

# Netanyahu Faces the Future

From time immemorial, Jews have disagreed about how to deal with their problems. Differences were expressed strongly when the Israelites who had just left Pharaoh's Egypt complained to Moses that he had taken them away to die in the wilderness. Three thousand years later, the contemporary Israelites who have converted that wilderness into a miracle in the desert are still strongly divided on domestic and international issues and on the nature of their response to unremitting hostility or to criticism by the United States administration and European leaders.

The current differences within Israel were prominently displayed during and after its parliamentary election on March 17, 2015. Holding a wide variety of views, 25 parties competed for the 120 seats in the Knesset, and ten parties gained some. The result, that refuted public opinion polls, was a comfortable if not decisive victory for Prime Minister Benjamin Netanyahu, now Israel's second longest serving prime minister.

In a cliff hanging process of prolonged and intense negotiations that ended only two hours before the deadline mandated by law, Netanyahu was able to cobble together a coalition government of five parties that has a razor-thin, one-seat majority of 61 seats. Avigdor Lieberman, chair of Yisrael Beiteinu, resigned as foreign minister, refused to join the coalition, and said his party would sit in the opposition. A new feature in the political spectrum is the combined United Arab Bloc, a merger of diverse Arab political parties, which won 14 seats and is a part of the opposition.

What was most disappointing is that the leader of the center-left Zionist Camp, Isaac Herzog, refused to join the coalition to make it a unity government with a 61 plus majority.

The coalition is therefore a compromise between Netanyahu's party Likud (30 seats) and the smaller parties, the right wing national religious Jewish Home Party (8 seats), the secular centrist Kalanu (10 seats), the Ultra Orthodox Shas (7 seats) and the United Torah Judaism (UTJ) (6 seats).

The new coalition faces immediate critical policy issues, the international negotiations and any arrangement about Iran's nuclear program, as well as the continuing and divisive issue of the relationship with Palestinians in the West Bank and Gaza.

On Iran's nuclear ambitions, there is general consensus among Israeli ministers that the ongoing negotiations may lead to a nuclear deal allowing Iran weapons of mass destruction that endanger the whole world as well as Israel. American and European leaders must be aware that Iranian officials hold that they have God's permission to liquidate Israel.

On the Palestinian issue, the differences are acute, internally and externally. Within the coalition, problems include the disparity between the post-election utterances on Netanyahu, "a sustainable peaceful two-state solution... (but) circumstances have to change," and the fervent position of Jewish Home not to make compromises but to promote construction of settlements.

Equally important on the Palestinian issue is the tension between Netanyahu on one side and the United States and Europeans on the other. This is no longer a family feud. Acrimony is replacing friendship. The prime minister said that Israel would "advance the diplomatic process and strive for a peace agreement with the Palestinians and all our neighbors." President Barack Obama, implicitly critical of Israel, said on May 12, 2015 that "serious questions about overall commitment" have made progress on a two-state solution difficult.

Even more hostile to Israel, and surprisingly critical of

President Obama, is the letter also sent on May 12 by a group of former European political leaders and diplomats calling for the European Union to reassess its policy on the issue of a Palestinian state. They expressed "low confidence" that the U.S. had the ability to led substantive negotiations between Israelis and Palestinians. Using strong language, they also maintained that the financial and political assistance given by Europe and America to the Palestinian Authority achieved "little more than the preservation of the Israeli occupation of the West Bank and imprisonment of Gaza."

Perhaps most disconcerting is the strident rhetoric and belligerent actions of those so-called progressive thinkers who are intolerant of Jews and of the State of Israel.

On the domestic front, the Israeli government has two immediate issues. One is decision on a budget that has to be approved within 100 days. The other is the proposal by Netanyahu to increase the number of ministers from 18 to 22. This is a question not of policy but of politics. The prime minister needs to satisfy the ambitions of members of the coalition by providing them with ministries. The first stage of the consequent bill in the Knesset passed by 61 votes to 59.

Israel must also deal with a host of political, social and economic issues on which the political parties disagree. Among the political questions are the need to reform the electoral system, both to change or minimize the impact of proportional representation and also to make it more difficult for a vote in the Knesset to defeat the prime minister; the greater participation in society of ultra-Orthodox people; a check on the power of the Israeli Supreme Court to invalidate legislation; and the identification of Israel as a "Jewish state".

Some of the parties are troubled by the ability of the Supreme Court to limit legislation. Ayalet Shaked, a member of Jewish

Home, one of the troubled parties, has been appointed Justice minister. The appointment of Shaked, a 39 year-old who had served only two years in the Knesset and a supporter of the settler movement, has caused controversy. She had previously helped pass the law ending military service exemptions for orthodox Jews. She will now be involved in a number of issues including one on the ability of the Supreme Court to strike down legislation.

Likud appeared to have made few specific economic policy proposals during the election campaign. In contrast, Kalanu, and its leader Moshe Kahlon, now Finance minister, campaigned on social and economic issues, on resolving the housing crisis, and on reforming the economy.

The two ultra-Orthodox parties, after an absence of two years, have returned to government. Both parties called for more funding for their institutions, for cancelling of VAT on basic foods, and for increased child benefits. UTJ obtained the chair of the influential Knesset Finance Committee. The immediate objective for them is to minimize or end legislation on ultra-Orthodox military conscription, an issue on which the other parties in the coalition are divided.

The State of Israel has problems but it also has assets to overcome them. Political division exists in the context of extraordinary economic and social success. Israel has a GNP of \$307 billion, and GNP per capita of \$36,000. Economic growth over the last five years has been 21%, the second highest rate of the 34 members of OECD (Organization for Economic Cooperation and Development). Israel's high tech sector is booming, and the country is regarded as a technology innovation leader in many areas. Its cyber security technologies amount to 10% of the world's investments.

Moses may have taken a wrong turning while wandering in the desert away from the oil fields of the south, but Israel now obtains 38 per cent of energy from its own sources and is on

its way to energy self sufficiency. Israel is a highly educated country, with 300,000 currently enrolled in colleges and universities across the country. It ranks 19th on the UN Human Development Index, based on education, income, and life expectancy factors.

Critics obsessed with the Palestinian issue need reminding that Israel is the only democratic country in the Middle East, existing in a context of a region of political instability and incessant violence and failed states. Unlike Arab states, it is the only country in the region that has successfully absorbed immigrants from countries, especially those from Russia or North Africa, with no heritage of democratic political behavior. For almost a century, Jews in the region have faced and responded successfully to enormous challenges of national and personal security.

The former European leaders and the Obama administration might well respect the existence of the Middle East's democratic country, and admire its success in the midst of its internal and external problems. Those genuinely concerned with the need for positive change in the region should address the instability of the Arab non-democratic countries, give serious attention to lessening the violence and turmoil in the Arab countries, and persuade the Palestinian leaders to come to the negotiating table.

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