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Israel: 2021 parliamentary election and new coalition government

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Summary

Israel held Parliamentary elections on 23 March 2021, to elect members of the Knesset. This was the fourth election in two years and came less than a year since the swearing-in of the "unity government" in May 2020.

37 political parties and factions contested the election and 13 went on to win at least one of the 120 seats in the chamber.

The election campaign was low key and largely seen as a referendum on Prime Minister Benjamin Netanyahu's leadership.

Official results from Israel's Central Election Commission show Netanyahu's Likud party won the most seats in the Knesset, although not enough to form a government or to indicate a clear path towards a coalition.

On 6 April 2021 Israel's President, Reuven Rivlin, asked Netanyahu to form the next government. However, Netanyahu wasn't able to form a coalition government within the 28-day time period.

On 5 May Yesh Atid leader Yair Lapid was tasked with forming a government and, on 2 June, informed the President that he had been able to do so.

As part of a rotation arrangement under the terms of the coalition agreement, Yamina's Natfali Bennett will serve as Prime Minister until September 2023, before Lapid takes over to serve until the end of the Knesset term in November 2025.

Bennett was sworn in as Prime Minister on 13 June 2021, after winning a confidence vote in the Knesset by just one vote. The coalition was approved by 60 votes to 59, with one abstention.

1   Background

Elections to Israel's unicameral legislature – the Knesset (Parliament) – are scheduled to take place every four years, although early elections frequently occur. This is the fourth election in two years.

Early elections can happen for several reasons: by Presidential edict; a majority vote in the Knesset; or the Knesset failing to approve a budget bill by the date stipulated.

Israeli citizens aged 18 and older are eligible to vote and candidates must be at least 21. There are additional restrictions on who can stand for election; for example, the President of Israel, the two Chief Rabbis, holders of high office in the civil service and soldiers in compulsory service cannot serve in the Knesset.

The Knesset has 120 seats and Israel uses the closed list system of proportional representation in elections.

Under Israel's closed-list system, the electorate votes for a political party – or group of parties – and not for individual candidates. Parties have different ways of selecting the order of candidates on their list: some are appointed directly by party leaders; some are chosen in a vote amongst party members; and others hold primaries.

The 2021 elections were required when a deadline to approve a 2020 budget expired on 23 December 2020. Under such circumstances The Knesset is automatically dissolved as required by law and an election must take place 90 days later; in this instance, 23 March 2021[1].

An 11th-hour attempt to avoid a dissolution and allow the rival coalition parties time to reconcile their differences failed, with a Bill to delay the budget deadline being rejected by 49 votes to 47 in the Knesset. Netanyahu took part in the vote, casting his ballot in favour of the Bill, believing he would win a majority. However, three Blue and White Knesset members defied party discipline and voted against the Bill, as did a Likud member[2].

This failure to pass a budget came just seven months after the swearing-in of the "unity government" between Likud and Blue and White. In May 2020 the two parties, which had fought each other in three indecisive elections, agreed

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[1] 'Israel election: New poll due after unity government crumbles', *BBC News Online*, 22 December 2020
[2] 'Knesset rejects bill to delay budget deadline, sending Israel to elections', *The Times of Israel*, 22 December 2020

to form a power-sharing government with a rotating premiership between Prime Minister Benjamin Netanyahu and Blue and White leader Benny Gantz.

However, despite pledges to put aside their differences to concentrate on fighting the Covid-19 pandemic, there was political turmoil in government and both leaders claimed the other was breaking the coalition agreement[3].

Netanyahu, who has held power uninterrupted since 2009 – and also served a term as prime minister from 1996-1999 – hoped that the 2021 elections would further extend his record of being Israel's longest-serving leader, but he faced a strong challenge from opposition parties.

However, he was unable to build a new coalition government and, on 13 June 2021, Natfali Bennett was sworn in as Prime Minister, ending Netanyahu's premiership.

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[3] 'Israel calls 4th election in 2 years as Netanyahu-Gantz coalition collapses', *The Times of Israel*, 23 December 2020

2 2021 Parliamentary election

2.1 Political parties

A total of 37 political parties and factions contested the Israeli elections in 2021; of these, 12 have regularly passed the 3.25 per cent electoral threshold for entry (with a minimum of four seats) to the Knesset.

The parties and factions listed in this section are those that have regularly passed the electoral threshold in recent elections. They are listed alphabetically.

Blue and White

Blue and White – referring to the colours of the Israeli flag – was founded in 2019 by Benny Gantz and presents itself as a centrist party, aiming to unite Israeli society.

Blue and White was initially a political alliance of three political parties and centred around defeating Netanyahu. Its members were Benny Gantz's Israel Resilience, Yair Lapid's Yesh Atid, and Moshe Ya'alon's Telem.

However, the alliance collapsed following the March 2020 elections, when Gantz decided to negotiate with Netanyahu on forming a coalition government. Following the split, the Israel Resilience Party kept the Blue and White name.

Blue and White supports strengthening the main settlement blocks and ensuring normal daily life for Israelis in all settlements. At the same time, it calls for economic development in Palestinian areas and increased freedom of movement, setting the stage for a potential peace deal in the future[4].

The party also proposes a new national service arrangement in which those who do not serve in the IDF are able to perform civil service in security, law enforcement, rescue, and agricultural bodies.

Joint List

Joint List is an alliance of mostly Arab parties: Communist Arab-Jewish Hadash, nationalist Balad, and Ahmad Tibi's Ta'al party.

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[4] 'Here we go again: ToI's guide to the 37 parties still seeking your vote', *The Times of Israel*, 22 March 2021

As such, Joint List ranges from well-educated progressive Communists to socially conservative Palestinian nationalists to a small minority of left-wing Jewish members.

The bloc was formed in 2015 in response to a new law raising the election threshold, which threatened to prevent Arab political parties from winning seats in the Knesset.

Joint List policies include easing the housing crisis in Arab cities by opposing legislation that they consider targets illegal construction in Arab cities. The bloc also opposes the 2018 nation-state law, which defined Israel as the nation-state of the Jewish people and demoted the official status of Arabic[5].

Labor

Labor is a centre-left party and, historically, has led the Israeli left. The party is in favour of equality for all citizens of Israel and supports the two-state solution, backing the establishment of a demilitarised Palestinian state alongside Israel[6].

Labor's manifesto proposes a year of paid maternity leave for either the mother or father and free education from birth until university.

Internationally, the party has criticised Netanyahu's handling of foreign affairs, specifically the tense relationship with Democratic administrations in the US and the failure to contain Iran's nuclear programme[7].

Likud

Likud is a right-wing nationalist party that opposes the two-state solution that would establish an independent Palestinian state[8].

The party was founded in 1973 by a merger of right-wing parties and is led by Prime Minister Benjamin Netanyahu, who was been Prime Minister since 2009 and is the longest-serving prime minister in the country's history.

In this election campaign, Likud has made two consistent promises: to prioritise economic recovery from the Covid-19 pandemic; and to sign further agreements to normalise relations with Arab nations. Four such agreements have been signed over the past year and Likud aims expand this, to include as many as four additional countries[9].

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[5]   Ibid.

[6]   Ibid.

[7]   Ibid.

[8]   Knesset elections 2021: a guide to Israel's political parties, Israel Policy Forum, 10 March 2021

[9]   'Here we go again: ToI's guide to the 37 parties still seeking your vote', *The Times of Israel*, 22 March 2021

Meretz

Meretz defines itself as left-wing and strongly advocates for a Palestinian state, along with minority rights and religious pluralism within all of Israel[10].

Founded in 1992 as a joint list of several left-wing parties, Meretz has branded itself as staunchly anti-occupation and pro-two states.

Meretz has called for immediate negotiations with the Palestinian Authority and the loosening of restrictions on both the Gaza Strip and Palestinians living in the West Bank.

The party also has an extensive platform of progressive domestic proposals, openly calling for the raising of taxes on top earners, increasing both the education and health budgets, whilst championing LGBT rights[11].

New Hope

New Hope is a right-wing, nationalist party that opposes the two-state solution.

The party was founded in December 2020 by Gideon Sa'ar, a long standing member of Likud who had served as education and interior minister. New Hope includes several other Likud members who have become disillusioned with Netanyahu.

The party has pledged to protect West Bank settlements and agriculture, reform the judicial system and to improve schools and minimise education gaps[12].

New Hope also proposes setting a term limit of eight years for Prime Ministers and changing the electoral system to include some representatives elected by district.

Religious Zionism

Religious Zionism is a union of three far-right, religious Zionist factions: Bezalel Smotrich's National Union, Itamar Ben-Gvir's Otzma Yehudit (Jewish Power), and Avi Moaz's Noam. The bloc was established to ensure votes for right-wing parties met the electoral threshold for seats in Knesset.

The bloc staunchly opposes the two-state solution and is anti-LGBT[13].

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[10] Ibid.

[11] Ibid.

[12] 'Sa'ar registers new party, says it'll back settlements and judicial reform', *The Times of Israel*, 17 December 2020

[13] 'Here we go again: ToI's guide to the 37 parties still seeking your vote', *The Times of Israel*, 22 March 2021

Shas

Shas is a socially conservative party that campaigns on Orthodox Jewish values.

The party was founded by former Chief Sephardi Rabbi Ovadia Yosef in 1984 and does not take an official position on the Israel-Palestinian situation.

In the election campaign, Shas pledged to help those Israelis worst-hit by the Covid-19 pandemic and other policies include upholding the Orthodox monopoly on religious affairs.

In February 2021, Shas signed Netanyahu's loyalty pledge, agreeing that – after the 2021 elections – the party would not independently join a government led by any party other than Likud[14].

United Arab List (Ra'am)

The United Arab List is a socially conservative Islamist party and was founded in 1996.

Primarily known by its Hebrew acronym Ra'am – meaning "thunder" – the party is the political wing of the southern branch of Israel's Islamic Movement.

Ra'am is anti-Zionist, supports the two-state solution, and distinguishes itself from other Arab political parties by its social conservatism.

The party's key priorities are fighting the rise of violence and organised crime in Arab Israeli communities[15].

United Torah Judaism

United Torah Judaism is a joint list of two Haredi parties: the Hassidic Agudat Yisrael, led by Yaakov Litzman, and the Lithuanian (non-Hassidic) Degel HaTorah, led by Moshe Gafni. The bloc is socially conservative and does not take a position on the Israel-Palestinian situation.

The party pledges to uphold Orthodox Jewish tradition and is firmly committed to Netanyahu, refusing to join any government not led by him[16].

Yamina ("Rightward")

Yamina is a right-wing, religious party that is staunchly opposed to the creation of a Palestinian state[17].

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[14] Ibid.

[15] Ibid.

[16] Ibid.

[17] Knesset elections 2021: a guide to Israel's political parties, Israel Policy Forum, 10 March 2021

The party was officially founded in 2019 and was formerly a union of several right-of-Likud parties.

Yamina's election campaign has centred around the Covid-19 pandemic and the associated economic crisis, with calls to cut taxes and policies to revitalise businesses and the economy. The party has attempted to position itself as the home for right-wing voters frustrated with the government's handling of the pandemic.

Yesh Atid ("There is a future")

Yesh Atid is a centrist, secular party that supports the two-state solution.

Founded in 2012 by leader Yair Lapid, the party gained rapid support and became a prominent player in Israeli politics from the 2013 elections, when Lapid joined a Likud-led government as Finance Minister. He subsequently fell out with Netanyahu. Since then, Lapid has been a prominent opposition figure and Yesh Atid led the opposition in the most recent Knesset[18].

The party published one of the most comprehensive platforms of any political party for the 2021 elections, offering proposals on combatting corruption, environmental sustainability programmes and religion[19].

Other proposals included: strengthening Knesset oversight over the cabinet and limiting the number of ministers; term limits on the post of prime minister; instituting a written constitution for Israel; strengthening anti-corruption rules in government; and expanding work opportunities for minorities.

Yisrael Beytenu

Yisrael Beytenu is a right-wing, secularist party and was formed in 1999 by Avigdor Liberman, who remains leader.

Since its origins in representing Russian-speaking Israelis and Jews, the party has enjoyed strong support amongst Russian-speaking Israelis, although the party has sought to expand beyond this narrow base.

Officially, the party supports a two-state solution based on the so-called Liberman Plan, under which Israel would transfer the Triangle area (a predominantly Arab region adjacent to the Green Line) to the Palestinians. This plan has been opposed by many as it would deprive hundreds of thousands of Israeli Arabs of their citizenship[20].

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[18] Knesset elections 2021: a guide to Israel's political parties, Israel Policy Forum, 10 March 2021

[19] 'Here we go again: ToI's guide to the 37 parties still seeking your vote', *The Times of Israel*, 22 March 2021

[20] Knesset elections 2021: a guide to Israel's political parties, Israel Policy Forum, 10 March 2021

2.2 Election campaign

The Israeli election campaign was largely devoid of any debate about issues and instead was widely seen as a referendum on Netanyahu's leadership.

Netanyahu has been the dominant campaigner and hailed Israel's highly successful coronavirus vaccination drive as a key achievement of his most recent term in office[21]. On 23 March 2021, election day, 60.01 per cent of the country's population had received at least the first dose of the vaccine[22], enabling the Israeli Government to allow restaurants and shops to open.

The Prime Minister's opponents have targeted other aspects of Netanyahu's management of the Covid-19 pandemic, which saw some of his allies able to ignore lockdown rules, whilst repeated national lockdowns deepened economic hardship for some in the early months.

There were also several demonstrations against coronavirus restrictions in Orthodox neighbourhoods, with protesters opposing the ban on communal prayers and restrictions on use of mikveh ritual baths[23].

The other achievement highlighted in Netanyahu's campaign was the signing of diplomatic accords to normalise relations between Israel and four Arab nations in the past year: Bahrain, Morocco, Sudan and the United Arab Emirates.

But even the Prime Minister's reputation as a statesman suffered in the closing days of the election campaign. The United Arab Emirates, one of the four Arab nations to establish official diplomatic ties with Israel, stated that it did not want to be used as part of Netanyahu's re-election bid. The new Biden administration in the United States also kept its distance, a sharp contrast to the support Netanyahu received in recent elections from former President Trump[24].

Netanyahu's trial on corruption charges was another focus of the opposition, who suggested someone who is under indictment for serious crimes should not lead the country[25]. Netanyahu has been charged with fraud, breach of trust and accepting bribes in a series of scandals that he dismisses as an orchestrated campaign by a hostile media and legal system.

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[21] 'Explainer: Israelis vote again, facing uncertain outcome', *BBC Monitoring*, 18 March 2021

[22] Coronavirus (COVID-19) Vaccinations, Our World in Data [accessed 1 April 2021]

[23] 'Police clash with stone-throwing Haredi protesters in Jerusalem, 5 arrested', *The Times of Israel*, 20 April 2020

[24] 'Eternal gridlock: No clear winner in Israeli elections', *Politico*, 24 March 2021

[25] Ibid.

2.3   Election results

Official results from Israel's Central Election Commission show Prime Minister Benjamin Netanyahu's Likud party won the most seats in the Knesset.

Table 1: 2021 Parliamentary election results			
Party	**No. of valid votes**	**% of valid votes**	**Seats**
Likud	1,066,892	24.19	30
Yesh Atid	614,112	13.93	17
Shas	316,008	7.17	9
Blue and White	292,257	6.63	8
Yamina	273,836	6.21	7
Labor	268,767	6.09	7
United Torah Judaism	248,391	5.63	7
Yisrael Beytenu	248,370	5.63	7
Religious Zionism	225,641	5.12	6
Joint List	212,583	4.82	6
New Hope	209,161	4.74	6
Meretz	202,218	4.59	6
United Arab List (Ra'am)	167,064	3.79	4
Others	64,752	1.46	-
TOTAL	**4,410,052**	**100.00**	**120**

Source: Central Election Commission for the 24th Knesset [Retrieved 31 March 2021]

2.4   Coalition negotiations and new PM

President Reuven Rivlin met with all party leaders on 31 March, as he continued to consider who will receive the mandate to form the next government.

In his initial consultations with party leaders, 52 of the 120 members in the Knesset endorsed Netanyahu; opposition leader Yair Lapid was backed by 45; and Yamina's Naftali Bennett secured 7 endorsements[26].

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[26] 'Netanyahu nominated to try to form Israeli government', *the Guardian*, 6 April 2021

Three parties, with a total of 16 Knesset seats, declined to nominate a candidate in their first meetings with Rivlin[27].

On 6 April, the President announced Netanyahu had been asked to form the next government. President Rivlin said:

> I have come to a decision based on the numbers of recommendations [from lawmakers], which indicates that Benjamin Netanyahu has a slightly higher chance of forming a government. I have decided to entrust him with the task of doing so.[28]

Netanyahu had 28 days to try to put together a coalition and, on the day before the 4 May deadline, he said he was ready to step aside as Prime Minister and to let Bennett serve first in a rotation agreement. Bennett immediately dismissed this proposal and said Netanyahu simply didn't have the votes to form a coalition.[29]

On 5 May President Rivlin announced he had tasked Yesh Atid leader Yair Lapid with forming Israel's next government. Lapid, like Netanyahu before him, was given 28 days to build a coalition.

In his statement the President acknowledged that Lapid may not initially lead the government that he'd been tasked with forming, referring to Lapid's willingness to allow Naftali Bennett to first serve as Prime Minister, as part of a unity government.[30]

Natfali Bennett announced on 30 May that he would join Lapid in forming a coalition, promising a right-leaning unity government to resolve two years of political deadlock and to end Netanyahu's 12 consecutive years in power.[31]

On 2 June, 35 minutes before the midnight deadline, Yair Lapid informed President Rivlin that he had been able to form a government.

Under the terms of the new coalition, Yamina's Natfali Bennett will serve as Prime Minister until September 2023, before Lapid takes over to serve until the end of the Knesset term in November 2025, as part of a rotation deal.[32]

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[27] 'Israeli president picks Netanyahu to try to form government', *Al Jazeera*, 6 April 2021

[28] 'Israel: President nominates Netanyahu to try and form government', *Deutsche Welle*, 6 April 2021

[29] 'Last-minute maneuvers as Netanyahu's mandate to form government set to expire', *The Times of Israel*, 4 May 2021

[30] 'President tasks Lapid with forming coalition; Bennett would likely head it first', *The Times of Israel*, 5 May 2021

[31] 'Saying Netanyahu-led effort futile, Bennett opts for unity government with Lapid', *The Times of Israel*, 30 May 2021

[32] 'Lapid informs president he can form government removing Netanyahu from power', *The Times of Israel*, 2 June 2021

The agreement was finalised after Ra'am leader Mansour Abbas added his support, setting up his Islamist party to be the first majority Arab party in decades to be part of a ruling coalition.[33]

The intended Lapid-Bennett government is backed by eight of the 13 parties that won seats in the 23 March election, with a slim majority of 61 members of the 120-seat Knesset.[34]

The coalition parties are Yesh Atid (17 seats), Blue and White (8), Yisrael Beytenu (7), Labor (7), Yamina (6 of its 7 MKs), New Hope (6), Meretz (6) and Ra'am (4).

On 6 June Netanyahu was reported as saying the coalition that was poised to unseat him was the result of election fraud, saying:

> We are witnessing the greatest election fraud in the history of the country, in my opinion in the history of any democracy.

He added:

> We, my friends and I in Likud, we will vehemently oppose the establishment of this dangerous government of fraud and surrender. And if, God forbid, it is established, we will bring it down very quickly.[35]

Naftali Bennett was sworn in as Prime Minister on 13 June 2021, after winning a confidence vote in the Knesset by just one vote. The coalition was approved by 60 votes to 59, with one abstention.[36]

Netanyahu will remain head of the Likud Party and become leader of the opposition. He has vowed to lead his party back to power and to "topple this dangerous government and return to lead the country in our way"[37].

In the new Israeli Government, Benny Gantz, leader of the Blue and White party, will continue serving as Defence Minister. Avigdor Lieberman, leader of the Yisrael Beiteinu party, will be Finance Minister; New Hope's Gideon Saar will be Justice Minister and Yamina's deputy leader Ayelet Shaked will be Interior Minister. The leaders of the Labor and Meretz parties, Merav Michaeli and Nitzan Horowitz, will be the Ministers of Transport and Health respectively.[38]

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[33] Ibid

[34] "'End this chaos': Constantly heckled, Bennett says new government 'here to work'", *The Times of Israel*, 13 June 2021

[35] 'Netanyahu alleges Israeli election fraud, accuses rival of duplicity', *Reuters*, 7 June 2021

[36] 'Bennett Sworn in as Israel's Prime Minister, Ending Netanyahu's 12-year Rule', *Haaretz*, 14 June 2021

[37] 'Netanyahu's 12-year tenure ends as Israel's parliament approves new government', *Sky News*, 14 June 2021

[38] 'Israel's new PM Naftali Bennett promises to unite nation', *BBC News Online*, 14 June 2021

2.5   Looking ahead

The new Israeli Government contains political parties with vast ideological differences and, with a slim majority in the Knesset, the coalition is fragile; just one disagreement between the various factions could jeopardise the government's stability.[39]

Naftali Bennett has ruled out Palestinian statehood and wants Israel to maintain ultimate control over all the lands it occupies. He has also previously called for Israel to be more forceful in its attacks on Gaza.[40]

However, with the coalition comprising parties with varying policies towards Palestinians, there could be friction within Government.

The government's first major test will be on 15 June, with a parade attended by far-right Jewish nationalists set to march through Palestinian neighbourhoods of Jerusalem. The march is seen as deeply provocative.[41]

Further coalition difficulties could arise over social policies. Some parties want to advance LGBTQ+ rights and to recognise same-sex marriages, whereas Ra'am opposes this. In addition, the relaxation of religious restrictions is supported by some parties, although Yamina would be unlikely to allow this.[42]

The coalition agreement shows the new government will largely focus on economic and social issues – such as passing a state budget and building new hospitals – rather than risking internal fights.[43]

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[39] 'After Netanyahu era, Israel ready for change', *Deutsche Welle*, 14 June 2021

[40] 'New Israeli government is just as bad as the last, says Palestinian PM', *the Guardian*, 14 June 2021

[41] Ibid

[42] 'Israel's new PM Naftali Bennett promises to unite nation', *BBC News Online*, 14 June 2021

[43] 'New Israeli government is just as bad as the last, says Palestinian PM', *the Guardian*, 14 June 2021

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