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In Israel, Change Coalition Ousts Netanyahu, But Little Change Expected

A new Israeli government is set to replace long-serving Prime Minister Benjamin Netanyahu. As Crisis Group expert Mairav Zonszein explains, however, not much but antipathy for the ex-premier holds the prospective cabinet together. It may well struggle to survive.

How did the Change coalition come about and what does it look like?

Barring last-minute twists, a new Israeli government will be sworn in on 13 June. The new cabinet, a tenuous coalition known as Change, will take the helm after twelve years with Benjamin Netanyahu as prime minister and four elections in two years that ended with no clear winner. The last election, held in March, likewise produced no obvious victor, leaving Netanyahu to try forming yet another governing coalition of his own. But he failed to gather the necessary 61 Knesset members within the prescribed 28-day window, and so President Reuven Rivlin charged centrist Yair Lapid, head of Yesh Atid, the second largest party after Netanyahu's Likud, with the job. On 2 June, just an hour before the deadline, and following an eleven-day war with Hamas in Gaza that froze coalition negotiations, Lapid brokered a power-sharing agreement among eight parties ranging from the religious nationalist hard right (Yamina) to the secular right (Yisrael Beiteinu and New Hope) and centre (Yesh Atid and Blue and White), what remains of the Zionist left

(Labour and Meretz) and even a conservative Islamist party, the United Arab List.

Under the coalition agreement, ultra-nationalist Naftali Bennett of Yamina, who supports the annexation of Palestinian territories, will serve as prime minister for two years, with Lapid as foreign minister. After Bennett's term expires, and assuming that the coalition lasts that long, Lapid will become premier. The fact that Bennett will serve as prime minister first despite Yamina getting just seven out of 120 Knesset seats (around 6 per cent of the vote), compared with Yesh Atid's seventeen seats, is testament to how far right the Israeli body politic has moved that centrist and left party leaders were willing to make that sacrifice. It also shows how much Netanyahu has shaped the positions even of his political opponents. Such a coalition could only arise in the first place because three of its leaders – Bennett, Gideon Sa'ar and Avigdor Lieberman – are right-wing politicians who have defected from Netanyahu's camp over the years. Another, Defence Minister Benny Gantz from the soft-right Blue and White, was left holding his own worthless rotation agreement

with the outgoing prime minister as he came to realise that Netanyahu would never honour it.

The coalition labels itself Change. Its two main features are the absence of Netanyahu and its relative ideological diversity. For the first time in over twenty years, Meretz, an anti-occupation leftist party, is part of the government; for only the second time in Israeli history, a Palestinian Arab – Meretz's Issawi Frej – will be a minister. (He has the regional cooperation portfolio.) Labour, which dominated Israeli politics until the mid-1970s and remained strong through the 1990s, is also in the government. In its present emaciated state, the party was formerly a partner for Netanyahu, but of late it has adopted a more liberal and resolutely anti-Netanyahu tone under the new leadership of Merav Michaeli. If Change does not collapse at the eleventh hour, it will also be the first time in fourteen years that a government is formed without Likud or ultra-Orthodox Jewish parties like Shas, the traditional standard bearers of the right.

The new government also marks the first time a Palestinian Arab party – the United Arab List – has signed on as part of a governing coalition. Arab parties have provided only outside support in the past. The List's inclusion, while historic, is a double-edged sword. The presence of a non-Zionist party representing Palestinian citizens could be a stepping stone toward more representative government in Israel. But it is noteworthy that when a non-Zionist party finally joined a government, the one that did so broke from the unified Joint List of four parties representing the Palestinian Arab population. It also did it without mentioning key issues that matter to Palestinian citizens of Israel, namely ending Israel's siege on Gaza and the overall occupation of Palestinian territories. The image of Bennett, Lapid and the List's leader Mansour Abbas signing an agreement is laden with symbolism. But only time will tell whether the List's inclusion will herald a new politics addressing Palestinian aspirations or instead help legitimise a hard-right annexationist as prime minister.

In any case, while the inclusion of left Zionist and Palestinian parties is significant, it does not mean that these forces will be able to sway the direction of Israeli governance. The right remains clearly in the ascendant.

Since the coalition negotiations began, those on the right seeking an alternative to Netanyahu have dictated the new government's terms, since without the right it could not exist. Israel's left wing, even those elements of it closer to the centre, has become so weak that it was almost certain to agree to serve in a government – even one in which its foe Bennett is prime minister – if invited. To join, Labour and Meretz had to make significant concessions, reflected in the distribution of ministerial portfolios: most of the critical ministries, those defined as “ideological” – interior, finance, justice and education – have gone to members of the right, while defence will remain under Gantz, who led several Gaza operations under Netanyahu.

Netanyahu has repeatedly accused Bennett of putting together a left-wing government that will endanger Israeli security; in turn, Bennett has repeatedly said that his government will be even more right-wing than its predecessor. Spin aside, a Bennett-Lapid government will be deferential to its hard right and in effect have a majority-right “security cabinet” in charge of major decisions. It is hard to see either Lapid or Gantz providing an ideological counterbalance, as neither has shown strong political vision and both have served under Netanyahu in the past. Netanyahu's apparent new gambit, acting from the opposition, is to play on tensions within the coalition in an attempt to bring down the government by pushing Bennett to alienate either his coalition allies or members of his own faction, who see him selling them out.

Who are Naftali Bennett and Yair Lapid?

Naftali Bennett, 49, is the self-declared leader of Israel's national religious movement. The son of Jewish immigrants to Israel from California, Bennett is a former army commando and former head of the Yesha Council (the main political body representing Jewish settlers in

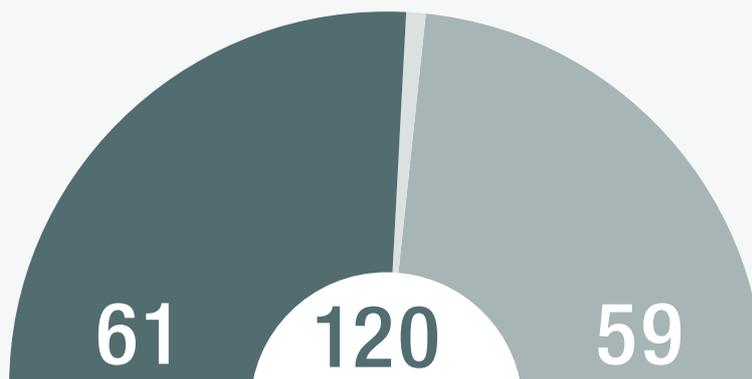
occupied territory), where he led the campaign against the settlement freeze that President Barack Obama called for in 2010. Yet he does not live in a settlement like some of his colleagues in the coalition. A successful hi-tech entrepreneur, Bennett has seemingly preferred “making money to settling hilltops”. Nonetheless, he is poised to become Israel’s first kippa-wearing, observant prime minister. Bennett served as chief of staff for Netanyahu in 2006-2008. He first entered politics as part of Likud in 2007 but quickly broke away. In 2013, he won twelve Knesset seats as head of the religious, pro-settlement Jewish Home Party, but failed to cross the threshold in the April 2019 election. He served as minister of economy and religious services in 2013-2015, as education minister in 2015-2019 and as defence minister in 2019-2020.

Bennett is a territorial maximalist. He categorically opposes a two-state solution and the formation of a Palestinian state. In 2013, he told *The New Yorker*: “I will do everything in my power to make sure they never get a state”.

He has advocated for Israel’s unilateral annexation of 60 per cent of the West Bank, namely the parts that the 1993 Oslo accords designate as Area C, which have remained under full Israeli military control pending the – highly unlikely – fulfilment of those agreements. Bennett has also called for increased Jewish control over the Holy Esplanade (Temple Mount/Haram al-Sharif) in Jerusalem. When it comes to flash-points of conflict in East Jerusalem, like Sheikh Jarrah and Silwan, Bennett is not expected to calm tensions. Dvir Kahana, one person Bennett is considering as director general of his office, has held senior positions with Elad, a right-wing settler organisation dedicated to settling Jews in occupied East Jerusalem.

On relations with hostile neighbours, Bennett’s position can be summed up by a Talmudic verse that appears in his party platform: “If someone comes to *kill you, rise up and kill him first*”. In October 2018, Bennett stated that if he were defence minister, he would institute a shoot-to-kill policy directed at Palestinians attempting to walk across the boundary

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between Israel and Gaza. He has proposed that Israel should strike Tehran in response to any attack in Israel, whatever its origin, that seems in any way related to Iran. He has also called for turning Syria into “Iran’s Vietnam”.

Yair Lapid, 57, is a former TV host, author and journalist. He first came into politics in 2012, when he formed Yesh Atid (There is a Future) following demonstrations against the high cost of living. Lapid campaigned on redistribution of state funds away from subsidies for settlements and ultra-Orthodox Jews. He served a short stint as finance minister in the Netanyahu government in 2013.

A self-defined liberal and centrist, Lapid has often shifted his positions when politically convenient, at times putting himself squarely in the right-wing camp with appeals to soft-right voters. For example, he does not call for an end to Israeli occupation, and he has railed against Israeli anti-occupation and human rights groups like B’tselem and Breaking the Silence. His Yesh Atid party officially backs a two-state solution but has never put forth a program for how to achieve one, and in any case his opposition to dividing Jerusalem renders his support for a two-state solution nominal.

At the same time, Lapid has sharpened his political positioning since breaking his alliance with Gantz after the latter entered a coalition with Netanyahu in March 2020. In doing so, Gantz reneged on his main campaign promise to replace the long-serving prime minister. Lapid stood his ground and refused to cooperate with Netanyahu. In a significant shift, Lapid, who once mocked all Palestinian Arab Knesset members as “Zoabis”, a reference to former Knesset member Hanin Zoabi of the Balad Party, who angered her Zionist colleagues with her strong critiques of state policy, announced in March that he would seek to work with Palestinian Arab parties in forming a government.

What is the biggest challenge this cabinet is likely to face?

Survival. This coalition is extremely fragile. The glue keeping it together is determination to oust Netanyahu. Now that he is out, it will be very

difficult for the Change coalition to do much else. Its main goal is to prove that the country can move on from Netanyahu, but Netanyahu is likely to continue doing everything in his power to undermine the new coalition, assuming that he remains head of the opposition. He has already started pursuing a scorched-earth approach, castigating his opponents as dangerous to Israel’s security in an attempt to ignite a base already up in arms about the new coalition, to the point that the Shin Bet (General Security Service) warned that his online incitement could lead to physical harm. The Shin Bet has assigned security details to several coalition members, including Bennett and some of his Yamina colleagues, due to threats against them and their families.

The coalition will find it challenging to make major decisions, as the underlying agreement requires consensus for every bill submitted to the Knesset. Despite its name, Lapid and Bennett have indicated that the Change coalition will not consider any policy shift on Israeli-Palestinian issues. It will focus instead on areas on which agreement is possible, such as the economy, infrastructure and basic government operations, which have been stuck as a result of the political deadlock of the last two years.

Considering that stalemate, the very act of replacing Netanyahu is seismic. As someone who has lost much of the public’s trust, made numerous political enemies and refused to step down after being indicted on several corruption charges, Netanyahu is an embattled figure. His obsession with promoting his own interests led him to make ministerial appointments from an ever-narrowing circle based heavily on loyalty over merit, while he tried to impose his will on the police, the courts and the media. Replacing Netanyahu holds out the possibility that the new government will offer, at least at first, a degree of professionalism and perhaps even a mild counterweight to the hard-right, divisive politics of the Netanyahu era.

But Netanyahu’s hardline policies, including consolidating Jewish-Israeli sovereignty in the occupied territories and employing excessive force against Palestinians, are uncontroversial

in Israel. They have majority support among the Jewish public and in the Knesset. On that front, little will change.

The coalition's likely first task will be to pass a budget, which no cabinet has done since 2019. The new government may also try to pass electoral reforms including term limits for political leaders, which could prevent Netanyahu from running for office again. But the fate of such draft legislation – different versions of the bill are floating around – is unclear. Should Netanyahu remain Likud leader, he will have a base in the Knesset from which to exploit divisions within the coalition in order to stage a comeback. But if his party colleagues get rid of him, the Knesset's right-wing majority, then under a new Likud leader, would be in a strong position to put together its own governing coalition without going to still another general election.

The coalition agreement includes a clause about legislation regarding the Supreme Court's powers, a flagship right-wing issue of late. The proposed Basic Law on Legislation would determine whether the Court has the authority to strike down Basic Laws, and whether a Knesset majority could overrule it if it did so, potentially stripping the Supreme Court of its ability to soften any particularly egregious policy. Both Bennett and Sa'ar, leader of the secular right New Hope, are committed to reforms that shift power away from the judicial branch. In that respect, the new government's right-wing members have the same agenda as Netanyahu, but one driven exclusively by ideology rather than concerns over lawsuits pending against them personally.

On matters of religion and state, Lieberman's Yisrael Beiteinu has a list of secular demands for the new government to support that include drafting Orthodox Jews who study in yeshivas into the military (at present, religious students are exempt from service), as well as a bill allowing civil unions, ending the monopoly on certification of kosher food and establishments, and promoting the study of core curricula in ultra-Orthodox Jewish schools. It is unclear if any of these measures

will go through, because Bennett and Sa'ar want to maintain their relations with the ultra-Orthodox – a core right-wing base – in service of their long-term political ambitions. The ultra-Orthodox have been unrelenting and even incendiary in their attacks on the new coalition, and may prove to be a disruptive street presence opposing the incoming government.

The United Arab List's Abbas says the coalition agreement includes a pledge to spend billions of shekels in state funding for infrastructure and crime fighting in Palestinian towns in Israel; to extend state recognition to some Bedouin villages; and to discuss an amendment to the Kaminitz Law, which allows for demolition of Palestinian homes lacking building permits when Palestinian citizens are unable to get such permits due to discriminatory zoning practices. Abbas will also serve as chair of the Knesset Interior Committee, which oversees government policy on internal security, planning and building – all matters of utmost concern to Palestinian citizens.

How might this coalition affect Israeli-Palestinian dynamics?

This coalition is likely to maintain the status quo when it comes to the Palestinian question. But as the April-May violence throughout Israel-Palestine showed, there is no status quo regarding the Palestinians, only deepening de facto annexation and continued systematic denial of basic rights and freedoms – a situation that is increasingly proving volatile. Bennett is committed to a Greater Israel ideology, by which Israel should cede no square inch of land to the Palestinians. But he has gone into a government with partners whom the hard right considers “leftists”, so critics may question his devotion to that project. Bennett has also reaffirmed that he will not flinch from resuming strikes upon Gaza if he deems it necessary.

There is a broadly held view among domestic commentators, and even some coalition members, that this government won't be able to focus on anything other than domestic issues, and will have to steer clear of the controversial

Palestinian question. This notion cannot survive the test of reality. In its own way, the occupation is also a domestic issue. Things will happen: demolition and dispossession orders will come up to be carried out (including in Sheikh Jarrah and elsewhere in East Jerusalem), as will new settlement construction and infrastructure projects. There will be new restrictions on Palestinian movements, as well as more arrests and military raids. The major escalation in violence in April-May, which traversed the different domains of Israeli control over Palestinians, is still at the front of many minds. Netanyahu has also intentionally placed some landmines waiting to explode, such as toughening conditions under which relief aid and reconstruction funds will be allowed to enter Gaza. Pressure to protect the right flank will likely drive policy.

Bennett and Lapid, like Netanyahu, are both committed to ensuring deterrence through force vis-à-vis Hamas in Gaza and Hizbollah in Lebanon, and offered no alternative vision. The consensus military approach of conducting “wars between wars” (targeted campaigns to pre-empt perceived threats) will likely endure. The new government may be at greater risk of miscalculation as Bennett and his top advisers find their feet amid dynamics of internal competition. External pressure, particularly from Hizbollah, could pose a serious test for this new and untried leadership.

The government is very likely to seek to improve relations with Jordan, which became severely strained under Netanyahu. It may try to reintegrate Jordan into management of the Palestinian file, especially concerning the Holy Esplanade.

What about the delicate interplay between Israel and the U.S.?

Tension is likely to emerge within the government over relations with the U.S., which has long been Israel’s closest ally and its main protector from international pressure regarding the Palestinian question. Some of its members want to continue Netanyahu’s overt partisanship – favouring Republican politicians over Democrats – while others, like Lapid and Gantz, wish to get past this tactic and work more closely with the Biden administration. Will Bennett, egged on by the hard right, take a hard line with the White House? He very well might. From the U.S. side, many within the traditional pro-Israel lobby, the Democratic Party’s more conservative wing and the Biden administration itself have an interest in resetting the U.S.-Israel relationship away from the Netanyahu era. This would involve depicting the installation of this Netanyahu-less government as turning a new page and thus try to drown out voices of criticism toward Israel among left-leaning Democrats. It could also mean trying to bypass Bennett and communicate primarily with Foreign Minister Lapid and Defence Minister Gantz, who can give a moderate face to what will continue to be hardline and illegal Israeli policies vis-à-vis the Palestinians.

A U.S.-Israel reset will also be severely tested as the Biden administration continues trying to restore the 2015 Iran nuclear deal. From his new perch leading the opposition, Netanyahu may use the Iran issue as a main line of attack, homing in on the new leaders’ inexperience. The government’s ability to survive is therefore far from guaranteed.



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