

Muddled Israeli Political Picture Could Keep Olmert in Power

Interviewee: Gerald M. Steinberg

Interviewer: Bernard Gwertzman

August 4, 2008
Council on Foreign Relations

In late July, Israeli Prime Minister Ehud Olmert announced plans to step down as soon as his Kadima party elects a new leader in a vote scheduled for September 17. Yet it remains far from certain whether Olmert will actually depart office at that time, says Gerald M. Steinberg, an expert on Israeli politics. Steinberg says the country's political system is so chaotic that Olmert could well stay on as much as six months beyond his planned departure in September. The looming leadership succession contest within Kadima will likely pivot on national security issues, he says. Regarding Olmert initiatives such as peace talks with Palestinian and Syrian leaders, he says: "There's no real credibility among Israelis for either set of negotiations," adding that he doesn't suspect that dynamic is likely to change much following the installation of a new prime minister.

Prime Minister Ehud Olmert, who is being investigated for a number of alleged crimes, announced suddenly last week that he would resign as prime minister once his Kadima party picks a new party leader next month. Who do you think will emerge as the Kadima leader?

I think the odds are Foreign Minister Tzipi Livni, but they are not high. We haven't had any kind of a campaign yet, and there's really no precedent. [Former Prime Minister] Ariel Sharon formed this party in 2005 and put himself at the top. He gave Olmert the second position, largely because Olmert was cooperative and wasn't threatening. And Olmert became prime minister [after Sharon suffered a crippling stroke] and carried Kadima through the elections because there was no other choice. His announcement is going to open up Kadima completely. Having served as foreign minister and being entirely untouched by corruption, Tzipi Livni is generally popular. But for the political operatives that are members of Kadima, other issues like security and the likelihood of a clash with Iran give Transportation Minister Shaul Mofaz, the former military chief of staff, an edge. If Israel is going to have a confrontation with Iran, or another one with Hezbollah in Lebanon, or with Hamas in Gaza, he will assert that he is the one that should be chosen.

Let's move on then to the other leading politicians in Israel. Everyone knows former Prime Minister Benjamin Netanyahu, the head of Likud. Who's head of Labor right now?

Ehud Barak, former chief of staff and the former Labor prime minister, who is now defense minister in the governing coalition. And it's interesting that the two dominant alternatives in terms of Israeli party leaders are both ex-prime ministers who served short terms and were ousted by the voters after they were considered to have been failures.

Is it really going to happen that Olmert resigns in September?

Olmert left himself a pretty large escape hatch for perhaps up to six months. Olmert can't really resign until there's a new government in place. If his government resigns, by Israeli law, he automatically becomes a caretaker prime minister, and the entire government stays in place until a new government is chosen, or new elections are held, and then there will be a new government.

What does it take for new elections to be held?

If the leader of Kadima—which is the largest party and the main faction in the coalition—is unable to form a government with a majority in the Knesset, the system is essentially frozen. The president may then, under the Israeli system, turn to one of the other party leaders. But the chances are that nobody will be able to form a majority since there are something like fourteen, fifteen, maybe more parties now being represented in the Knesset. If no one can form a government, then the Knesset will have to dissolve itself and go to elections. If Kadima elections are held on September 17, the runoff [would be held] a week later, and then we try to create a new government. It's the Jewish holiday period so there's very few working days. That could easily run on through all of October, and then perhaps another month after that. And at that point, it may be determined that elections have to be held, and that takes us through another ninety days, through the end of February, early March. Conceivably, Olmert could be an acting prime minister throughout that period.

Assuming Olmert resigns, and a new party leader's chosen in September, why doesn't the new government just stay in place?

The question is whether the new leader of Kadima can get all of the parties in the government, which comprises a little over sixty-one of the 120 votes in the Knesset, to stay in place. What will the partners do? Labor is the second largest coalition partner. And there are many voices in Labor that say "we will do better with the voters as an opposition party. We should have been an opposition party from the beginning. It is our duty to bring down the government and go to elections. Otherwise, when elections do take place in another six months, or a year later, if there are economic crises or if there are military crises that our government fails, we will be blamed for them."

So you think there's a good chance Barak would pull out of the coalition?

Barak does not really want to go to elections because his own position is not that stable as head of the party. He could well be challenged, severely. He has not had a chance to establish himself since he took over the party after the Lebanon War. There's a lot of, not so much distrust, but lack of enthusiasm for him in the Labor party. And so there are many members of the party, including members of the Knesset, who actually wanted to bring down the government and go to elections. And with a change in prime minister, that will increase the voices even more strongly. Plus, we have the religion parties that are uncomfortable with this coalition, but at the same time have been hesitating on whether or not it would serve their interests to go to elections.

If elections were held tomorrow, who would win? Do you have any idea?

The polls up until last week all said Netanyahu and Likud. It's important to recognize a couple of things. Olmert never had much popularity, and after the Lebanon War his popularity was single digits. Then, with the corruption scandal, he must have gone into minus. And as a result, the Likud Party under Netanyahu, which did very badly in the 2006 elections, has enjoyed a significant renaissance. One final fact is that it has brought in someone who may turn out to be an effective challenger in terms of a putative minister of defense, Uzi Dayan, who is relatively popular. He's [former Defense Minister] Moshe Dayan's nephew; he was head of the National Security Council. He's not right-wing, yet he joined Netanyahu and Likud, largely, I think, because he saw them as the most likely party to take over government. Dayan also has a clean reputation, like Tzipi Livni. This contrasts very strongly with most of the current Israeli political class. So there are indications that Netanyahu will do well. But Tzipi Livni does have a personal popularity factor going for her. And she is somewhat, if I can make a distant analogy, like Barack Obama. People don't know her very well, but she's younger and a somewhat more interesting and inspiring figure.

Olmert's been very deeply involved in both the negotiations with the Palestinians, and of course directing the mediated negotiations with the Syrians through the Turks. He's always been very optimistic about the possible outcomes of these talks. What's going to happen?

There's no real credibility among Israelis for either set of negotiations. I don't think that's going to change very much. A lot of these activities are consensus-based, in the sense that the next government will look at what's really going on behind the scenes, and if there are Israeli interests, they will generally supersede party interests. If Netanyahu gets elected, we may see certainly less enthusiasm for an agreement with [Palestinian] President Mahmoud Abbas, and what's left of his Palestinian Authority. Someone from Kadima, like Tzipi Livni, may try harder for that. In general, the Syrian negotiation, we're seeing, is not going anywhere. There may be proximity talks, but it's very hard for Israelis to take them seriously.

The whole elections system seems rather convoluted. What's your opinion of it?

The system is basically the system that was adopted by the early Zionist, Theodor Herzl, in the late nineteenth century. We've got a political system that worked for Zionism when Jews of all sorts of different perspectives lived scattered around the world. And this allowed every community and every faction to have representatives. It's a total failure as a system for governing a nation state. In Israel, electoral reform is always high on the agenda, but the details are always hard to get agreement on. All of those issues of how to establish a political system after 2000 years of living in diaspora have left the system very fragmented. How do you get to a working, modern political system? That is going to be an issue during the elections. But it will be one that will be difficult to get a consensus on.

What is the main problem? That there are so many parties?

Well, the system is built for parties. You vote for a party in elections, not for an individual. We tried, once, for a few years, to have two ballots: one for a prime minister and one for the parties. What happened then was it gave the parties even more power, because the people who voted chose

Sharon for prime minister, and then they voted for all sorts of little parties, saying, "Well if Sharon is going to be prime minister, I can vote for anybody I want in the Knesset." And it became absolute gridlock. What we have now is still gridlock, but it was even worse when we had the change. The current political classes do not want to give up their power. For instance, there are no electoral districts. You vote for a national ticket, a party—that's all. And so the leaders of the party, who get a lot of their power through manipulation of funding, are the ones who make the rules. In fact, that's a lot of what the Olmert corruption trial is about.

Do you have to have a minimum of votes to get somebody elected?

It is approximately 2 percent.

The best odds, right now, are for what? That Olmert will remain as a de facto prime minister even after he has officially resigned?

I'd say that's most likely, yes. He won't be party leader, but the prime minister is prime minister until there is another prime minister to replace him.