcome was even more stunning than the prime minister's vote. It is characterized by the weakening of the two main parties, the strengthening of the religious and ethnic parties, and the overall fragmenting of the political system.

DAVID POLLOCK A short-hand sketch of the last six months highlights the shifts that led to the Netanyahu victory: Before Rabin's assassination in November 1995, the race between Netanyahu and Rabin was extremely close. At that time a slight majority of the Jewish population opposed the Oslo II accord. With Rabin's assassination, the situation temporarily and artificially turned in favor of the Labor party. However, the February and March suicide bombings restored the split in public opinion. With his tough security measures, Peres regained three or four points. The Sharm al-Sheikh anti-terrorism summit gave him three more points. His prospects appeared to hold as the elections

approached and there were no more bombings. Peres held the slimmest of leads, but not enough to counter the undecided voters. Operation Grapes of Wrath lost Peres some of the Arab votes he was anticipating, without earning him any undecided Jewish votes to compensate.

The new election law, allowing for the direct election of prime minister on a separate ballot from the Knesset list, created several realities:

- Providing a clear winner of the prime ministerial election, unlike in past elections.
- Focusing the campaign on one issuepersonal security. The electorate largely ignored the economy, U.S.-Israel relations, and even the candidates' personalities. Moreover, very few voters made up their minds based on commercials, the debate, or anything that was said or done during the campaign itself. Likud emphasized the atmosphere of expectation of a terrorist event and the fear this created. Labor had hoped that the absence of major terrorist attacks would work in its favor, but instead the mere threat of terrorism became the major focus of the election.
- Allowing a "ticket-splitting phenomenon" to occur at the expense of the two big parties. In other words, voters were able to support their candidate for prime minister and simultaneously customize their ballot by voting for one of the smaller ethnic or religious parties.
- Given this new structure, a crucial move was Netanyahu's early decision, with Ariel Sharon's assistance, to make an alliance with Geshet and Tzomet. This effectively eliminated Rafael Eitan and David Levy from the prime ministerial race and allowed Netanyahu a clear shot against Peres. Although this alliance was a major gamble on Netanyahu's part, it seems to have paid off.

Demographics and the Polls. The increase in religious party seats does not imply that Israel's population has become more religious. Rather, because of the ticket-splitting, more voters moved from the major parties to the religious ones. In particular, Shas supporters were able to vote ethnically the bulk of Shas voters are sephardim but not strictly religious. The haredi, or ultra-orthodox, voters have not only felt alienated by the secular Labor government but have become more hawkish as well, supporting Netanyahu. The polls had a difficult job predicting the religious vote, as many in that group typically refuse to talk with pollsters or disclose their intentions. Consequently, as happened in the 1988 election, the polls were not able to capture fully the growing strength of these parties.

> "Floating votes" in two large voting blocs, the Russian immigrants and the sephardim, which moved toward Labor in 1992, this year contributed to Netanyahu's win. A last-minute signal was that in the two weeks prior to the election the number of undecided voters grew, rather than shrunk. Historically, Israeli undecideds tend to vote toward the right.

Overall, public opinion has been clear among Jewish voters. The majority, around 60 percent, favor the "peace process." Simultaneously, as much as one-third even of that group believe that this process should go this far and not much further, a fact Netanyahu was able to use to his advantage. A majority of Jewish voters rejected the Peres approach, but not the principle of Israeli-Palestinian negotiations.

Historically, Israeli governments have been able to function effectively and pursue controversial programs even when elected on the narrowest of margins. But Netanyahu will probably also try to take into account the public's drift toward acceptance of the peace process in principle, along with its desire for tough tactics on immediate security issues.

SAMUEL LEWIS Netanyahu has achieved a remarkable political triumph: first seizing control of Likud from the old guard and now becoming Israel's youngest prime minister without ever serving as a cabinet minister! For now he's

on a roll. He has several options in shaping his coalition. He could bring all twenty-three religious votes (Shas, NRP, and Aguda) plus seven from the Russian immigrant party with the thirty-two Likud seats, giving him a majority of sixty-two. Adding the Third Way would give him sixty-six. In this formula he could exclude the extreme right Moledet party in order to emphasize the centrist approach he leaned toward during the elections. On the other hand, Netanyahu could return to a national unity formula with Labor and Sharansky giving him seventy-three seats. This would eliminate the complications of making deals with the religious parties. If they then joined the coalition to reap the benefits (ministerial positions or money for their school systems), Netanyahu would have almost 100 seats. With such a large coalition, though, it would be more difficult for to honor many of his campaign commitments. Regardless of which option he takes, Netanyahu has a comfortable governing majority readily in hand.

Netanyahu has said he would not go back on the agreements Israel has already signed with the Palestinians and its other Arab peace partners. However, he has also said he will increase the number of Israeli settlers by up to 300,000 and provide them with the infrastructure they require, send the IDF into West Bank cities if necessary to suppress terror, and take the Golan off the negotiating table. With such hard liners as Sharon and Rafael Eitan in his cabinet, he will find it very hard to go back on these promises.

When it comes to cabinet-making, several strong personalities will certainly be vying for positions. David Levy, with five seats in the Knesset, will want the post of foreign minister or perhaps deputy prime minister along with several other impressive titles. Sharon would most likely wish to go back to the defense ministry and Bibi owes him for the Geshar and Tzomet alliance. But he will probably have to settle for the ministry of finance, a powerful position for Sharon which would allow him to control the purse-strings for new settlers. Rafael Eitan, who also holds five seats in the Knesset, may seek the defense ministry, but Netanyahu might bring Moshe Arens, his old mentor, back as a civilian defense minister to moderate the cabinet's image. The religious parties will most likely ask for the ministries of religion, education, and interior, all extremely powerful positions in Israel.

Netanyahu will undoubtedly want to come soon to Washington and will bend over backwards to charm President Clinton and expand his already ample list of supporters in the United States. Because of the special U.S.-Israel relationship, the United States has historically worked closely with Israeli prime ministers, even those whose policies Washington questioned. Regardless of Israel's ability to advance the peace process, the United States will not be seeking any confrontation, certainly not before November; nor will Netanyahu. A short honeymoon is likely. Moreover, Netanyahu's leadership style may actually be quite compatible with that of Congress and President Clinton.

ROBERT SATLOFF Netanyahu's victory will bring forth different reactions from various Arab leaders. The greatest disappointment was probably felt by Yasser Arafat. Of all Arab leaders, he had the most invested in Peres, exemplified by his action on the PLO charter, the willingness to accept an open-ended closure of the territories, his crack-down on Hamas, and his influence in Ahmad Tibi's withdrawal from the Knesset race. Nevertheless, Arafat has achieved too much for himself and his people to begin a confrontational relationship with a Likud government. He will work to preserve what already exists and try to confirm past achievements and improve the economic situation in the territories. While final status talks are unlikely to make much progress, Netanyahu will have even more pressing issues to deal with according to the Oslo II timetable. These include the Hebron withdrawal and the next round of "Zone C" redeployments this summer.

> In Cairo, Hosni Mubarak probably feels mild disappointment at the election outcome. While Egypt worked well with Peres, Cairo is well situated to play a major regional role in the context of a Likud government. Egypt, of course, made peace with a Likud prime minister. In retrospect, President Mubarak missed a great opportunity under the Labor government by failing to visit Israel (except for Rabin's funeral) and in not warming ties. That leaves a lower baseline from which to begin a new relationship with Netanyahu, whom Mubarak has never met.

The dominant mood in Syria is probably indifference. In contrast to Arafat, who did his best to help Peres, there is no indication (other than a single late statement by Foreign Minister Farouk al-Shara) that Damascus cared at all who won the election. A Netanyahu victory now eases whatever pressure there may have been on Assad to make compromises in the peace process. In the near future, Israel-Syrian diplomacy is more likely to be played out in the battlefield of Lebanon than at the negotiating table of Wye Plantation.

> In Jordan, the response is ambivalent. On the one hand, King Hussein lost a decades-old partner, but the Labor party in recent years had been full of strategic surprises as well many of them unwelcome. Under Likud, King Hussein can be assured that an independent Palestinian state will not be created on the West Bank, potentially destabilizing his kingdom. Technically, however, it will be difficult for Hussein to deepen the public warmth of relations with a Likud government without upsetting the public opinion of his largely Palestinian populace, especially if the Israel-Jordan relationship is viewed as coming at the expense of Palestinian aspirations.

> In the upcoming months Hamas and Islamic Jihad will try to test Arafat and, through him, Netanyahu. Arafat can choose between a permissive or a tough approach: his first choice is likely to remain tough on Hamas terrorism, lest he risk the entire Oslo experiment.

Official Election Results

Prime Minister

Shimon Peres	49.6 %	1.471 m.
Benjamin Netanyahu	50.4 %	1.501 m.

Knesset	Seats (1996)	Seats (1992)
Labor	34	44
Meretz	9	12
Likud (including Tzomet)	32	40
Moledet	2	3
NRP	9	6
Shas	10	6
Aguda	4	4
Hadash	5	3
United Arab List	4	2
Yisrael B'aliyah	7	-
Third Way	4	-

This Special Policy Forum Report was prepared by Lauren Rossman.



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