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THE RECENT GOVERNMENT CRISIS AND ISRAEL'S POLITICAL FUTURE

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The Likud as Israel's Centrist Party / The "Real" Political Right -- How Right Is It? / The Two Major Parties and the Peace Process / Shamir Outmaneuvers His Rivals / Shamir's Peace Position / The Prognosis for Constitutional and Electoral Reform / The Future of the Likud

The Likud as Israel's Centrist Party

Especially in light of Israel's recent government crisis, it is important to emphasize that what most non-Israelis think of as Israel's political right, namely the Likud, has become in reality Israel's political center. It is still common in certain circles in Israel and abroad to describe the Likud as the political right. In fact, in the last eleven years the Likud has moved well into the political center.

This has always been true in domestic matters with regard to the welfare state where the Herut position was opposed to Histadrut control of key health and welfare institutions because it wished to replace Labor movement control with nationalization, not privatization. It is true with regard to the economy where there are few, if any, differences between the Labor and

Likud mainstreams with regard to privatization or, more accurately, the appropriate public-private mixture to stimulate Israel's economic growth, again excepting only the Likud's interest in weakening the Histadrut, in contrast to Labor's interest in bringing about the adaptation of that Labor movement institution to new realities. One of the reasons why the 1984 national unity government lasted was because on these issues there is so little difference between the two major parties, a factor which contributes to the strength of the 1988 unity coalition as well.

The "Real" Political Right -- How Right Is It?

There is a political right in Israel consisting of three parties represented in the Knesset -- HaTehiya, Tzomet,

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and Moledet -- plus Meir Kahana's Kach party which was excluded from the ballot in 1988 for being racist under the terms of Israeli law. That political right has seven seats in the Knesset and is united by a view of the Israel-Palestinian struggle as an uncompromising one in which the Palestinians will never truly recognize Israel's right to exist and cannot be trusted with more than local political power west of the Jordan River, if that. This view flows in part from the three parties' strong commitment to the retention of all of Eretz Israel west of the Jordan under Israeli rule by right as the ancient homeland of the Jewish people. They view the Six-Day War as the culmination of the Zionist enterprise with the liberation of the remaining territory west of the river and its opening to Jewish settlement and control.

In social and economic matters which usually define right and left in other countries -- in other words, on most domestic policy issues -- they are social democrats or new free enterprise progressives. Most of the leaders and supporters of these three parties had their political beginnings in the Labor camp or the National Religious Party when it was a religious version of the Labor party, so they share most of the social welfare goals of the Labor camp, as modified by the experiences of the last 30 years. In fact, they may even be greater supporters of the welfare state than much of the Israeli mainstream today because they believe in the communitarian character of the Jewish state. In other words, their "right-wing" character is confined to the twin issues of Israel's relationship to its land and to the Palestinians.

The Two Major Parties and the Peace Process

It is in connection with the future of the territories and the Palestinians that the two parties most differ. Even so, for the past several years both have moved in the same overall direction, toward recognition of the need to accommodate the Palestinian Arabs in some realistic way,

and, since the PLO initiative, may have begun to converge in the center. As Labor has moved to a position more willing to accept territorial compromise, Likud has also softened its stance in the direction of finding some satisfactory political role and status for the Palestinians.

Shamir's plan for elections in the territories as a first step toward a political settlement is a sign of how far he has moved from his original rejection of the Camp David Agreement a decade ago to his reliance on it to start peace negotiations now. Shamir's proposal calls for the election of a Palestinian council that would be responsible for the internal government of the Palestinians in the territories under an autonomy plan and, more important, would also be the Palestinian negotiating team for talks leading to a permanent solution. It seems that the plan calls for the division of the territories into ten single-member districts. Shamir has indicated that while only Palestinians resident in the territories will be acceptable as candidates, Israel will not question whether or not they have PLO connections. In fact, the single-member district system rather assures that those elected will be connected with the PLO, which is preferable from the Israeli as well as the PLO standpoint to a system which would allow the far more extremist Muslim fundamentalists, who totally reject Israel's right to exist and represent something over one-third of the total population in the territories, to be represented in the negotiating process. This step, which carries very great risks for Israel, has become the rallying point for all who want to realistically pursue a peace settlement, further strengthening Shamir's position at the center of Israeli politics.

As we have seen, this continues to be true despite the action of the Likud central committee (the party's principal governing body) on July 5, 1989, where Shamir and his supporters felt it necessary to compromise with those opposed to the peace initiative in order to preserve party unity and continue the peace process.

That is another reason why the Likud can be described as Israel's centrist party today.

Most of the former Liberals in the Likud favor some form of Israeli-Palestinian power-sharing, a position which, once unknown in Herut, has gained strength even in that party, albeit remaining a minority position. Prime Minister Shamir has combined very hard-line statements with suggestions that he, too, has moved toward some kind of power-sharing arrangement. The opposition to his right on this issue, primarily voiced by Ariel Sharon, David Levy, and Yitzhak Modai, is more a matter of internal party politics than deep conviction on the part of at least two of those figures who have on other occasions shown different faces to the public.

People "in the know" in Israel are firmly convinced that if Sharon were prime minister, anything could happen including significant territorial compromise if he thought it appropriate, while Levy and Modai have traditionally been more moderates than hawks. This is even more apparent among Likud voters who, since most are less ideologically bound than their party's leadership, are willing to be more realistic about the changes that have taken place among the Palestinian public. The leadership is well aware of this and will undoubtedly have to take it into consideration as they move the country further into the current peace process.

Shamir Outmaneuvers His Rivals

In the meantime it is well to recall that Yitzhak Shamir has outmaneuvered all of his foes within his own party and outside to consolidate his position in a way that few would have expected. He has now survived two Knesset elections as party leader, two internal struggles within his own party, and two bouts at coalition formation, each time emerging with a new success. Whereas prior to the 1984 election, his position in his own party was severely threatened, today he has the overwhelming majority of the party behind

him and faces no serious opposition, even from two skilled and potentially powerful opponents like Sharon and Levy. The Labor party, his chief rival, is widely perceived to be a "loser," an image that party head Shimon Peres has personally acquired. Four years ago Peres was upstaging Shamir at every turn. Today he is struggling for his own political life and has to bear the burdens of finance minister at a time of economic crisis, high unemployment, and the incipient collapse of several major Israeli industrial firms.

Shamir is clearly dominant on the Israeli and world political scenes. At the beginning of the present government, Peres tried to present himself as a competitor as he had in the previous government, but has been unable to carry out any significant measures in that direction. Shamir's principle supporter and colleague, Moshe Arens, sits in the Foreign Ministry, so that the prime minister and foreign minister speak with a single voice. Peres' principal rival in the Labor party, Yitzhak Rabin, is minister of defense, so that Labor must bear at least equal responsibility with Likud over the conduct of the war against the intifada, while Rabin pursues policies that are quite congruent with those of Shamir. Up and down the line, Labor's share in the coalition government is a maximum of burden with a minimum of potential benefit.

Labor's recent threat to leave the government in the wake of the Likud's reemphasis of its hard-line position actually demonstrated the party's weakness. No doubt a majority in the party would have liked to go into opposition, but all signs pointed to the likelihood of a disaster for Labor if they did. Without elections, Shamir would have to form an anti-peace government and the peace initiative would have fallen. Elections would have led to a further Labor decline. Leaving the government would have necessitated replacing Shimon Peres as party leader, but no leading substitute satisfactory to those seeking change is available and Peres would have fought to return to his post.

Shamir's new power is visible in every way. Take the World Jewry Solidarity Conference held in March 1989. Shamir and his close associate, Ehud Olmert, who was the Likud co-chairman of the Conference, managed to overcome what were initially strong objections from many diaspora Jews as well as from the Labor party, to score a major symbolic victory. The Labor party was coopted and Mordechai Gur, one of the new Labor ministers and who sees himself as a strong contender for party leadership, used his role as co-chairman to persuade skeptical diaspora Jewish leaders that the Conference was not to back the Likud but to back Israel, thereby strengthening his own contacts with the diaspora but bringing Shamir the successful event that he wanted. Olmert, by the same token, no doubt under Shamir's direction, clearly defined the Conference as one of support for the present Israeli coalition government as a whole, something that is very acceptable to Jews the world over. Thus the Conference took place amid predictions of dissension and when it concluded on the positive note that it took, everyone was more than pleased and Shamir was handed another victory.

Less than a month later, he achieved a similar victory in Washington by bringing a plan that promised sufficient progress in the short term, foreclosed nothing in the long term (despite his rhetorical disclaimers), and was clearly the best that the United States government or anyone else could get. Since then, the world has granted support to the Shamir plan with greater or less enthusiasm. Within Israel, as Shamir has been attacked on his right, his plan has served as a magnet for most of the center and even the moderate left. Personally, Shamir no doubt agrees with the strictures adopted in the Likud compromise resolution, namely that whatever peace negotiations are pursued, East Jerusalemites should not be allowed to vote in the elections, Jewish settlement in the territories should continue, no foreign sovereignty should be allowed west of the

Jordan, and there should be no negotiations with the PLO. On the other hand, he insists that those strictures represent only his party's stance and do not determine the meaning of the plan adopted by the government as a whole. Moreover, he claims that his party's endorsement of the government plan is more important than the strictures they attached.

All told, Shamir has shown his mettle in his strongest resources -- patience, solidity, and gentlemanly behavior -- to secure his position and advance his policies in the face of more outspoken and frenetic rivals. The real question today, then, is where he stands on the immediate issues of land and the Palestinians as well as such critical domestic issues as constitutional and electoral reform.

Shamir's Peace Position

With regard to peace, land, and the Palestinians, Shamir began his new term with a number of leaks suggesting that under the rubric of "confederation" he was prepared for what might be described as a joint Israel-Jordanian rule over the administered territories through which an autonomous Palestinian entity would be linked to Jordan for civil and political purposes, while Israel would retain principal control of the territory involved. This solution would still be an interim one but it could develop into a more formal confederation in the future. Subsequently he seemed to retreat from that position with a series of very harsh statements, at first delivered within Herut forums but broadcast publicly and then delivered in other forums as well.

Which is the real Shamir? It is hard to say but it is at least plausible that he is prepared for the first option. Nevertheless, as he saw Israeli and diaspora Jewish "doves" rushing to embrace the PLO and to grant the Palestinians an independent state when even Yasser Arafat was talking about a "confederation" along the lines of the Benelux arrangement (not exactly a true confederation but that is certainly an interesting opening position for the PLO),

he may have felt that it was necessary to reaffirm and reemphasize that the people in power in Israel are not about to give away the store. Whatever certain vocal Israelis and other Jews might be saying at a round of conferences in Belgium, New York, and Switzerland about a two-state solution, Shamir made it clear that the decision would be made in the government center in Jerusalem where he and his supporters rule the roost. At the same time Shamir has continued to hint that he is prepared to be forthcoming and conciliatory on his terms.

What remains is something of an enigma but with room for intelligent negotiation and maneuver, remembering that neither Shamir nor his government will be a party to any formal surrender of territory west of the Jordan River in the sense of giving it up completely. In the long run the possibility seems to be there for a federal solution, probably labelled "confederation," even if it is unconventional and does not follow the strict definition of a confederation, but it will have to be a position that constitutionally preserves a legitimate Israeli presence in those territories. It may be that this will be the great test for the United States peace-making effort, whether Americans can draw upon their own experience and that of others to devise such a federal solution.

The Prognosis for Constitutional and Electoral Reform

In the wake of the ugly and embarrassing coalition negotiations of November 1988, Shamir also seems to have resolved to press for far-reaching constitutional and electoral reform. Understanding that electoral reform alone, whether in the form of raising the minimum threshold needed to obtain seats in the Knesset under the present proportional representation system or moving to some form of district elections or some combination of both, will not solve the problem of minor parties being decisive in determining which of the two major parties will form a government, the prime minister apparently opted for the

direct election of the head of government as a chief executive. Last December, several private draft bills were introduced by Likud members of the Knesset. This led to the appointment of a coalition committee consisting of leading Likud and Labor ministers and Knesset members to work out a plan combining constitutional and electoral reform agreeable to both parties and capable of being enacted early in the life of the present Knesset. That committee has reported a compromise electoral reform proposal and is backing away from any recommendation of direct election of the head of government.

Needless to say, as time passes, ugly memories of the coalition negotiations fade, and the stability of the present government increases, the major parties become less interested in an electoral reform that will change the status quo. Thus Israel is presently in a race between the feeling of necessity to make constitutional changes and the relaxation of that feeling coming from the daily experience of the present government. The smaller parties, left, right and center, remain opposed to any changes that would weaken them. Even the large parties agree that no change should be introduced that would force a strictly two-party system and thereby deny such permanent minorities as the religious bloc and the Arabs the chance to elect their own representatives to the Knesset, even if it is desirable not to leave either of those two groups in a position of being able to determine which major party will form the government.

The Future of the Likud

Any doubt over the Likud's position as Israel's leading party should have been dispelled by the results of the municipal elections on February 28, 1989. While Shamir was wrong to claim that those elections were a referendum on his policies toward the PLO and the territories -- they were fought out on local issues almost exclusively in each community -- he can legitimately claim that the serious drubbing that the Likud administered to Labor in

the municipal arena for the first time, was strong evidence of Likud's expanded grassroots support and superior party organization. The municipal elections further stabilized his government and gave him more of the political muscle he needs to lead the country, especially along a path that may well lead to confrontation with the United States and Europe, not to speak of the rest of the world.

Since 1977 it has been apparent that Israel's demographics are such that, all other things being equal, the Likud should gain one to two additional seats at every quadrennial election. It is only the Likud's failure at actual governance that has prevented this result. Even so, the demographics have meant that Likud does not lose. This situation is likely to persist, especially if Labor cannot revivify and

revitalize itself with new leadership that will be attractive to Israel's floating vote. At present, Likud seems strong, if relatively inflexible, and still not highly competent at governing, while Labor seems flexible but weak, torn apart by internal struggles, and obsolete, with no new leadership visible in the wings. Under such circumstances Likud will continue to constitute the political center and a generally victorious one at that.

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