This paper is based on Yoram Peri's presentation at the Wilson Center on April 12, 2013.

Haleh referred to the sunny sky that enabled so many people to attend this meeting; unfortunately, I cannot compare this with the political weather in Israel. It was much sunnier on April 9 when Secretary of State John Kerry had a long conversation with Prime Minister Benjamin Netanyahu. Kerry left the meeting saying that the talks were very constructive. On April 11, President Barack Obama added that we now have a window of opportunity. But I'm afraid that clouds have recently covered the sun.

It seems that both the Palestinians and the Israelis do not yet accept the basic principles that were laid down by Kerry for the renewal of the negotiations. The Palestinians have several preconditions and demand that Israel freeze the establishment of settlements and free prisoners prior to the negotiations. The Israeli government announced, first informally and then more formally, that it cannot accept Kerry's plan. It does not agree to negotiate boundaries and security only, but rather wants to discuss also the substantive questions, such as Jerusalem and the Palestinians' right of return. Furthermore, they demand a clear Palestinian recognition that Israel is a Jewish state.

So it seems that the probability for a resumption of the talks is less today than it was in early April. Had the secretary of state consulted me before April, I would have told him to expect no less than these results. Thus, I am not optimistic regarding the near future.

My intention today is not to look at the regional conflict but rather to analyze domestic politics in Israel following the establishment of the new government. I am going to use the Sunday *Washington Post* style of refuting five myths.

Correcting Five Myths

The first is the myth many held during the election period. Then, pundits, journalists, observers, foreign journalists, and even voters predicted that Netanyahu's coalition would increase its power in the elections. I will be very brief on this point, because most of you know that this belief has collapsed. The expectations before the election were that the right-wing bloc in Israel, which had held 64 out of 120 seats, would gain more power in the elections. Some pollsters said that this bloc would reach 70 or 71 seats. No one forecast a decline in its number of Knesset seats. Maybe, instead of analyzing voters' intentions, they should have paid attention to one pollster who asked a few days before the elections: from whom would you buy a second-hand car? Approximately 20 percent of the electorate mentioned Netanyahu, and that's more or less what he got in the elections.

So the expectations that the elections would be what political scientists call "reinforcing elections" were wrong. They were "preserving elections"; the balance of power remained more or less as it was prior to the elections.

What you have now, as before the elections, are two major blocs: the right-wing bloc, including the secular voters represented by Likud and the two major religious parties, and the left-wing bloc. Not many seats, only two or three, moved from one bloc to the other. The left received more popular support than the right. The left-wing bloc received 1,890,000 votes, and the right-wing bloc received 1,853,000 votes. But because there were so many parties (three dozen ran for the Knesset; only 12 crossed the 2 percent threshold), many votes were lost and therefore the right-wing bloc had a slight majority. So, not much has changed in the balance of power between these two blocs.

The big surprise of the elections has been the new centrist party, Yesh Atid (There is a Future), led by the handsome and popular television anchorman, Yair Lapid, a new politician. But was his centrist party really a new phenomenon? This is the second myth I would like to dispel. In fact, Israel has had a number of centrist parties in the last 30 years or so. Lapid himself is the son of another journalist, Yosef Lapid, whose party won 15 seats when he ran for the Knesset in 2003, a substantial power that made him deputy prime minister. His son Yair did not win much more -19 seats.

Prior to Yosef Lapid, there were other centrist parties. The most remembered is Dash, led by a retired general (turned famous archaeologist), Yigael Yadin. In 1977, Dash received 16 out of the 120 seats in the Knesset. The interesting thing about these centrist parties is that they don't last for more than one or two four-year Knesset terms. The question today is: what will the future of Yair Lapid be? Nevertheless, it is inaccurate to argue that his centrist party is a new phenomenon.

The basic structure of the Israeli Knesset, thus, has not changed. What did change? The balance of power within the right-wing bloc and within the Likud party in particular. Within the Likud, the more liberal and moderate-wing people, such as Benny Begin (son of former Prime Minister Menachem Begin), Dan Meridor, and others, failed in the primaries. They were replaced by extremists among the Likud leadership, including Moshe Feiglin and the new deputy defense minister, Danny Danon, among others. The Likud party, thus, moved to the right and became very hawkish and ultra-nationalist. So much so that Netanyahu today can actually be considered as one of the few representatives of the small moderate wing of the party.

Another expression of the radicalization of the party is the strengthened representation of the settlers, who hold today almost 10 percent (11 seats) in the 19th Knesset. Very symbolically, in 2013, 65 years since the establishment of the Israeli state, there is not a single member of the kibbutz movement in the Knesset. In the first Knesset in 1948, there were 26 kibbutzniks. This social-democratic movement has disappeared in the nation's house of representatives. Indeed, the kibbutz movement was a reflection of the original power system and political culture in Israel. What represents the new structure and culture presently is the settlement movement, and another group – the religious constituency. As part of the 2013 elections, there has been a huge increase in the number of Orthodox and ultra-Orthodox members of the Knesset. Almost one-third of them – 39 – wear a yarmulke.

While the right-wing bloc has radicalized, the left-wing bloc has suffered from several deficiencies. It is fragmented into too many parties; none of the parties' leaders is a major national figure, and they disagree on the two major issues of Israel's agenda. On the economy, they are divided between social-democrats and neo-liberals; on the Palestinian issue, they are divided between doves and hawks.

What makes the left-wing bloc even weaker is a crucial institutional problem: namely, its attitudes toward the Israeli Arabs and their parties. The Palestinian citizens of Israel (not to be confused with the Palestinians in the occupied territories) generally divide their votes among three parties with about 10-13 members; in the current Knesset, they have 11 members. However, a coalition that includes these "Arab parties" is perceived as illegitimate by most Jewish parties, including those of the left. Legally, the Palestinian voters are equal citizens of Israel; their Knesset members are equal to Jewish Knesset members, but for Israeli Jews, it is considered illegitimate to establish a coalition with Arab parties. Therefore, the left loses 10 or 11 or 12 seats as potential partners for a coalition. If the balance of power between the left and the right really hangs on 2 or 3 seats, and you lose these 10 seats, then it is very difficult to reach a majority in the Knesset.

The third myth that I would like to discuss is the belief that the younger generation of Israelis will push the government to adopt more conciliatory policies vis-à-vis the Palestinians. What did happen in these elections is that the younger voters, the millennials, voted against the veteran leaders, the old-standing parties, and the ancient political culture in general. They were looking for new politics, new leaders, and new parties. Indeed, most of them voted for two new parties led by two new leaders. The liberal seculars supported Yesh Atid of Lapid; and the religious and nationalist conservatives supported the Jewish Home party of Naftali Bennett. In order to understand why they did this, you have to go back to the summer of 2011 and the "tent cities" movement in Israel. This protest movement began earlier than Occupy Wall Street did in the United States. It was an unexpected uprising that dealt with social and economic issues, not political ones. (When I speak about "political issues," I am referring to issues relating to security, foreign affairs, the West Bank, Palestinians, negotiations, peace, terrorists, etc.) Interestingly, the early demonstrations started because some people were fed up with the high price of cottage cheese, the most popular white cheese in Israel. Then the issues became the high cost of housing and education.

Young Israelis do not believe the "political" issues I referred to earlier should be on the top of the agenda of the new government. Not because they don't think such issues are important, but because they don't believe they are solvable in the near future, "because there is no Palestinian partner." They also do not recognize any significant difference between the positions of the "old" Israeli parties, whether Likud, Labor, or Kadima. The peace process, they argue, has occupied the political leaders for a quarter of a century to no avail; better to try and change what can be changed in Israeli society rather than continue the endless and fruitless effort to bring peace.

One should understand how this viewpoint developed. The political socialization of the millennials took place in the first decade after the collapse of the peace process in 2000. They

saw the breakdown of the negotiations, the eruption of the second intifada, and the suicide attacks on their cafes and discotheques in Tel Aviv, and on buses and in the student cafeterias on the Hebrew University campus in Jerusalem. They saw the Israel Defense Forces withdrawing from south Lebanon, expecting calm in this region, and yet Hezbollah continued its attacks on innocent civilians. They saw Prime Minister Ariel Sharon evacuating Jewish settlements in Gaza and withdrawing from it, expecting calm in the south, and yet Hamas continued to fire rockets at Israeli towns and villages there. They lost faith that peace would be achieved in the near decade, or even beyond.

Indeed, only 24 percent of the posts on social media outlets during the election period dealt with the political issues, while more than 70 percent dealt with social and economic issues – the cost of living in particular. Another hot subject was "equity," the demand from the Israeli secular youth that their ultra-Orthodox counterparts serve in the military as they do, instead of studying in the religious colleges, the Yeshivot (plural of Yeshiva), while enjoying state subsidies.

So this "sociological generation," to use Karl Manheim's term, comprising hundreds of thousands of young voters, preferred the two new parties led by their young new leaders who emphasized these topics during the election campaign. By contrast, Tzipi Livni, the former leader of the Kadima party, which previously had more Knesset seats than the Likud and continued raising the political issues, was not able to gain more than 6 seats in this election.

The success of the protest movement in the elections shattered yet another misconception that prevailed in 2011-2013. When the young demonstrators went into the streets in the summer of 2011 and mobilized the largest demonstration in the history of Israel, many pundits contended that this social movement would not transform itself into a political movement but would instead remain a part of Israel's vibrant civil society. They referred to the precedent of the Green movement in Germany, which took almost ten years to ripen into a political movement. Most Israeli analysts said the same would occur in Israel. No one expected the tent movement to have such successful political achievements so quickly.

And indeed it did. In the new Knesset, an unprecedented 49 out of 120 Knesset members are new; many of them are very young. Three new members were student leaders. Most new members are not professional politicians but, rather, leaders of various NGOs, as representatives of civil society. It is the first time in the history of the Knesset that you do not see a new group of generals-turned-politicians, but rather journalists and media types (no less than nine). There are more women in the Knesset, not enough in my opinion because there are only 27, but still more than ever. So there is clearly a real change in the Knesset's composition, reflecting the strength of Israeli civil society and Israeli democracy. In most developed democracies, there has been a continuing decline in election turnout, particularly by young people. Yet in Israel, turnout went up. Seventy-nine percent of Israelis participated in the elections in 1999. The figure went down to 65 percent in 2009; but in 2013 it went up again to more than 67 percent, manifesting a high level of participation and the existence of a strong democratic ethos.

Fourth Generation of Leaders

The leaders of this generation, Lapid and Bennett in particular, represent a fascinating new phenomenon: the emergence of the fourth generation of Israeli leaders. They are not yet prime ministers, but they lead large parties, and one of them might be elected to the position in the next election.

The first generation was that of the founding fathers and mothers: David Ben-Gurion, Golda Meir, and Moshe Sharett on the left, and Menahem Begin and Moshe Shamir on the right. Yitzhak Rabin, Shimon Peres, and Ariel Sharon belong to the second generation – the critical event that shaped their *weltanschauung* was the War of Independence. Most of them were in uniform during the war and took over the national helm when the first generation left the stage after the October 1973 Yom Kippur War.

The crucial event of the third generation was the Six Day War of 1967. For these leaders – Ehud Barak, Benjamin Netanyahu, and Ehud Olmert – the most important issues were the future of the territories, the problems of occupation and terrorism, and the peace process. The fourth generation that is emerging is comprised of those whose political socialization took place well after 1967, in the first ten years of the 21st century.

When I travel with my son from Tel Aviv to Jerusalem, I see the Green Line, that is, the pre-1967 border between Israel and Jordan. He doesn't see it. For him – he was born in 1979 – Israel is one geographic entity, including the occupied territories. For his generation, there are many troublesome problems in Israel that need repair; the political issue of the Palestinians is just one among many. And because there is no trust that there is a Palestinian partner for negotiations, why don't we focus on solving the solvable socio-economic issues?

Let me move to the fourth myth that I would like to refute. According to this myth, found in many of the commentaries on the new Israeli cabinet, the new generation of members of the Knesset (MKs) and particularly Bennett and Lapid, who forced Netanyahu to form a coalition without the ultra-Orthodox parties, are stronger and, therefore, Netanyahu is weaker.

This is a false interpretation of the Israeli political reality. What has happened, as I discussed earlier, is that the right-wing bloc lost some power in the Knesset election. But the experienced Netanyahu was able to outmaneuver the young, new politicians when he established his cabinet. First of all, while the coalition is supported equally by the Likud Knesset faction and the other parliamentary groups, Netanyahu was able to allocate more cabinet seats to the right-wing parties than to the centrist parties. In spite of the fact that the right-wing bloc lost some power, and Netanyahu's party in particular lost many seats, he is as strong as ever in the cabinet.

Usually, about four members of the Knesset entitle a coalition party to one seat in the cabinet. But while this norm was more or less kept for the new coalition partners, the old parties, particularly the Likud, have one cabinet portfolio for fewer Knesset members. In the case of Avigdor Lieberman's party (Yisrael Beiteinu, now a faction within the Likud), he got one seat in the cabinet for every two seats it has in the Knesset. Thus, the cabinet does not reflect the power structure in the Knesset, but gives more power to the right. Secondly, this imbalance is emphasized when the division of portfolios in the cabinet is examined more closely. The new parties and politicians got all of the ministries relating to socio-economic fields. The ultimate example is Lapid, who was appointed minister of finance. All the ministries that are related to the "political" field, namely security, foreign affairs, and the territories, were kept by the right-wingers. The defense minister is Moshe Ya'alon, a pronounced hawk. Lieberman is the chair of the Knesset Foreign Affairs and Defense Committee. The minister of housing, who controls the budgets for housing and, thus, can influence settlement activity, was a leader of the settlement movement. The deputy ministers of the defense minister and foreign minister are also members of the ultra-nationalist movement and opponents of the two-state solution.

So, despite the fact that the right wing lost power in the Knesset, it is not the moderates but rather the extremists who control the center of gravity in the new coalition with regard to Israel's existential issues, i.e., national security and foreign affairs. If you add that fact to what I said earlier, that there is a shift to the right in the Likud, you understand why it is quite difficult to expect major policy changes by the present government. One can support or criticize the Israeli government's policy, but one must understand the structure of the coalition that shapes it. As Henry Kissinger said many years ago, Israel does not have a foreign policy; its foreign policy is an extension of its domestic policy.

The fifth myth that continues to prevail is that the power of the religious parties was diminished in these elections. It is true that the ultra-Orthodox parties do not participate in the government coalition, but it is wrong to assume that the religious bloc lost power. What happened is interesting. The religious bloc in Israel has two wings: one is the ultra-Orthodox (called *Haredim* in Hebrew) and the other is the National Religious Party, whose members are called National Religious or modern Orthodox. These two schools differ on two main issues. One is the attitude toward the Zionist movement, which was originally secular. The *Haredim* believed that Jews should wait for the Messiah to bring them to the Holy Land, and, thus, the secular Zionist movement committed a terrible sin. They also oppose any adaptation to modernity. That's why you see *Haredi* men walking in the streets of Jerusalem in the middle of the summer wearing fur hats that used to be worn by the Polish nobility and were adopted by Jews in Poland hundreds of years ago.

The National Religious Party, on the other hand, accepted modernity and cooperated with the secular Zionists, seeing in Zionism the fulfillment of God's grand strategy of redemption. When Israel was established, there were more members of the National Religious Party in the Knesset than there were from the ultra-Orthodox *Haredi* parties. In the last 20 years, the balance of power between the two has changed and the ultra-Orthodox have become much stronger. They control the religious institutions, the chief rabbinate, and even the Knesset allocation and appropriation committee.

Since taking control over the National Religious Party, Naftali Bennett, who is a young, selfmade wealthy entrepreneur and the son of American immigrants, has been able to present a new face to this movement, attracting particularly young conservative and nationalist voters. No wonder the party gained exactly the same number of seats as the ultra-Orthodox, 11 seats for each. Bennett forced Netanyahu to exclude the ultra-Orthodox from the government coalition, a move supported by the majority secular sector. They had witnessed during the past 15 years or so how the *Haredim*, whose major goal in the past had been just to keep their autonomous way of life, had gained the power to begin shaping the public sphere. During the same period, the number of Yeshiva students exempted from military service increased by many thousands.

Thus, the power of the ultra-Orthodox has indeed been curtailed; but regarding the National Religious Party, the opposite has occurred. And while this party is more moderate on religious affairs, it is definitely more radical on the issue of the territories. During the election campaign, Bennett advocated unilateral annexation of 60 percent of the occupied territories to Israel.

If one wishes to better understand Israel's role in the Middle East conflict and predict the Israeli position in future negotiations, he or she has to look at the domestic forces and political constellations in Israeli society. Otherwise, a tumble into the trap created by various myths is inevitable.

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