Israel's Rotating Political Door:
Can Netanyahu Overcome the Deadlock?

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(EU Delegation in Vienna / Handout - Anadolu Agency)

On March 23rd 2021, Israeli citizens went to the ballot box for the fourth time in two years. With a voter turnout of 67.4%, the latest election was unable to end the political stalemate in the country that has lasted since March 2019. This policy outlook will discuss the outcome of the most recent election and how it revealed several significant realities in Israeli politics, including the rise of far-right political groups, the role of Arab citizens, and the future of democracy in the country.

Introduction

On March 23rd 2021, Israel carried out its fourth election in two years after the coalition led by Prime Minister Benjamin Netanyahu failed to reach an agreement with Blue and White Party leader Benny Gantz concerning the approval of the 2020 national budget, a failure that led to the dissolution of the Knesset. Despite an effective Covid-19 vaccination campaign and public health measures that allowed voters to go to the ballot boxes, the Israel's 24th general elections were still overshadowed by the conditions of the pandemic. With a voter turnout of 67.4%, below the almost 75% historic average, the latest election has made it clear that the political stalemate in the country, which has existed since March 2019, is far from over.

Results: Winners and Losers

According to the finalised results, the Netanyahu-led Likud party won the most seats, securing 30 seats in the Knesset. As the longest-serving Prime Minister in Israeli history, with a tenure of almost 12 years, Netanyahu managed to accomplish his fifth electoral victory in the last 11 general elections (since 1996). However, given that no party won a majority of seats, he is still required to build a coalition for the government. Even though he has managed to hold on to power, at least for the moment, his political influence and flexibility are steadily diminishing. Adding to Netanyahu's woes, testimonies will be soon heard in his ongoing trial. According to Israeli law, even if he is convicted, Netanyahu can stay in power until the appeals process is exhausted, which could take years.

As predicted by the polls, 13 parties, a high number compared to previous elections, passed the electoral threshold (Table 1). The abundance of parties further complicates Netanyahu's coalition plans. Several parties also performed better than expected, placing them in better positions for future coalition talks. Among them, the Religious Zionist Party is noteworthy. The party, led by Bezalel Smotrich, launched a campaign that targeted young ultra-Orthodox/Haredi Jews after aligning with Itamar Ben-Gvir, head of the far-right Jewish Power Party and a disciple of Rabbi Meir Kahane, who has incited violence against Arabs in the past. This strategy enabled Smotrich to gain an additional seat for his party in the Knesset. This fortified position may also encourage Smotrich to speak more confidently, even against Netanyahu.

Table 1: Results of the 24th Knesset Elections in Israel

Party	Votes	%	Seats	Change from the last Knesset
Likud	1,066,901	24.19	30	–7
Yesh Atid	614,111	13.93	17	+1
Shas	316,008	7.17	9	0
Blue and White	292,257	6.63	8	–4
Yamina	273,836	6.21	7	+4
Labor Party	268,767	6.09	7	+5
United Torah Judaism	248,389	5.63	7	0
Yisrael Beiteinu	248,369	5.63	7	0
Religious Zionist Party	225,634	5.12	6	+4
Joint List	212,585	4.82	6	–5
New Hope	209,161	4.74	6	+4
Meretz	202,217	4.59	6	+2
United Arab List	167,064	3.79	4	0

Source: Central Elections Committee of Israel

Another surprising winner was Benny Gantz's Blue and White Party. After a frustrating partnership with Likud in the previous government, despite his promise to overthrow Netanyahu, Gantz's political journey was believed to be nearing its end and some polls had predicted that his party may even fail to meet the electoral threshold. However, the most recent result, which saw his party pass Naftali Bennett's Yamina and Gideon Sa'ar's New Hope, shows that he still has a strong voter base. This puts him in a crucial position in any possible discussions on forming an anti-Netanyahu coalition government. However, the chances of Gantz repeating this success in future elections is questionable as voters still find difficult to clearly identify his party's policies towards the Palestinians, security, the economy, and foreign policy. The Labour party also find itself among the winners. Just two months before the elections, Merav Michaeli was elected party leader after Amir Peretz resigned. Michaeli brought a breath of fresh air to the Labour party, threatening to overtake the Labour-Gesher-Meretz alliance that had existed in previous elections. While leftist Israelis preferred to support the Joint List in the March 2020 elections, their support returned to the Michaeli-led Labour in the most recent election. Even though she failed to align with several other centre or left parties, Michaeli has shown that she has the potential to revive the once prestigious image of the Labour party in Israeli politics.

However, the United Arab List (aka Ra'am), led by Mansour Abbas, is perhaps the biggest winner. Ra'am unexpectedly passed the voter threshold, securing a kingmaker position with 4 seats. As of now, it would appear that Abbas' risky decision to leave the Joint List has paid off. Securing enough votes to enter the Knesset has demonstrated that the Abbas-led party's agenda, which includes having pragmatic relations with the Israeli state, has an appeal with Arab Israeli voters beyond the Joint List. As it currently stands, Abbas may be able to save the country from being dragged into a fifth election. Even though his decision to

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leave the Joint List followed his rapprochement with Netanyahu, Abbas also considers building closer contact with the leaders of anti-Netanyahu parties. "We're ready to negotiate with both sides. We're in nobody's pocket," he said after the elections.

When evaluating the losers of the election, the Joint List takes first place. In the March 2020 elections, the alliance became the third-largest political bloc in the Knesset with 15 seats. However, the fact the Joint List only managed to secure 6 seats in the most recent election demonstrates how the alliance lost support in two aspects in particular: First, the Israeli left lost faith in the Joint List, preferring Labour and Meretz as their primary choices. Second, Arab citizens of Israel were disappointed with the Joint List's failure to protect the unity of Arab parties in Israeli politics following Ra'am's exit from the alliance. As a significant indicator of this disappointment, there was a dramatic decline in votes cast for the alliance in Arab-populated cities (Figure 2). These results can be interpreted as blowback for the fact that Arab constituencies in Israel have not received what they had hoped for from the Joint List and their desire to find solutions for the increasing insecurity and economic problems facing the Arab population.

Table 2: **Votes for the Joint List in Arab localities in the March 2020 and March 2021 Elections**		
City	**Number of Votes and Voter Turnout (March 2020)**	**Number of Votes and Voter Turnout (March 2021)**
Umm'ul Fahm	22,079 (98.53%)	9,635 (80.48%)
Nazareth	33,145 (95.67%)	14.632 (64.73%)
Rahat	20,711 (92.51%)	10,626 (62.92%)
Tayiba	19,652 (98.30%)	8,310 (66.39%)
		Source: Central Elections Committee of Israel

Another loser was Sa'ar's New Hope. With his party's 6 seats, Sa'ar has become one of the leaders in the opposition bloc. However, the party was expected to win almost 20 seats according to polls conducted when he announced the establishment of the party in December of 2020. One of the reasons they failed to secure more votes is that the party was unable to run an effective campaign. Sa'ar mainly aimed at capturing right-wing votes in order to break Likud's dominance of the Israeli right. However, his core supporters came from the centre-left that were seeking a new political home, and as such, a disoriented election campaign mean the party failed to meet expectations. The party's failures were even identified and criticized by its own members. As a result, the party could not protect the momentum it gained at the initial stages of its establishment and votes shifted to other anti-Netanyahu parties, such as Yesh Atid and Blue and White.

Coalition Scenarios

Pro-Netanyahu Bloc

On April 6, Israeli President Reuven Rivlin authorised Netanyahu to form the government, a task that must be completed within 28 days. In his decision, Rivlin stated that he was doing so reluctantly since no party leader has enough support to form a coalition and he has also "moral and ethical" reservations given Netanyahu's ongoing legal troubles. At the writing, Netanyahu's negotiations with other parties continue. Netanyahu's task of forming a viable coalition was arguably made more difficult after Ra'am passed the electoral threshold. When Ra'am was still expected to not meet the threshold to enter the Knesset, Netanyahu was set to be able to form a coalition by convincing Yamina, which would have allowed him to reach a parliamentarian majority with more than 61 seats in total. However, Ra'am's passing the threshold altered this potential outcome and made things complicated for Netanyahu. With Shas, United Torah Judaism, and Religious Zionist on his side —a total number of 52 seats — it is still likely that Netanyahu can maintain his premiership, however, on several conditions. First, he needs to convince Yamina leader Bennett to join the alliance. On April 12, Yamina chairman Bennett said that he told Netanyahu that "his Likud party can count on his faction's vote to form a right-wing government." Bennett had previously introduced himself as "the prime minister candidate" and would most likely demand a strong role in the cabinet, such as in the foreign or defence ministries.

Netanyahu could strike an agreement with Bennett premised on a rotating premiership on the condition that he would have the first term as a legal shelter for his ongoing trial. However, Netanyahu could always change his mind before the rotation — much like in the case of his partnership with Gantz in the previous government — and call an election in the hopes of gaining enough of an advantage to form a government with fewer concessions to other parties. The likelihood of this would increase should he be acquitted of the current charges against him.

Whether Netanyahu seek to reach out to Ra'am leader Mansour Abbas regarding the missing one to two seats that are necessary to form the government remains an open question. This would nevertheless be a risky move given that Religious Zionist, and Yamina would certainly oppose it. However, several officials from the pro-Netanyahu bloc, including Likud's Druze member Ayoub Kara and Shas leader Aryeh Deri, were in talks with Abbas in recent weeks. It has also been reported that Netanyahu will try to persuade Smotrich and his far-right faction partner Itamar Ben Gvir to soften their stance towards Ra'am.

On the other side, even though he delivered a more neutral message in his first speech after the election, Abbas is also reportedly closer to supporting a Netanyahu-led government. The potential of his finding common policies with ultra-orthodox and far-right parties on social issues such as LGBT rights and his perception of Netanyahu as a realist who is "well aware of the limitations of military operations" may motivate him to align with the right-wing parties. Unlike other Arab parties in the Joint List that are known for their pro-secular stance and emphasis on Palestinian identity, Ra'am has an Islamist background alongside its Palestinian identity. The party is affiliated with the southern branch of the Islamic Movement in Israel after breaking from the northern branch over the question of political participation in the Knesset in 1996. Abbas has also previously lambasted leftist parties, saying that "What have I to do with the left? ... in religious matters, I'm right-wing". However, certain of Abbas' demands, like not giving a ministerial post to Itamar Ben Gvir, amending the Jewish nation-state law, granting building permits to Arab communities, and raising the percentage of Arab workers in the public sector, will also prove difficult policy points to advance with the pro-Netanyahu bloc.

For this reason, Netanyahu may try to convince some possible defectors from other parties, such as Sa'ar's New Hope. It was in this context that Yifat Shasha-Biton and Yoaz Handel from the New Hope Party said that Netanyahu's associates have tried to convince them to join Likud in exchange for several ministry positions. Considering the huge disappointment that Sa'ar faced after failing to meet its electoral expectations, this option while still possible for Netanyahu, is increasingly unlikely. In fact, following a long silence after election night, Netanyahu made his first speech by urging Sa'ar and Bennett to 'come home' in order to form a right-wing government with him.

Anti-Netanyahu Bloc

The task of forming a coalition is not any easier for the anti-Netanyahu camp. As the second most popular party in the recent election, Yesh Atid's chairman Yair Lapid stands out as the natural leader of this camp. Represent-

ing a pro-secular and centrist position in the Israeli political landscape, Lapid's potential coalition allies include the leftist parties, such as Labour, gain support from Arab political parties and, for this reason, it was unsurprising that Lapid called Abbas right after Ra'am passed the electoral threshold. The Yesh Atid leader has also met the Joint List's Odeh and Ti'bi, who both declared that they will consider recommending Lapid should he receive 55 recommendations from other members of the Knesset.

However, similar to Netanyahu, outreach to Arab parties complicates Lapid's negotiations, since he still needs extra support from Yamina, whose leader is known for his long-held anti-Arab views. Moreover, any support from Arab parties will be opposed by other party leaders, such as Lieberman, who sees Arabs as "the enemy of the state" and Sa'ar, who supports settlement policies in the West Bank.

A week after the election, some progress was made between Lapid and Bennett. The former politician had previously stated that he was against joining a Lapid-led government, however, the first signal of reconciliation was when Sa'ar appealed to Lapid to concede the premiership role to Bennett. Responding with a statement that he was willing to make "hurtful concessions," Lapid even reportedly agreed to reach an agreement with the Yamina party that would enable Bennett be the first to assume the premiership in a rotational agreement.[1] According to the Basic Law, coalitions can be formed by appointing two people for the prime minister position at the same time; one for the incumbent and another one for the alternate. When the rotation time comes, the current prime minister's term automatically expires and would then swap positions with the alternate prime minister without the need of forming a new government. Even if this bloc does somehow manage to form a government, it is not necessarily going to be long-serving as the only thing that they have in common is their opposition to Netanyahu. The bloc requires more points in common, other than opposing Netanyahu, to run a government for at least two to three years points that require creative policies and effective governance. However, disputes in terms of ideology, the role of secularism, the role of religion in politics, and settlements will remain extremely difficult to overcome.

A Minority Government?

Another possibility is the formation of a minority government. According to the law, a minority government can be formed if a majority can be reached among the deputies present during the investiture vote in Knesset for the approval of the cabinet. In other words, this possibility does not require the presence of all parties. Minority governments, however, are rare in Israel and they have only emerged after a party withdraws from a government in charge. The most recent example was the Yitzhak Rabin-led government in 1992. In 1993, Shas seceded from the

government as a protest against the Oslo Accords. Nevertheless, the government was able to endure as a minority government due to the outside support of the Arab parties, namely Hadash and the Arab Democratic Party, until Rabin was assassinated.

In order to form a minority government, one of two scenarios would have to occur. First, a Netanyahu-led minority government could be formed in the event of his convincing Ra'am to abstain from the investiture vote session and make his far-right allies in the Religious Zionist party (and Yamina, if it joins) accept the support of Abbas's party. This would enable him to form a minority government with 59 MKs. He could also try to convince New Hope to support him by convincing the party not to come to the investiture voting session. However, this effort would be more costly for him, since Bennett would only accept this option on the condition that he would take first place in the premiership rotation agreement, an offer Netanyahu would be unlikely to accept. The second option is an anti-Netanyahu-bloc-led minority government, which is a relatively more realistic feat than a pro-Netanyahu bloc minority government. For this, Lapid could either try to convince the Arab parties (Ra'am and the Joint List) to support outside or accept Bennett's demands. If he chooses the first option, this may garner a reaction from both Sa'ar and Lieberman. However, in the second option, Netanyahu could achieve a sufficient number of MKs (58) to form a government. It remains an open question, however, whether Lapid would accept giving the premiership to a party leader who received far fewer votes than him. Lastly, be it pro-Netanyahu or anti-Netanyahu, a minority government will be unable to do anything other than postpone another election, given the fragile ground it stands on.

Figure 1: **Voter Turnout in Israel Since 1996**
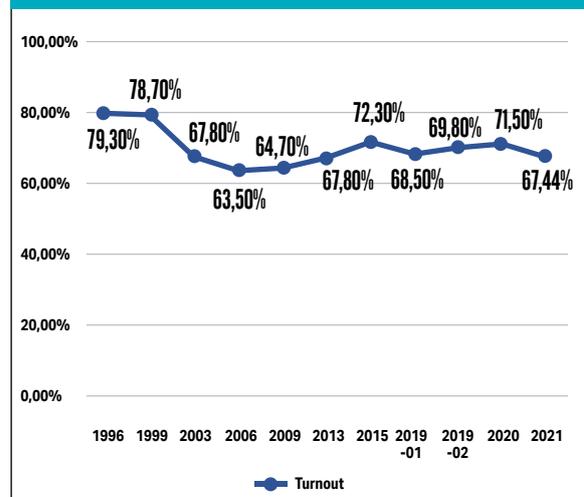
Source: Knesset Central Elections Committee

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[1] Governments formed on a rotation agreement have occurred twice in Israeli political history; Shamir-Peres in 1986 and, more recently, Netanyahu and Gantz in 2020.

What do these elections reveal?

The fourth election in two years has proven once again that the country's political system and election process is ineffective at forming stable governments. The lower voter turnout in the latest election has also showcased the eroding trust in the system. Despite certain modifications throughout the years, Israel has arguably reached the limits of its current political system and government-formation mechanisms. Even though it has been raised three times, the electoral threshold, which is currently 3.25%, is still low. Such a low threshold enables the representation of small political parties in the Knesset but also jeopardises the stability of the government overall, given that the withdrawal of a party from the coalition may lead to the dissolution of the government. According to a report by the Israel Democracy Institute, Israel has had elections every 2.3 years since 1996, a shorter period than 20 other democracies examined. In such a fragile political and electoral system, whether Israel will resort to raising the electoral threshold is a matter yet to be addressed.

Another reason for the current political deadlock is Netanyahu himself. Since 2009, he has become an increasingly controversial figure in Israeli politics. As the dominant politician in the country, debate on Netanyahu gradually shifted from policy-related issues to his personal political style, his luxurious lifestyle, and his family. The ongoing political rivalry between the pro-Netanyahu and anti-Netanyahu camps has resulted in four elections in two years. In the current situation, Netanyahu's ability to successfully manoeuvre through political crises seems to have been degraded and the anti-Netanyahu camp feels more consolidated and willing to place political differences aside. Nevertheless, neither of these camps are powerful enough alone to determine the political future of the country.

Moreover, the Netanyahu-led Likud is also going through a difficult stage, which may increase intense intra-party disputes. Many of the party leaders in the anti-Netanyahu camp are former Likud members. Having lost seven more seats than the previous election and with its leader facing a corruption trial, Likud is at a crossroads. Either it will cooperate with an Arab party to maintain power, which will contradict the party's right-wing agenda, or he will bow to the inevitable by losing power to an anti-Netanyahu coalition or dragging the country into another election, which may further erode the party's popularity. It should be noted that there are already some dissident voices from the party that oppose any negotiations with the Ra'am party.

In an historic speech in Nazareth on April 1, Mansour Abbas manifested an emerging reality in the Arab sector of the Israeli society. Even though the Joint List, which was formed based on the necessity of passing the electoral threshold, was successful in March of 2020, it could not bring concrete changes to the lives of its constituents. By being more open to talks with Jewish parties, Abbas has forced these parties to shift their position towards the Arab parties and gradually turned into a legitimate political actor in the eyes of Jewish politicians. Along with Lapid, Gantz and the left, even some politicians from Likud and the ultra-Orthodox parties need Abbas's support in order to end the political deadlock.

Another emerging reality is that young Haredi voters are becoming more nationalised. In this regard, they find religious Zionist parties with a more nationalist stance (Yamina, Religious Zionist) more appealing than the traditionally-popular religious parties such as United Torah Judaism and Shas. These young voters seem to find relatively younger politicians like Bezalel Smotrich, Itamar Ben-Gvir, and Naftali Bennett more appealing than the senior figures of the UTJ and Shas, such as Yaakov Litzman, Moshe Gafni, and Aryeh Deri. Putting these specific voting behaviours aside, 66% of young Haredi voters carry feelings of fear and hatred toward Arabs, according to a poll from the Hebrew University's aChord Center.

Last but not least, leftist parties could restore trust among their supporters, particularly with the change in leadership in the Labour party. However, this shift does not necessarily mean that Israel will soon see a leftist prime minister. As Israeli politics is increasingly becoming a playground for the right and far-right parties, both Labour and Meretz are far from being a viable alternative to their rivals.

Ayman Odeh (at the rostrum), leader of Arab Joint List, attends a conference after the end of voting in the fourth national election in two years, in the city of Shefa Amr, Israel on March 23, 2021. (Mostafa Alkharouf- Anadolu Agency)