

Durham E-Theses

The Israeli labour party in opposition and in the national unity government, 1977-1992

Neill Lochery

How to cite:

Lochery, Neill (1996) *The Israeli labour party in opposition and in the national unity government, 1977-1992*. Doctoral thesis, Durham University.

Use policy

The full-text may be used and/or reproduced, and given to third parties in any format or medium, without prior permission or charge, for personal research or study, educational, or not-for-profit purposes provided that:

- a full bibliographic reference is made to the original source
- a <https://etheses.durham.ac.uk/id/eprint/5243/> is made to the metadata record in Durham E-Theses
- the full-text is not changed in any way

The full-text must not be sold in any format or medium without the formal permission of the copyright holders.

Please consult the [full Durham E-Theses policy](#) for further details.

DURHAM UNIVERSITY

THE ISRAELI LABOUR PARTY IN OPPOSITION AND IN THE NATIONAL UNITY
GOVERNMENT, 1977-1992.

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL
IN CANDIDACY FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

CENTRE FOR MIDDLE EAST STUDIES.

BY
NEILL LOCHERY

JANUARY, 1996

The copyright of this thesis rests with the author.
No quotation from it should be published without
his prior written consent and information derived
from it should be acknowledged.



22 MAY 1996

ABSTRACT

The Israel Labour Party and its forerunner Mapai dominated both the pre-state Jewish organisations in Palestine and the early years of the state of Israel prior to 1977. This thesis covers the period between 1977 and 1992 which saw the party's first electoral defeat (1977) and its eventual return to power (1992). It will argue that during this period the Labour Party was transformed from a dominant party with power (prior to 1977) to a dominant party without power (1977-1981). The years between 1981 and 1992 witnessed the development a more competitive party system in Israel with the Labour Party's status being transformed to that of a non-dominant party either without power (1981-1984 and 1990-1992) or with a share of power during the National Unity Government years (1984-1990).

A central theme of the thesis is the continuing "conditioning effects" of the period of dominance in shaping the Labour Party's development, even after it was no longer considered to be a dominant party. This was also in part related to the problem of defining political power in Israel as the Labour Party after its defeat in the parliamentary election in 1977 continued to enjoy a high degree of penetration into the everyday life of the population through its continued control of key institutions in Israel.

The thesis is divided into two parts. The first part deals with the period prior to 1977 and examines the development of the labour movement within the dynamic Israeli society as well as the Labour's Party's (Mapai's) relationship with the Israeli political system. In addition, it analyses the existing frameworks for explaining the decline of the Labour Party which was illustrated by its election defeat in 1977. The second part examines the developments of the party between 1977 and 1992 and is divided into historical periods which cover the various changes of government.

ACKNOWLEDGEMENTS

As well as thanking all of the interviewees the researcher wishes to thank the following:

My Mum for all her help.
My Supervisor Professor Niblock
Monica Pollack for everything in Israel.
Amichai Geva for the history lessons.
Osnat at Labour Party Headquarters in Tel Aviv
Betty in the Documentation of the above.
Dr. Chaim Asa for election data.
Professor. Michal Shamir for everything.
Dr. Danny Korn for filling in the blanks.
Mr. Avraham Hatzharmi for opening his telephone book.
Yossi Mustaki (Foreign Ministry) and his diary.
Rodney Sanders (the Likud).
Michael (aide to Bibi Netanyahu).
To everyone at the Knesset and in particular the parliamentary aides to all the
Knesset members.
Avril Sheilds
Sheldon Shulman (Government Press Office).

TABLE OF CONTENTS

	Page
ACKNOWLEDGEMENTS.....	ii
TABLE OF CONTENTS.....	iii
List of Tables.....	viii
List of Illustrations.....	ix
GLOSSARY.....	x
INTRODUCTION.....	xiii
CHAPTER 1. THE HISTORY AND STRUCTURE OF THE ISRAEL LABOUR PARTY PRIOR TO 1977.....	 1
1.1: The Early Years 1900-1948.....	3
1.2: The Development of State 1948-1967.....	12
1.3: The Years of Immobilism 1967 to 1973.....	18
1.4: Crisis of Confidence 1973-1977.....	21
CHAPTER 2. EXISTING APPROACHES TO UNDERSTANDING THE ROLE OF THE ISRAELI LABOUR PARTY IN THE POLITICAL SYSTEM.....	 28
2.1: Dominant Party Theories and Systems.....	28
2.2: Party Organisation: The Party Elite Framework.....	32
2.3: The Electoral System, Coalitions and Intra-Party Conflict.....	37
2.3.1: The Coalition Forming Process.....	41
CHAPTER 3. THE 1977 ELECTION AND THE DECLINE OF THE LABOUR PARTY .	46
3.1: Background, Organisation and Personalities of the 1977 Campaign....	46
3.2: Results and Analysis of Election.....	49
3.3: The Decline of the Labour Party: Four Frameworks.....	52

3.3.1: The Political Dynamics Framework.....	53
3.3.2: The Political Culture Framework.....	56
3.3.3: National Conflict Structuring Internal Politics Framework.....	67
3.3.4: The Political Economy Framework.....	70
Conclusion.....	73
CHAPTER 4. THE LABOUR PARTY IN OPPOSITION 1977-1981.....	76
4.1: Internal Party Response to the 1977 Election.....	79
4.2: Representation within the Party, Internal Change and Generational Conflict.....	82
4.2.1: An Assessment of Change.....	88
4.3: The Likud-led Government, Issues of the Day and Labour Party Responses.....	92
4.3.1: The Camp David Accords.....	95
4.3.2: Post Camp David.....	99
Conclusion.....	101
CHAPTER 5. A SECOND TERM IN OPPOSITION: THE ISRAEL LABOUR PARTY 1981-1984.....	103
5.1: Background to the 1981 Knesset Elections.....	104
5.2: The 1981 Knesset Campaign.....	106
5.3: Statistical Analysis of the 1981 Knesset Elections.....	109
5.3.1: Analysis of the Labour Performance in the Election.....	114
5.4: Internal Labour Party Response to the 1981 Election.....	117
5.5: The Likud Government, Issues of the Day and the Labour Party Response.....	121
Conclusion.....	130

CHAPTER 6. THE NATIONAL UNITY YEARS 1984-1988.....	132
6.1: Background and Campaign for the 1984 Knesset Election.....	133
6.2: Statistical Analysis of the 1984 Knesset Elections Results.....	137
6.2.1: An Analysis of the Labour Performance in the 1984 Election.....	141
6.3: Formation and Consequences of the National Unity Government.....	144
6.4: Performance of the NUG and Issues of the Day.....	150
6.4.1: National Unity Government 1984-1986.....	151
6.4.2: National Unity Government 1986-1988.....	156
6.5: Labour Party Internal Reform.....	160
Conclusion.....	163

CHAPTER 7. FROM NATIONAL UNITY GOVERNMENT TO OPPOSITION, THE ISRAEL LABOUR PARTY 1988-90.....	165
7.1: Background and Campaign for the 1988 Knesset Elections.....	166
7.2: Statistical Analysis of the 1988 Knesset Election Results.....	169
7.2.1: An Analysis of the Labour Performance in the 1988 Election.....	173
7.3: The Formation of the National Unity Government.....	178
7.4: The NUG: Organisation, Performance and Consequences for Labour Party.....	183
7.4.1: The Rabin-Shamir Peace Plan.....	188
7.4.2: External Peace Initiatives and the Collapse of the NUG.....	192
7.5: The Dirty (Unholy) Exercise 1990.....	196
Conclusion.....	200

CHAPTER 8. INTERNAL DEVELOPMENT OF THE LABOUR PARTY DURING THE NUG 1988-1990.....	202
8.1: The Lass Report into the 1988 Knesset Election and 1989 Municipal Election Failings.....	202
8.2: Ideological Change, Generational Challenge and Internal Democratisation within the Labour Party 1988-1990.....	206
8.2.1: Internal Pressure and Generational Challenge, Role of the NUG....	209
8.2.2: External Pressure for Ideological Change: The Transformation of the Left in Israel.....	212
8.2.3: Pressure from the International Arena.....	215
8.3: Democratisation in the Labour Party 1988 Onwards.....	218
Conclusion.....	223

CHAPTER 9. THE ROAD FROM OPPOSITION TO GOVERNMENT: THE ISRAEL LABOUR PARTY 1990-92.....	226
9.1: The Composition, Performance and Consequences of Mr. Shamir's Ultra-Right Wing Government 1988-1990.....	229
9.1.1: The Persian Gulf War and the Consequences for the Likud and the Labour Party.....	231
9.1.2: The Madrid Peace Conference 1991.....	235
9.2: The Confrontation between the Likud and the United States. The Role of the Soviet Aliyah and the Decline of the Likud.....	237
9.3: Continuity and Change: The Internal Dynamics of the Labour Party 1990-1992.....	243
9.3.1: The 5th Labour Party Congress.....	246
9.3.2: The Continuing Leadership Struggle and the Labour Party Primaries.....	249

9.4: Pre-Election Campaign Strategy and Election Reforms.....	253
Conclusion.....	255
CHAPTER 10. THE 1992 KNESSET ELECTION AND THE LABOUR PARTY'S RETURN TO POWER.....	258
10.1: Background to the 1992 Knesset Election.....	260
10.2: The 1992 Knesset Campaign.....	264
10.3: Statistical Analysis of the 1992 Knesset Elections.....	269
10.3.1: Analysis of the Labour Party Performance in the Election.....	276
10.4: Internal Labour Party Response to the Election.....	281
Conclusion.....	287
CONCLUSION.....	289
APPENDIX.....	293
INTERVIEWS.....	323
BIBLIOGRAPHY.....	327

LIST OF TABLES

1.1: Mapai and Alignment Performance in Knesset Elections 1949-65.....	12
1.2: Knesset Election Results 1969-1977.....	22
3.1: Number of Seats Each Party Won in the 1977 Knesset Election.....	49
3.2: Alignment and Likud Vote in the Cities of Tel Aviv and Haifa 1977.....	52
3.3: Voting Potential of the Jewish Population in Israel 1967 and 1988.....	59
3.4: Party Preferences of the Sephardim 1965-1977.....	61
3.5: Party Vote by Age, 1969, 1973 and 1977.....	62
3.6: The Arab Vote 1949 to 1977.....	65
4.1: Histadrut Election Results 1973 and 1977.....	80
5.1: Number of Seats Each Party Won in the 1981 Knesset Election.....	110
5.2: Voting by Geographical Districts in the 1981 Knesset Election.....	110
5.3: The Arab Vote in the 1981 Knesset Election.....	111
5.4: The IDF Vote in the 1981 Knesset Election.....	112
5.5: Party Vote by Age in the 1981 Knesset Election.....	116
6.1: Number of Seats Each Party Won in the 1984 Knesset Election.....	137
6.2: Voting by Geographical District in the 1984 Knesset Election.....	138
6.3: The Arab Vote in the 1984 Knesset Election.....	139
6.4: The IDF Vote in the 1984 Knesset Election.....	139
7.1: Number of Seat Each Party Won in the 1988 Knesset Election.....	169
7.2: Voting by Geographical District in the 1988 Knesset Election.....	169
7.3: The Arab Vote in the 1984 and 1988 Knesset Elections.....	170
7.4: The IDF Vote in the 1988 Knesset Elections.....	171
9.1: Jewish Population Growth in the Occupied Territories.....	239
10.1: Number of Seats Each Party Won in the 1992 Knesset Election.....	269
10.2: Voting by Geographical Districts in the 1992 Knesset Election.....	269
10.3: The Arab Vote in the 1992 Knesset Election.....	271

10.4: The IDF Vote in the 1988 and 1992 Knesset Elections.....	271
10.5: Influence for Selected Groups in the 1992 Knesset Election.....	279
10.6: Differences between Spend More or Spend Less for Voters in 1992..	280

LIST OF ILLUSTRATIONS

1a: Splits and Mergers in the Labour Movement.....	2
1b: Structure of the Israel Labour Party (based on Mapai).....	10
2: Development of the Labour Party 1948-1984.....	103
3: Development of the Labour Party 1948-1988.....	132
4: Development of the Labour Party 1948-1990.....	165
5: Internal dynamics of the Labour Party 1988 onwards.....	207
6: Development of the Labour Party 1948-1992 (pre-election).....	226
7: The Likud's and Labour's Zionist Priorities and the Consequences.....	228
8: Development of the Labour Party 1948-1995.....	258
9: The Labour Party's Positioning Strategy for the 1992 Election.....	262

GLOSSARY

Agudat Israel. A non-Zionist ultra-orthodox religious party.

Ahdut Ha'avodah. (a) Founded in 1919 and dominant in the pre-state Yishuv. Also (b) a left wing party which together with Mapai and Rafi formed the Israel Labour Party in 1968.

Alignment. Name used for the electoral list of Mapai and Mapam between 1969 and 1984. Also electoral name used by the Israel Labour Party in 1988.

Aliyah. Wave of Jewish immigration to Israel.

Ashkenazim. Jews whose background is generally from Europe.

Basic Law. The collection of Basic laws forms the Israeli constitution.

Civil Rights Movement (RATZ sometimes known as RATS). Left wing party founded and led by Ms. Shulamit Aloni. Currently a component of Meretz.

Democratic Movement for Change (DASH). Party founded in 1977 and led by Mr. Yadin. Won 15 seats in the 1977 Knesset elections but disbanded before the 1981 election.

Gahal. Acronym for the Herut-Liberal block which was established in 1965. It expanded in 1973 and became known as the Likud.

General Zionists. Bourgeois party which joined the Progressives between 1961 and 1965 and was then known as the Liberal party.

Greater Israel. Notion of a Jewish state on both sides of the River Jordan.

Gush Emunim (Block of the faithful). Settlement movement which has been highly active in the territories since the Six Day War in 1967. Opposed to any form of territorial compromise.

Haganah. The defence force of the pre-state Yishuv.

Herut. A political party with a nationalist ideology. Forerunner to the Likud.

Histadrut. General Federation of Labour important in both the pre-state Yishuv and in Israel.

IDF. Israeli Defence Force.

Independent Liberals. Formerly the Progressive party. Since 1984 part of the Alignment.

Irgun. A pre-independence military organisation associated with the Revisionists.

Israel Labour Party. Formed in 1968 by Mapai, Ahdut Ha'avodah and Rafi.

Jewish Agency. An agency which concentrates on developing Israel using funds from world Jewry. Since 1971 it has worked in partnership with the World Zionist Organisation.

Kach. Extreme nationalist party which called for the forceful transfer of Arabs. Founded by Rabbi Meir Kahane.

Kibbutz. A communal settlement in which consumption and production is shared.

Knesset. Israel parliament which has 120 members and is elected every four years.

Law of Return. A law passed in 1950 which gives every Jew in the right to emigrate to Israel.

Liberal party. Formerly the General Zionists. A middle class party which is a member of the Likud.

Likud. Joint list consisting of Herut, Liberal party and others formed in 1973.

Mapai. Acronym for Israel Workers party.

Mapam. Acronym for United Workers party. Currently a component of Meretz.

Moledet. List led by Mr. Ze'evi which calls for the voluntary transfer of Arabs from Israel.

Moshav. A co-operative settlement in which the production is communal but consumption is not.

National Religious Party (NRP). One of Israel's most powerful religious parties and former coalition partner of the Labour Party.

Peace Now. Formed in 1973 but came to prominence during the Lebanon war where it organised mass demonstrations against Israel's participation and conduct of the war.

Progressive List for Peace (PLP). A joint Arab-Jewish list which supports the creation of a Palestinian state alongside Israel.

Rafi. Party formed by ex-Mapai leader Mr. Ben-Gurion which won 10 seats in the 1965 Knesset election. Most of the members of Rafi helped form the Israel Labour Party in 1968. Mr. Ben-Gurion refused to rejoin and formed the State List.

Rakah. Acronym for the New Communist Party which appeals to Arab nationalist feelings.

Sephardim. Jews whose background is generally from the countries of Asia and Africa.

Shas. Split from Agudat Israel in 1984. Ultra-orthodox party which appeals to the Sephardim.

Shinui (Change). Centre party which was part of DASH in 1977. Currently is a component of Meretz.

Tehiya. Extreme right-wing party whose members rejected the Camp David Accords of 1977 and thus formed this party. Did not pass the electoral threshold in the 1992 elections.

Tsomet. A right wing party established by ex-Chief of Staff Mr. Eitan in 1988. In 1992 it won 8 seats in the Knesset.

World Zionist Organisation. Founded by Mr. Theodor Herzl in 1897 to promote plans for Jewish nationalism.

Yahad. List established in 1984 by Mr. Weizman and by the 1988 elections it had merged with the Labour Party.

Yishuv. Jewish settlement and organisations in the pre-state period.

INTRODUCTION

The Israel Labour Party in its various forms has been at the centre of the development of Israel prior to and since the creation of the state in 1948. The labour movement (in which the Labour Party played the dominant role) is viewed as the movement which translated the Zionist dream of a Jewish state in Palestine into the reality of the state in Israel¹. As a result of its dual role as both a state-builder and a political party the Labour Party enjoyed a level of penetration into the everyday life of the Israeli population which went far beyond that of a normal political party operating within a democratic system. This influence was compounded by the fact that Israel is an immigrant society where many of the newly arriving immigrants were extremely dependent on the Labour controlled institutions for their initial basic requirements.

As a result of its dual role the Labour Party even after its electoral defeat in 1977 continued to have a degree of influence and power which went far beyond the norms of a traditional opposition party. Consequently, an examination of the development of the Labour Party in Israel represents not only a study of a political party but also of the developing Israeli state and society.

Israel itself has been at the centre of the conflict in the Middle East since its creation in 1948. In the past 47 years there have been four wars between Israel and its Arab neighbours (1948, 1956, 1967 and 1982), the last three of which threatened to develop into wider global conflicts involving the two Superpowers of the United

¹ Mapai was the forerunner to the Labour Party and was the single dominant force in both the pre-state and early years of the state. Mapai formed the Labour Party in 1968 by merging with two smaller parties Ahdut Ha'avodah and Rafi. In the introduction the term Labour Party has been used to avoid referring to various different names.

States and the Soviet Union. Even during the periods between wars, the Arab-Israeli conflict has represented a constant source of tension in the region and has to a large degree dominated the politics of Middle East since 1948. Consequently, a study of the Israeli Labour Party represents not only an important step in understanding the internal developments in Israel itself but is also of relevance to understanding the past and present developments in the Middle East.

The literature which is currently available on the Labour Party can be categorised into two groups: works which deal directly with the party (its institutions and organisation), and those which deal with other elements of Israeli politics (foreign policy, Israeli society and political economy) but which with the centrality of the party to developments in Israeli politics also examine the Labour Party. In the first category there are three major works all of which cover different periods in the development of the party. Shapiro's, The Formative Years of the Labour Party, concentrates on the pre-state period of the Yishuv and examines how the labour movement and subsequently Mapai came to occupy a dominant position in the Yishuv and early years of the state. Medding's, Mapai in Israel, represents a study of the structures and organisation of the party and in particular its relationship with the developing dynamic Israeli society. The study finishes with the formation of Israel Labour Party in 1968 which is the principal starting point of Aronoff's, Power and Ritual in the Israel Labour Party. Aronoff's work examines the decline in the importance of ideology within the party which he argues has been replaced by power oriented politics which in turn has increased the party's estrangement from elements of Israeli society. Aronoff's work although recently updated primarily covers the period up to the 1977 election defeat.

In addition to the above there are various works in Journals which cover specific aspects of the party's development. Beilin's, A Dominant Party in

Opposition², is of particular relevance to this thesis as is the later work of Hadar, Israel Labour Party: Peacemaker or Likud Two³, both of which deal with a perceived lack of change in the attitudes of the Labour Party . Mendilow's, Israel's Labour Alignment in the 1984 Elections: Catch All Tactics in a Divided Society⁴, provides an examination of the failure of the party's electoral strategy. Of the more general works Eisentadt's, Israeli Society and The Transformation of Israeli Society, provide accounts of the development of Israeli society as does Shalev's, Labour and the Political Economy in Israel, of the political economy of Israel. The wide range of works listed in the bibliography are a reflection of the centrality of the Labour Party in all aspects of political life in Israel.

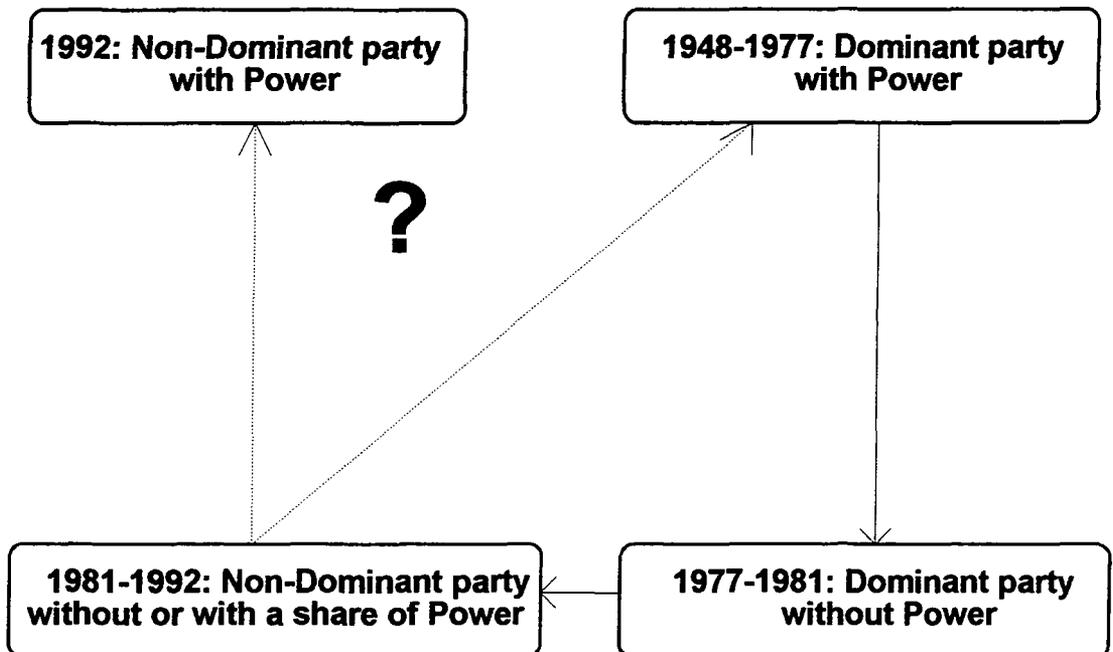
This thesis in attempting to add to the established works examines the development of the Labour Party within the Israeli party system. It argues that the party was transformed by its election defeat in 1977 from a dominant party with power to a dominant party without power and then at later elections to a non-dominant party without or with a share of power operating in a competitive party system. Finally the 1992 election victory marked the return to government for the Labour Party not as a dominant party but as a non-dominant party with power operating in a maturing competitive party system. Illustration (a) summarises these changes.

²Published in Middle East Review, Summer 1985.

³ Published in Journal of Palestine Studies, Summer 1992.

⁴ Published in Comparative Politics, July 1988.

**Illustration (a): Central Theme of the Thesis.
Development of the Labour Party in Israeli Party System.**



The key question concerns the 1992 election in that does the Labour party's victory represent a return to its pre-1977 dominant position or does it mark a return to power for the first time as a non-dominant party operating in a competitive party system ?. This thesis will argue that it represents the latter.

It will argue that what are termed as 'conditioning effects' from the party's extended period of dominance continued to affect the party's actions even after it lost its perceived dominant party status. These need to be taken in association with similar effects caused by the Israeli electoral system (the party list system) which encourages the importance of intra-party politics and centralised elite control over the party organs and appointments (see 2.3). In simple terms the extended period of dominance led to the development of party functionaries who were dependent on the party for their livelihood. The fact that the party controlled many aspects of the state allowed it enormous powers of patronage to offer its clients. As a result of this intra-party concerns became in many ways more important than inter-party conflict

with the functionaries or party clients prior to 1977 more concerned about their intra-party standing than how many votes the party won in elections.

The second directly related 'conditioning factor' was the leadership's need to be in a position to deliver on patronage promises to its various groups of clients. In order to do this the leadership needed to secure at least a share in government and it was this factor which was the principal determining factor in the actions of the leadership and in particular the leader Mr. Peres during the period of this study. In short, the organisation and actions of the party between 1977 and 1992 were still influenced by its period as a dominant party even though after its second election defeat in 1981 it realised that it was no longer a dominant party.

The Labour Party's participation in a competitive party system makes it necessary also to examine the actions and motivations of the various Likud governments and how they affected the internal dynamics of the Labour Party and Israeli political life. It should be stressed that in the 15 year period of study of this thesis, the Likud was continuously either in government or in a National Unity Government.

The research for this thesis was carried out in two stages. The first stage involved an examination of all the secondary sources available including Israeli newspapers and journals. The second stage took place in Israel where the researcher was based for 9 months conducting interviews with the leading figures from across the political spectrum in Israel. In addition, for much of the time the researcher was based in the Knesset where he interviewed all the leading political personalities relevant to the thesis. Part of the time was also spent in Labour Party Headquarters in Tel Aviv interviewing party workers and travelling throughout Israel to the local branches of the party to interview local party workers. The researcher also attended Central Committee meetings of the Labour Party, the Likud and

Mapam (Meretz) where he observed at first hand the workings or non-workings of the parties.

As well as active observations and interviewing there was an examination of Labour Party protocols at its archive centre in Beit Berl and in the office of the Secretary General of the party in Tel Aviv. In using interviews, observations and party protocols the researcher has tried to avoid the criticisms levelled against Medding's and Aronoff's research methodology. Medding concentrated on party protocols and Aronoff used solely observations and interviews.

In organisational terms the thesis is divided into two parts. Part One (Chapters One to Three) deals with history of the labour movement and in particular Mapai, the forerunner to the Labour Party. Chapter One itself chronicles the history of the labour movement in Israel and the arrival of the various Jewish waves of immigration (Aliyah). Chapter Two examines the reasons for the Labour Party's early period of dominance and existing approaches to the concept of a dominant party together with an examination the effects of the electoral system and the rise of intra-party politics. The 1977 election saw the Labour Party lose power for the first time and the election and its consequences are examined in Chapter Three along with a literature review of existing works on the decline of the Labour Party.

Part Two of the thesis covers the period from the Labour Party's election defeat in 1977 up to an including its return to power in 1992. Chapter Four explores the challenges facing the Labour Party as it went into opposition for the first time and assesses the party's performance in response to the actions of the first Likud-led government. It's basic argument concerns the fact that the Labour Party continued to be seen as a dominant party even though it was no longer in power.

Chapter Five covers the period from the 1981 Knesset election until 1984. It assesses the impact of the Labour Party's second election defeat and the consequences of this on the party. In addition it stresses the more radical nature of

the second Likud-led government which transformed the political agenda in Israel and examines the effect of this on the Labour Party. The Chapter argues that the Labour Party's election defeat in 1981 led to it no longer considering itself as a dominant party but as a non- dominant party without power.

Chapter Six starts with the tied Knesset election of 1984 and examines the motivations of the Labour Party for joining a National Unity Government (NUG) as well as the consequences for the party and the left in general of this decision. In assessing the performance of the NUG it examines the major issues of the day and the role of the Likud.

Chapters Seven and Eight both cover the period between the party's election defeat in 1988 up to its decision to leave the second NUG of the 1980's in 1990. Chapter Seven examines the party's performance in the election and its motives for joining the government as a junior partner. It also explores the problems of the NUG and the motivates behind key parts of the Labour Party wishing to maintain the government. Chapter Eight examines the internal dynamic development of the Labour Party during this period which to some extent was dictated by the events in Chapter Seven. It stresses that this period saw the start to some extent of changes in both the Labour Party's ideological and internal organisation along with a generational challenge form the young guard of the party.

Chapter Nine covers the period form the Labour Party's departure from the NUG in 1990 and the formation of the Likud-led radical right wing government up to the 1992 Knesset election. It covers both the frustrations and opportunities that the Labour Party's status as a non-dominant party without power in a competitive party system presented the party with.

Chapter Ten is a detailed study of the 1992 election and its significance to both the Labour Party and Israeli politics. Its fundamental argument is that the election victory represented only a technical victory for the Labour Party. Importantly

it argues that it did not represent return to pre-1977 dominant position for the Labour Party but rather a maturing of the Israeli competitive party system.

CHAPTER 1

THE HISTORY AND STRUCTURE OF THE ISRAEL LABOUR PARTY PRIOR TO 1977

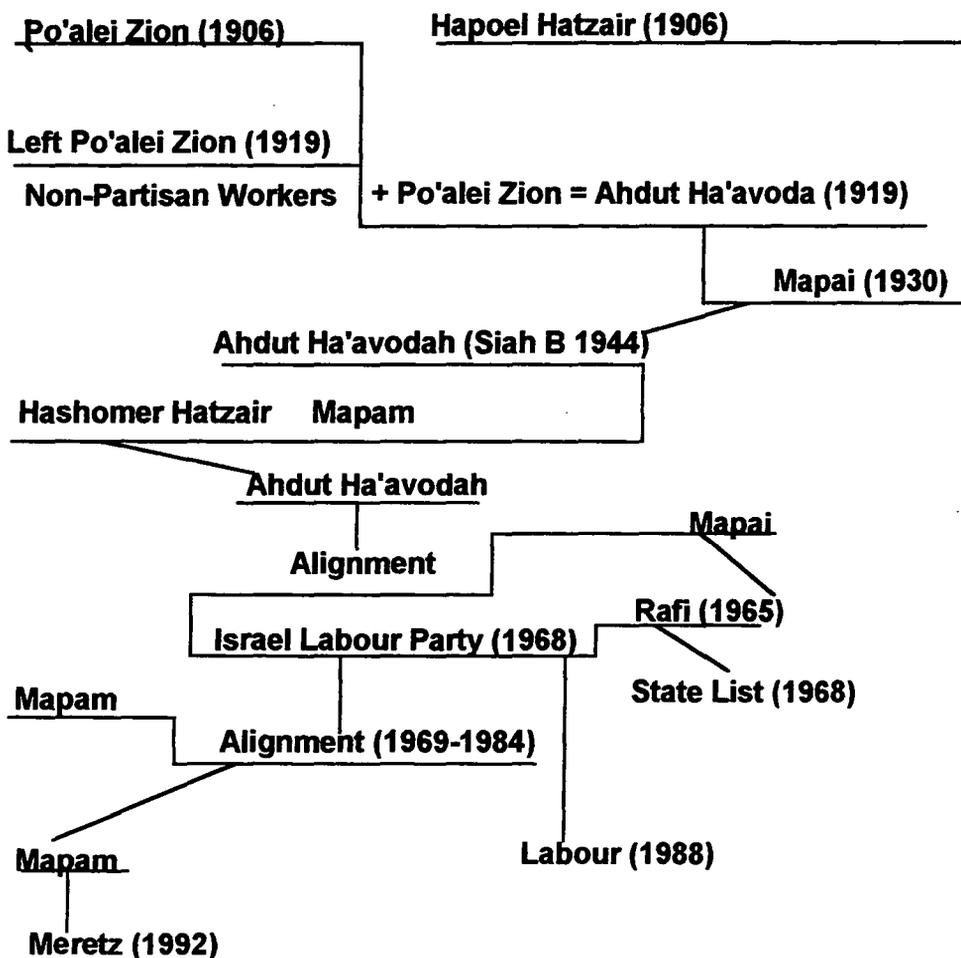
Many of the challenges and problems which the Labour Party faced from 1977 onwards were the direct result of events and developments which had taken place in the period prior to that covered by the thesis. This Chapter therefore aims to provide an historical account of the development of the labour movement in Palestine and subsequently Israel prior to 1977.

Throughout its history the labour movement has experienced a series of mergers and splits, in which various groups have been incorporated into the party or have broken off, due to ideological differences, generational challenges, personality clashes or a combination of the three. Some of these breakaway groups have formed independent parties, others have merged with additional parties, and many of them rejoined the Labour Party at a later date. The subject of this thesis, the Israel Labour Party, was formed in 1968 as a result of the merger between three parties: Mapai, Ahdut Ha'avodah and Rafi. In providing an understanding of the historical development of the labour movement in Israel it is necessary to examine two related aspects of this development: first, the splits and mergers of the labour parties themselves; and second the periods of Jewish immigration (Aliyah's) and their effects on the labour politics of the Yishuv and the state of Israel. The history of the labour movement prior to the period covered by this thesis itself can be divided into four distinct periods: first, the early years (1900-1948); second, the development of the state (1948-1967); third what Aronoff terms as immobilism



(1967-1973); and fourth, the crisis of confidence following the Yom Kippur war to the party's first electoral defeat in 1977 (1973-1977)¹.

1(a): SPLITS AND MERGERS IN THE LABOUR MOVEMENT.



Straight lines indicate mergers and angled lines show splits.

Source: Updated from Aronoff, Power and Ritual in the Israel Labour Party, M.E. Sharpe, London, 1993, p22.

¹ Aronoff, "The Decline in the Israel Labour Party: Causes and Significance", in Penniman, H. (ed), Israel at the Polls 1977, American Enterprise Institute, 1979.

1.1: The Early Years: 1900-1948.

Illustration 1(a) chronicles the history of these splits and mergers starting with Po'alei Zion (Workers of Zion) and Hapoel Hatzair (Young Workers), which via Ahdut Ha'avodah (Unity of Labour) formed Mapai (Party of Eretz Israel Workers). Mapai proved to be not only the single dominant political force in the labour movement in Israel, but in the whole pre-state Yishuv (Jewish community in Palestine), as well as in the early years of the State of Israel up to the formation of the Israel Labour Party in 1968. Po'alei Zion was established in Palestine in 1906 by members of the Second Aliyah (immigration wave) who had belonged to its movement in Eastern Europe. Among its founders were Mr. David Ben-Gurion and Mr. Yitzhak Tabenkin, the first of whom became the leader of Po'alei Zion and was responsible for its independent development in Palestine². In ideological terms Po'alei Zion was committed to the establishment of a Socialist Jewish state by means of class warfare. In 1919 it, together with other non partisan groups, set up Ahdut Ha'avodah, and at its 5th Conference in 1920 the party split into factions A (left) and B (right).

Ahdut Ha'avodah (Unity of Labour) rejected the previously held ideology of Marxist class war in favour of social democracy (hence the split in Po'alei Zion in 1919 with a splinter group forming Maki, the Israel Communist Party). This split was critical because it led to the birth of the two ideological streams of the labour movement, namely social democracy and Marxism. This ideological division became the central divisive issue in the historical development of the labour movement³.

² Mr. Ben-Gurion went on to become the leader of Mapai and the first Prime Minister of the state of Israel. He is widely seen as the single most important personality in the development of the labour movement in Israel.

Mr. Tabenkin was one of the founders of both the Histadrut and Mapai.

³ The centrality of this division was stressed in several interviews conducted by the researcher, including:

Ahdut Ha'avodah advocated unity within the Jewish labour movement and an activist defence policy. The party was active in all aspects of the Yishuv. As well as the previously mentioned leaders, its leadership included Mr. Berl Katznelson and Mr. Yitzhak Ben Zvi, both of whom were influential in the formation of Mapai in 1930⁴.

The other major element of the labour movement was Hapoel Hatzair, which like Po'alei Zion was established in 1906 by Second Aliyah Eastern Europeans, but which unlike Po'alei Zion saw Jewish labour in Palestine as a unique movement. It therefore rejected most of the Socialist doctrines established in Europe and used by Po'alei Zion. It did not, for example, celebrate May Day or have connections with the international workers movements. However, under the leadership of Mr. Chaim Arlosoroff, its position gradually changed in the 1920's, as it became closer to both the International and (within Palestine) to Ahdut Ha'avodah, eventually merging with the latter in 1930 to form Mapai. Among the leaders of Hapoel Hatzair were Mr Levi Eshkol, Mr. A. D. Gordon and Mr. Yosef Sprinzak⁵.

The period up to 1930 saw the arrival of the first four Aliyah's in Palestine, but it was the arrival of the Second Aliyah, and its subsequent successful battle for influence with the First Aliyah, which proved the most politically significant. The First Aliyah (1882-1903), in numerical terms numbered 20,000-30,000, and arrived in reaction to the growing anti-Semitism in Russia. The majority of the 2.5 million Jews who left Eastern Europe at the time went to the United States. The minority that

Interview with Mr. Amiram Efranti, Secretary General of Kibbutz Artzi, Tel Aviv, 29th August 1994.

Interview with Mr. Victor Shemtov, Former leader of Mapam, Tel Aviv, 12th July 1994.

⁴ Mr. Ben Zvi served as Israel's second President from 1952-1963.

⁵ Mr. Eshkol became the fourth Prime Minister of Israel in 1963.

Mr. Gordon was one of the spiritual leaders of the labour movement in general who died in 1922.

came to Palestine were ideologically committed to the Zionist movement, and had received formal training from Eastern European based Zionist groups. They formed a number of agricultural colonies (Moshavot) where the land was privately owned⁶. They were educated people from urban backgrounds, but lacked agricultural skills and the work itself was mainly carried out by hired Arab labour. This Aliyah was largely saved by gift capital and the start of the Second Aliyah⁷.

The Second Aliyah (1904-1914), mainly came out of the failed Russian revolution of 1905 and numbered 35,000, most of whom were Russian⁸. As previously indicated the early labour parties and leaders came from this group, and the political institutions that the Second Aliyah founded had a great impact on the future of both the Yishuv and the state. The members of this Aliyah were more highly motivated than the First Aliyah, being predominantly young, politically socialist, single males. It is therefore not surprising that they soon rejected what they termed the capitalist-colonialist politics of the first immigrants and in particular their use of cheap Arab labour. The pioneering spirit of this group was evident in its belief in Hebrew labour and its desire to sacrifice for the development of the Zionist dream. The conflict between the first two Aliyah's intensified when it became clear that the newly arriving immigrants of the Second Aliyah expected to be provided with employment by the veteran colonialists, who themselves preferred to use the local cheap Arab labour⁹.

The Third Aliyah (1919-1923) numbered 35,000, mostly from Russia with an estimated 15,000 being classed as pioneers. This brought the total Jewish

⁶ Etzioni-Halevy with Shapira, Political Culture in Israel, Cleavage and Integration Among Israeli Jews, Praeger, USA, p4.

⁷ Ibid.

⁸ Arian, Politics in Israel: The Second Generation, Chatham House, New Jersey, 1989, p12.

⁹ Etzioni-Halevy with Shapiro, loc. cit.

population in Palestine to 85,000¹⁰. The Aliyah comprised mainly single, young males from Poland and Russia. Much like the Second Aliyah, they were ideologically committed to Zionism, and brought with them an appreciation of the importance of political organisation and control gained from their experience in Eastern Europe. They came to Palestine on nationalistic grounds to build a Jewish state, and had received political instruction in their countries of origin to help prepare them for their role. Crucially, they accepted the leadership of the Second Aliyah, and together these two groups became known as the founding fathers of Israel and can be seen as the decisive factor in shaping the labour movement in both the Yishuv and the state of Israel.

In 1920 the labour movement, led by the leaders of the Second Aliyah, and with the support of the newly-arriving immigrants of the Third Aliyah, started mobilising support in order to win power in the pre-state Yishuv¹¹. This attempt was clearly the main reason behind both the formation of a more united party representing the labour movement (Ahdut Ha'avodah) and the formation of the Histadrut (General Federation of Hebrew Labour). The aim of the mobilisation of support was twofold: first to secure funds from the World Zionist Organisation (WZO) and thus have the freedom to distribute them¹²; second, to use these funds to develop the activities of the newly created Histadrut in such fields as immigrant absorption and social services¹³. By the mid-1920's it was clear that the labour leadership were building strong centralised political institutions, and that this was

¹⁰ Arian, loc. cit.

¹¹ Shapiro, The Formative Years of the Israel Labour Party, Sage Publications, London, 1976.

¹² The WZO held its first Congress in Basle with the aim of creating A Jewish home in Palestine. Its main organ was the annual Congress in which the various federations, unions and parties were represented according in numbers according to the size of their membership. The congress took the major decisions relating to the work of the WZO and to the organisation and distribution of the WZO budget.

¹³ Aronoff, loc. cit.

leading to economic and political dependence on these institutions by the Jewish population of Palestine. Evidence of this could be seen in the increasing role of the Histadrut, which was responsible for taking care of the education, social, political and economic needs of the population.

By way of this mobilisation of the population through the Histadrut, the labour elite was able to dominate the Jewish Agency¹⁴. As a result of such domination, it gained control of the distribution of the funds from the WZO, which were based on a party system (the size of the party's representation on the Jewish Agency equalled the level of funds it was awarded). This control of the finance of the Yishuv allowed the elite to further develop the institutions it had itself set up, and consequently increase the dependence of the population on them.

This dependence was compounded, for the newly arriving immigrants of the Fourth Aliyah (1924-1930), by their economic failure which led to the economic crisis of 1927. The Fourth Aliyah numbered 82,000 Jews with some 25,000 arriving in 1925 alone. They were predominantly Polish and middle class, many of them bringing capital and a bourgeois orientation with them in direct contrast to the pioneering Zionist Socialism of the members of the Second and Third Aliyah's. The 1927 economic crisis was caused mainly by bad capital management by this group, in that they used their capital for property speculation and not to develop factories or agriculture¹⁵. This led to some 8,000 workers being unemployed and the crisis resulted in 23,000 out of the original 82,000 immigrants of the Fourth Aliyah leaving the country¹⁶. This Aliyah is often referred to as that of "capitalists without capital"

¹⁴ The Jewish Agency was established in 1922 but it was only in 1929 that it became a separate body with the task of building the Jewish national home. Unlike the WZO the Jewish Agency also included prominent non Zionist Jewish personalities such as the French socialist leader Mr. Leon Blum.

¹⁵ Shapiro, "The Origins of Israeli Democracy", in Sprinzak and Diamond (ed), Israeli Democracy Under Stress, Lynne Rienner, London, 1993, p70.

¹⁶ Laqueur, A History of Zionism, Schocken Books, New York, 1989, p315.

or simply "bad capitalists" (notably by the leadership of the Second and Third Aliyah)¹⁷.

The formation of Mapai in 1930, bringing together the major parties of the labour movement in one united party, meant that the growing control of the labour movement became even more centralised and powerful. By the mid 1930's, Mapai dominated the manpower sector with its distribution of the immigration certificates from the British colonial power. This was compounded when the British imposed restrictions on Jewish immigration, and Mapai controlled the Haganah and Palmach Jewish military, consequently becoming responsible for running illegal immigration boats to Palestine. The labour movement also consolidated its domination of the agricultural movement, which included the Kibbutzim and Moshavim, and which provided many of the leaders of Mapai including Mr. David Ben-Gurion.

In terms of ideology, Mapai sought to attain both national and class goals at the same time, as well as maintaining the principles of democracy and a commitment to international institutions such as the Socialist International. This "constructive socialism", as Hattis-Rolef describes it, was based on an active pioneering movement which viewed itself as the vanguard for achieving social and national goals¹⁸. In short, the central theme was that of social democratic pragmatism and the realisation of the need to include non-socialist parties in order to reach hegemony¹⁹. These ideas were largely the work of the two leaders of Mapai, Mr. David Ben-Gurion and Mr. Berl Katznelson, the first of whom after the death of Mr. Katznelson (1944) became the single dominant leader of the party, until his resignation in 1963²⁰. The emphasis on pragmatism was not always

¹⁷ Laqueur, *Ibid*.

¹⁸ Hattis-Rolef, (ed), Political Dictionary of the State of Israel, Jerusalem Publishing House, Jerusalem, 1994, p213.

¹⁹ This later became apparent with the historic relationship between Mapai and its successor parties with the Zionist religious parties which lasted up to 1976.

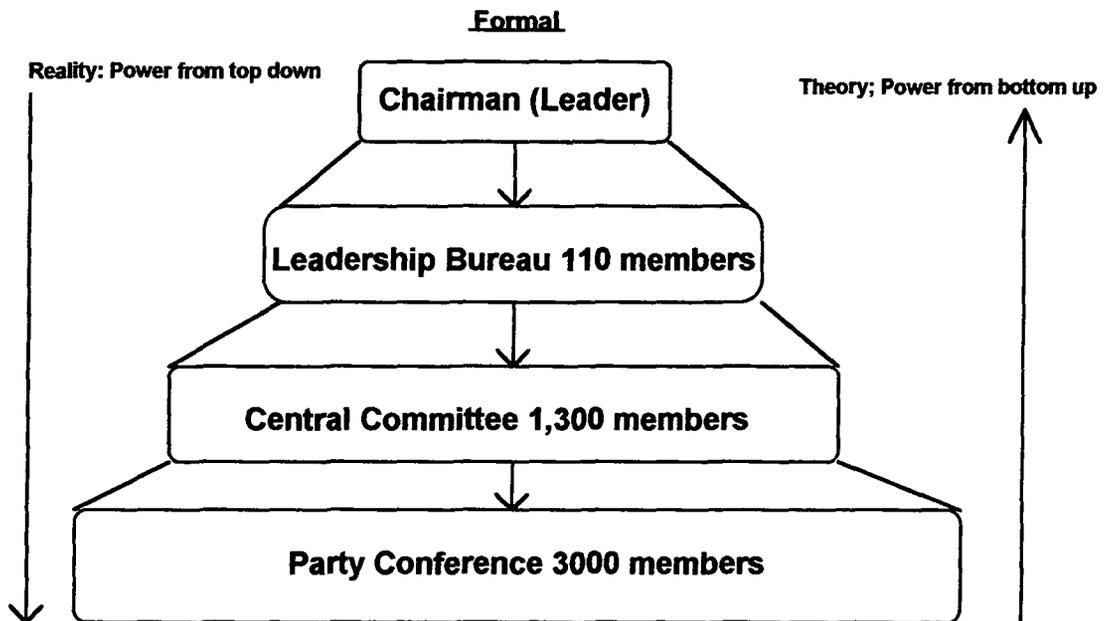
²⁰ Merhav, The Israeli Left, Barnes and Noble, New York, 1980.

accepted by everyone in Mapai, and in 1944 a group from the Tel Aviv area and the Kibbutzim broke away to form Ahdut Ha'avodah (Siah B).

The organisation of Mapai , which was mirrored in its successor party, the Israel Labour Party, is important, as it remained relatively unchanged up to 1992. The party organs are based on a conference which meets once every four years, and which in theory is the supreme decision making body of the party. The Central Committee, which in numerical terms, has expanded over the years and meets several times a year, and the Bureau (sometimes known as the Leadership Bureau) which meets two or three times a month, are the two other formal party institutions²¹. The "Havereinu" (our colleagues) is the main informal party institution; it comprises of the Ministers from Mapai (ILP), the Secretaries-General of the party and the Histadrut, and often the Coalition Chairman. Illustration 1(b) provides a brief summary of the formal party institutions and the power relationship between them. Note the differences between the theoretical line of power and the reality of the concentration of power in the leader.

²¹ The current sizes of the party organs (1994 figures) are as follows: Party Congress, 3,000 members; Central Committee, 1,300 members; Bureau, 110 members.

1(b): The Israel Labour Party Structure 1992 (based on Mapai)



Note: The size of the party institutions given are 1992 figures.

In theory the Party Conference is the supreme body of the party.

In reality the Chairman (Leader) is the most powerful figure.

Although the institutions have not undergone fundamental reform, their size and roles have evolved over the years. Much of the change has originated from the elite, using the institutions as a form of patronage for supporters, and/or in order to either maintain or shift the balance of power in the party. This had led to the "democratic" nature of these institutions often being compromised by Mapai's elite's, control over nominations to these various organs. The extent of this, and the methods employed by the leadership in maintaining control over the party, are examined in detail in Chapter Two.

Mapai and the labour movement's major opposition in the Yishuv were the Revisionists. However, the Revisionists during this formative period of the mid 1930's suffered from two major problems: first, their lack of charismatic leadership in Palestine and second, a coherent lack of ideology (in contrast to the labour

movements)²². At organisational level the Revisionists were no match for the labour movement in Palestine, particularly after the latter merged to form Mapai. The Revisionists based most of their activities in Eastern Europe, where their charismatic leader Mr. Jabotinsky lived most of his life²³.

The period between the formation of Mapai and the formation of the state of Israel saw the arrival of the Fifth Aliyah (1932-1948), which represented the largest Aliyah numbering over 200,000 immigrants, who came to Palestine in response to the spread of anti Jewish activity in Europe (in 1935 alone, a record 66,000 arrived). This Aliyah is often referred to as the German Aliyah, although in reality only 25 percent were of German or Austrian origin. In many respects they were similar to the Fourth Aliyah coming from middle class backgrounds and urban lifestyles, bringing capital and business organisational skills with them.

Although the Fourth and Fifth Aliyahs were the largest numerically, and made contributions to the economic development of the Yishuv, their influence on the socio-political system was less than that of the Second and Third Aliyah's. Etzioni-Halevy with Shapira identify the struggle between the members of the First and Second Aliyah as the fundamental reason for this²⁴. They argue that the dispute over the use of Jewish labour led the members of the Second Aliyah to form their own labour parties and trade unions, which later formed the basis of the Histadrut. Consequently, by laying the foundations of the labour movement, the Second Aliyah, and to a degree the Third Aliyah, were subsequently able to dominate the various political and social entities of the Yishuv and later the state.

²² Aronoff, *op. cit.*, p118.

²³ Mr. Jabotinsky did settle in Palestine in 1928 but following the 1929 riots he left the country and was not allowed to return.

²⁴ Etzioni-Halevy with Shapira, *op. cit.* p5.

1.2: The Development of the State 1948-1967

With the creation of the State of Israel in 1948, the labour elite (and in particular Mapai) were seen as the winners of statehood, and thus enjoyed a period of both ideological and electoral support from the population. Table 1.1 reveals that despite Mapai being the largest party in the Knesset, it never won an overall majority, but importantly the party always occupied the pivotal position, in that no coalition could be formed without its participation.

Table 1.1: Mapai and Alignment Performance in Knesset Elections 1949-65.

Election	Mapai	Total Seats
1949	46	120
1951	45	120
1955	40	120
1959	47	120
1961	42	120
1965	45	120

Source: Central Bureau of Statistics, Jerusalem. For the results of all Knesset elections (Number of Seats Won by Each Party) see Appendix 1.

Mapai's main coalition partners were the non-Zionist religious parties, which in return for supporting Mapai were assured that the religious *status quo* would be maintained. This included the observance of the Sabbath and religious holidays by the state. This coalition presented Mapai, and the other emerging labour parties such as Mapam, with an in-built majority against the other parties.

The relatively homogeneous nature of the population of the new state, and their shared experiences and backgrounds with the elite, meant a low level of alienation, leading to the general consensus of support for Mapai. The high level of penetration of Mapai in all aspects of the population's life, together with the continuing threat posed by the conflict with the Arabs, helped identify the ideological goals of the party with those of the national will. The fortunes of the party became so closely related to the state that opposition to the party came to be seen as an attack on the state itself²⁵.

The early years of the state were marked by the transfer to state control of the Yishuv institutions such as the military (Palmach and Haganah) and, importantly at this time, the immigrant absorption machine. The power of these institutions increased as their legitimacy and authority were strengthened with the formal sovereignty and power to coerce that statehood brought. Consequently Mapai enjoyed a similar increase in power from having directed these institutions in the Yishuv. In short, the direct control of these institutions by the party had been replaced by a form of indirect rule which was formally responsible to parliament and the electorate²⁶. As the activities of these labour-founded institutions increased in the early years of the state, so the level of dependence by the population (and in particular the newly arriving immigrants) on them increased.

A key part of the programme of institutionalisation was the shift in the balance of the ideology of the elite in Mapai further away from socialism to nationalism, or what became known as Ben-Gurion's version of statism, "mamlachtiut". This "mamlachtiut" defined the state as existing free from the labour movement or political parties, but emphasised the close relationship between the labour

²⁵ This was used by Mr. Ben-Gurion in attempting to de-legitimise the Revisionists and is still employed in modern times by Mr. Rabin when attacking the Likud.

²⁶ Medding, The Founding of Israeli Democracy: Parties Politics and Governments, Oxford University Press, 1990, p135.

movement's dominance and the legitimacy of the government²⁷. In practical terms this led on the one hand, for example, to Mapai acting in accordance with "mamlachtiut" ideology in dismantling the Palmach and giving up the labour stream in education, while on the other hand, keeping the Kupat Holim health fund (in the movement's interests)²⁸. There were clear short term gains for Mapai in pursuing a "mamlachtiut" policy, namely the increased potential and actual constituency of the party, through appealing to groups other than its traditional constituency of the workers. However, in the long term, the abandonment of socialist principles led to internal party problems, and crucially to the reliance on material inducements rather than ideology to attract support. This reliance on non-ideological incentives to mobilise support was true of both society as a whole and of the party itself. The consequences of this are dealt with in Chapter Three.

The elite of Mapai, at this time, were almost exclusively drawn from the Second Aliyah of Jews and had held their positions since the days of the Yishuv. The methods as to how they maintained their power are covered in Chapter Three, but the tensions caused by the rising of a new generation of potential leaders came to a head with the Lavon Affair. The affair began in 1954 with the arrest of an Israeli spying ring in Cairo and the subsequent trial and conviction of the members of the group. It was claimed that the then Defence Minister (Mr. Pinhas Lavon) had not informed the Prime Minister (Mr. Moshe Sharrett) about the operation and had therefore acted without the consent of the government. Mr. Lavon always maintained his innocence in the affair and in 1960 a special Cabinet Committee found that he had not given the order for the operation²⁹. Mr. Ben-Gurion refused to

²⁷ Hattis-Rolef, op. cit. p208.

²⁸ Kupat Holim is the health insurance scheme of the Histadrut to which most Israelis subscribed.

²⁹ The evidence against Mr. Lavon was based on a meeting he was alleged to have had with a key member of the defence establishment a week before the order was given for the operation. At this meeting Mr. Lavon was said to have given the go

accept the Committee's verdict, and the affair became the central divisive issue in the government and within the party for nearly 10 years, threatening to permanently split the labour movement³⁰.

The Lavon Affair although important in its own right was indicative of a wider power struggle within the party. This was principally between the "Gush" (party machine) of which Mr. Lavon was one of the leaders (which in simple were trying to preserve its own positions within the party) and Mr. Ben-Gurion and the young guard who were attempting to challenge the "Gush"³¹. . The struggle became extremely bitter partly due to the predominantly power oriented nature of it and partly due to the obsession of Mr. Ben-Gurion in pursuing it. The central area of conflict was the debate between "mamlachtiut" (statism) favoured by Mr. Ben-Gurion and the "tse-irim" (youth section) and "chalutztiut" (pioneering) favoured by the party machine. In simple terms the youth section wished to see more of the labour institutions moved into the state sector. The "tse'irim's" principal demand was that the party moved the Kupat Holim (health insurance fund) away from the Histadrut and into the state sector³². As Secretary General of the Histadrut (1956-61) Mr. Lavon had opposed such a move aware of its use in political patronage terms and in maintaining direct links between the party and the population (although he had agreed to some of the demands of the young guard and Mr. Ben-Gurion)³³.

ahead for the operation. However, the Committee of enquiry reported that the meeting had in fact taken place a week after the operation had started.

³⁰ The central issue of the Lavon Affair was connected with the relationship between the military and civil. sectors in decision making. However, the personal and power nature of the conflict tended to overshadow this.

³¹ Interview with Mr. Yitzhak Ben-Aharon, Givat Hayim, 8th August 1994.

Mr. Ben-Aharon was a founder of Achdut Ha'avoda in 1944, and the main driving force behind unification of the labour movement in 1968, and framer of the constitution of the Israel Labour Party.

³² Sachar, H. The History of Israel: From the Rise of Zionism to our Time, Knopi Books, New York, 1979, p544.

³³ Ibid.

It should be stressed that these differences did not represent major ideological differences but rather reflected the more modernised and technocratic style of the youth section and Mr. Ben-Gurion against the more conservative tendencies of the party machine. The "Gush survived this predominantly generational challenge and actively isolated the leading members of the young guard from any of the major party positions.

Eventually, the Lavon Affair led to Mr. Ben-Gurion, Israel's First Prime Minister and leader of Mapai, to eventually leave the party and set up a new party, Rafi, in 1965, along with two leaders of the Tzeirim, Mr. Moshe Dayan and Mr. Shimon Peres. Although Rafi rejoined the Mapai in 1968 as part of the Israel Labour Party, Ben-Gurion and others refused to join the new party, indicating the continued intense bitterness that still existed among key figures of the elite and their followers.

The period between 1948 and 1967 saw the arrival of the members of two additional Aliyahs to Israel, and the exodus of Palestinian refugees after the 1948 War of Independence. First, between 1948 and 1951 the remnants of European Jewry arrived in Israel, some 320,000 immigrants in total. Second, this period saw the arrival of Jews from North Africa and Asia with the rate of immigration peaking during the period between 1961-1965 when 230,000 arrived, mainly from Morocco. The absorption of the Aliyah from North Africa and Asia transformed the demographics of Israel from that of a relatively homogeneous society to a state containing different ethnic backgrounds and experiences. The successful integration of this Aliyah presented the leadership with a new challenge, in contrast to the integration of the Jews of European origin. This challenge, Horowitz and Lissak argue, prevented the labour movement from making any attempt to reshape the social order in accordance with socialist ideas³⁴. This was an indication of the

³⁴ Horowitz and Lissak, Trouble in Utopia: Israel's Overburdened Polity, State University Press of New York, USA, 1989, p103.

dominance of the labour movement's Zionist priority of immigration over any other ideological concerns. However, by the mid-1960's it was clear that the elite, through their shift away from socialism, had in fact alienated this Aliyah. The Jews from North Africa and Asia tended to come from poor backgrounds with little or no education, and after their arrival in Israel they were usually employed in menial jobs. Their settlement in so-called "development towns", away from the traditional Ashkenazi (Jews of European and North American origin) population centres, added to the widening gap in the standard of living between the newly-arriving Sephardim (Jews of African, Asian or Middle Eastern origin). The conditions in the development towns were poor, in terms of welfare provision, social conditions, employment prospects and education.

Initially, after the arrival of these Sephardim Jews there followed a period of deference to Mapai. The immigrants were grateful to the elite for the opportunity to live in Israel. They were also highly dependent on the Histadrut, and other Mapai controlled institutions for their everyday needs and existence. However, over a period of time this group started to form its own constituency interests as Mapai failed to represent their needs and ambitions. By the mid 1960's, elements of this Aliyah were already deserting Mapai - a process which continued throughout each subsequent Knesset election. Therefore, on the eve of the Six Day War, Mapai was faced by growing internal problems involving clashes of personality over key issues of party organisation, compounded by the strains of generational conflict and succession to the elite of Second Aliyah. Mapai's constituency, although still large, as indicated by its continued Knesset strength, was being reduced notably by the growing political and social alienation of the Sephardim immigrants. Many in the party argue that this decline in the fortunes of the party would have been more rapid had it not been for Israel's dramatic victory in the Six Day War³⁵.

³⁵ Interview with Mr. Sholomo Hillel, Jerusalem, 25th July 1994.

1.3: The Years of Immobilism 1967-1973.

The two most important events for the labour movement during this period were the Six Day War and the subsequent occupation of lands to the west of the River Jordan (as well as the strategically important Golan Heights), and the formation of the Israel Labour Party in 1968. These events were inter-related with the Six Day War proving to be one of the major reasons why the various labour parties chose to work together³⁶.

Because of the threat of an imminent third war against the Arabs in 1967, a National Unity Government was formed (NUG1), which included Mapai, Rafi, Ahdut Ha'avodah, and for the first time Gahal (later the Likud) led by Mr. Menahem Begin. The coalition continued after the war until 1970, when the Likud left the government, over the acceptance by the Israel Labour Alignment of the Rogers Plan which called for Israeli withdrawal from the territories captured by Israel in 1967. The war itself brought a series of challenges in terms of what should be done with the lands that Israel had occupied. Importantly, the war granted the Revisionists, in the form of the Likud, a degree of ideological legitimacy for their agenda of "Greater Israel", which meant the annexation of the lands of the West Bank to the Israeli state. The labour movement, unlike the Likud, was deeply divided over the future status of what became known as the Occupied Territories, with no clear degree of unity emerging among the elite on the issue. These divisions are defined and examined in detail in Chapter Three.

The Israel Labour Party was formed in 1968 against, first a backdrop of major economic recession which led to large scale unemployment (notably among the middle classes) and a high rate of emigration. All these factors had led to a decline in the popularity of Prime Minister Mr. Levi Eshkol and the government as a whole.

³⁶ Interview with Mr. Yitzhak Ben-Aharon, 8th August 1994.

The merger between Ahdut Ha'avodah and Mapai appeared perfectly natural as they had become, in the preceding years, closely identified with each other, submitting joint lists to the Knesset. Their respective elites had worked together in Cabinets, and Ahdut Ha'avodah, even before any formal arrangements, had been the natural coalition partner of Mapai. Ahdut Ha'avodah, had in fact tried to reach agreement with Mapai in the past, leaving out Rafi which they viewed as being dangerously anti-socialist. Much of the motivation, from Ahdut Ha'avodah's point of view, for the merger was to attempt to dilute the growing influence of Rafi in the labour movement, and in particular among the younger generation of Mapai members³⁷.

Rafi was seen as a much more difficult fusion³⁸. This was caused by the great deal of personal hostility between the Rafi leader, Mr. Moshe Dayan, and the elite of Mapai, which can be traced back to the Lavon Affair. In truth, Rafi had very little option but to seek to join the new party. It had performed badly in the 1965 Knesset elections, winning only 10 seats, and it had failed to develop the local party structures, needed to increase its support in the short term. In spite of these reasons, the vote to rejoin Mapai was only 60:40 in favour, and many of the latter joined Mr. Ben-Gurion in forming the New State List³⁹

The formation of the new Israel Labour Party took place at the start of the race to succeed Prime Minister, Mr Eshkol, with each of the factions having their

³⁷ Ibid.

This same argument was also used by Mapam in justifying their decision to form the Alignment with Israel Labour Party in 1969.

Interview with Mr. Shemtov, 12th July 1994.

³⁸ Aronoff, Power and Ritual in the Israel Labour Party, M.E Sharpe, London, 1993, p26.

³⁹ The narrow margin of victory and the rationale for rejoining Mapai were explained to the researcher by Mr. Gideon Ben-Israel, who was one of the founders of Rafi and worked with Mr. Ben-Gurion.

Interview with Mr. Gideon Ben-Israel, Tel Aviv, 21st October 1994.

Interestingly, all but one of the Knesset members of Rafi rejoined Mapai before the end of the Knesset term.

preferred candidates. Mr. Dayan was keen to persuade his Rafi colleagues to join the new party to pursue his succession claim⁴⁰, and in order to prevent Mr. Eshkol remaining as Prime Minister, or his political enemy, Mr. Pinhas Sapir, becoming Prime Minister. Mr. Sapir, although officially the Finance Minister, was in charge of the "Gush", and ran the party both financially and organisationally⁴¹. Ahdut Ha'avodah had their own candidate, Mr. Yigal Allon, who at the time of the merger was the Deputy Prime Minister and Minister of Education⁴². Mapai's own candidate was clearly Mr. Sapir, whose power in the newly formed party continued on from his pivotal role in Mapai. The importance of this succession battle cannot be overstressed in determining the action of the key members of the elite during this period. In the event, after Mr Eshkol's sudden death in February 1969, Mrs Golda Meir took over without a challenge. In the preceding period, Mr Sapir had become the Secretary General of the party and had put together a centre party majority based around Mapai which was so strong that Mr. Dayan did not challenge it⁴³.

Consequently, the fundamental problem of the merger was that it did nothing to address the problems which Mapai, and the other parties of the left had been experiencing⁴⁴. It led to a further decline in the importance of ideology in the party, with competition for the leadership among the various factions for Cabinet positions, representation in party institutions and Knesset lists. The increased size of the party, made it easier for the party machine to control it, due to the decline in the efficiency of the party institutions. The shortcomings of the party were illustrated by the growing feeling of alienation, even among many of its supporters, and were

⁴⁰ Medding, *Mapai in Israel*, Cambridge University Press, London, 1972, p298.

⁴¹ Mr. Sapir's position in Mapai was such that he was the king maker for any Prime Minister from this period up to his death in 1975.

Interview with Mr. Chaim Zakok, former Minister of Justice, Tel Aviv, 11th July 1994.

⁴² Mr. Allon was one of the founders of the Palmach and a representative of the kibbutz movement.

⁴³ Medding, loc. cit.

⁴⁴ Interview with Mr. Ben-Aharon, 8th August 1994.

drastically highlighted, by the failure of the party prior to, during and after the Yom Kippur war (1973). The merger also failed to achieve one of the central aims of the Mapai faction which was to secure a parliamentary majority and make it less reliant on coalition partners (desire was seen in part as Mapai's response to its declining electoral strength).

In addition to the above merger, in 1969, Mapam formed an electoral pact with the Israel Labour Party to create the Alignment, which although it preserved the independent status of the Mapam, led to a degree of close co-operation between the two parties from 1969 to the formation of the National Unity Government (NUG 2) in 1984. Mapam's ideology was more dovish than that of the component parties of the Israel Labour Party, and its socio-economic programme was more socialist than the Labour Party's. From the beginning there were many in Mapam who opposed the Alignment, but these at this time were in the minority. The ideological differences between the two eventually led to a split in 1984.

1.4: Crisis of Confidence 1973-1977.

The Yom Kippur war had a traumatic effect on both the Labour Party and Israel as a whole, leading to a crisis in confidence, in both the leadership and the party as a whole. The clear failings of the leadership, and in particular the Prime Minister, Mrs Golda Meir and the Defence Minister, Mr. Dayan, in declining to act on intelligence briefings warning of an imminent Arab attack, illustrated the sense of arrogance, and lack of clear direction coming from the elite. This was compounded by a lack of strong leadership during the first days of the war, when Israel was sustaining heavy losses, which shocked a society which had come to rely on the party elite to provide such defences. Arian argues that the 1973 war broke the emotional dependence of Israeli society on the labour elite, whose ability to defend

Israel had never previously been questioned⁴⁵. This dependence had been reinforced by the party's performance during the Six Day War, in which it was generally viewed as having shown great tactical skill in the conduct of the war.

The resignation of Mrs. Meir, less than a year after the end of the war, brought to an end the period of domination of the labour elite by Jews of the Second and Third Aliyah's. In the end Mrs Meir had little choice, although the party still won the delayed 1973 Knesset elections but with a reduced majority. Table 1.2: illustrates the gains made by the Gahal at this time.

Table 1.2: Knesset Election Results 1969-1977.

Election	Alignment	Gahal
1969	56	26
1973	51	39
1977	32	43

Source: Central Bureau of Statistics, Jerusalem . The Alignment consisted of the Israel Labour Party and Mapam. For the complete results (Number of Seats Won by Each Party) see Appendix 1.

The Labour Party's reduced majority made it more difficult for the party to form coalitions, as the number of coalition partners required increased. Mrs Meir, although officially cleared by the Agranat Commission (1974) of incompetence, was politically badly damaged and kept in power by the efforts of Mr. Sapir and the "Gush", who saw the need for stability⁴⁶. Mrs Meir's refusal to ask for Mr. Dayan's

⁴⁵ Arian, "The Electorate, in Penniman" (ed), Israel at the Polls 1977, American Enterprise Institute, USA, 1979.

⁴⁶ The Agranat Commission in to the failings presented its final report in 1974. Surprisingly, it did not directly censure either Mrs. Meir or Mr. Dayan.

resignation caused further damage. Israelis held Mr. Dayan as being most directly at fault for the initial mistakes of the war. Eventually, with Israel entering economic recession and increasing social unrest due to the government's lack of responsiveness to the public's concerns, Mrs Meir resigned. For a party, which had relied so much on symbolism, the ending of the period of domination of the first generation of leaders was of great importance. Mrs. Meir was replaced by Mr Yitzhak Rabin, a Sabra Jew (born in Israel), who, although he was an ex-military man and outsider, was the choice of Mr. Sapir and the "Gush"⁴⁷.

For the Labour Party, the period between Mr. Rabin becoming Prime Minister and its first election defeat in 1977, can be defined as one of making too few changes too late. Mr. Rabin was not a party man and decided to largely ignore the party, concentrating on Cabinet government. Thus, at the time when the party needed to be reformed and revitalised, it received little attention. A second problem was that Mr. Rabin did not enjoy a position of total hegemony in the party. Mr. Shimon Peres, although an outsider to the "Gush", enjoyed considerable support among the younger members of the party and the Rafi faction⁴⁸. Mr. Rabin and Mr. Peres had in effect merely replaced the first generation leaders, with little change in the autocratic style of the elite. In short, they were the product of existing patron-client or factional ties within the party. Mr. Rabin was viewed as a client of Mr. Sapir and Mr. Peres likewise had been a client of the ex-Prime Minister Mr. Ben-Gurion. Consequently, when they took over power, these ties continued to operate, making it difficult for upwardly mobile politicians to express dissent.

⁴⁷ In the end, Mr. Sapir did not seek the job for himself, due to a mixture of ill health (he died soon after) and a preference to stay in the background. Interview with Mr. Zakok, 11th July 1994.

⁴⁸ Mr. Peres challenged unsuccessfully for the leadership in 1974.

Unsurprisingly, attempts during this period at reforming the party and bringing greater democratisation were largely unsuccessful⁴⁹. The leadership election between Mr. Rabin and Mr. Peres was seen as more of a personality or factional contest in that there were no real ideological differences between the two candidates. The rivalry between Mr. Rabin and Mr. Peres reflected simple power politics in that since 1974 they have both been rivals for the same office. In addition, their backgrounds and experiences were vastly different. Mr. Rabin's entire career had been spent in the army, while Mr. Peres had been a career political technocrat. Mr. Peres never served in the armed services, although he was largely credited with having made a considerable contribution to Israel's defence via arms procurements and the development of the country's nuclear capability. Peri traces the rivalry back to the early 1960's, when Mr. Peres worked in the Defence Ministry and Mr. Rabin was a senior officer in the IDF (eventually becoming Chief of Staff). The main source of tension between them arose from the fact that Mr. Rabin preferred to buy military equipment from abroad, whereas Mr. Peres wanted to build up the Israeli Defence Industry⁵⁰. Finally there are many personality differences between them. Mr. Rabin is considered an introvert, doesn't trust people, and likes to appear above politics, while Mr. Peres is an extrovert who enjoys the political intrigues and party games. In understanding the history of the Peres-Rabin rivalry, the personality factor cannot be stressed strongly enough.

Apart from the Peres-Rabin rivalry, the government of Mr. Rabin experienced a series of both international and domestic problems, all of which contributed to the timing of the party's decline. The major external factor concerned relations with the United States and the election of President Carter in 1976. Both during the

⁴⁹ Aronoff, op.cit.

⁵⁰ Interview with Mr. Yoram Peri, Editor of Davar and former spokesman of the Labour Party. Tel Aviv, 1st August 1994.

Presidential campaign and upon coming to office, Mr. Carter made statements about a Palestinian homeland which were widely reported in the Israeli media⁵¹. Israel, with its permanent economic and military dependence on America, became deeply worried by this proposed change in American policy⁵². For the first time, it was not the Labour Party which stood to gain from such perceived threats to Israel's security, but rather the Likud, by way of its strong stand of not returning the territories under any circumstances. The Labour Party, as previously discussed, after 1973 was no longer viewed as the obvious party to guarantee Israel's security in spite of the fact that it was led by Mr. Rabin, who had served as Chief of Staff during the Six Day War and was the Israeli Ambassador to Washington during the 1973 war⁵³.

In addition to external problems, there were two domestic problems. First, was the break-up of the historic partnership between the Labour Party and the religious parties. This ended in 1976, to a large degree due to the political inexperience of Mr. Rabin, who had organised an official government function to welcome the arrival of some new F15 jet fighters from America on the eve of the Sabbath⁵⁴. Agudat Israel tabled a motion of no confidence, claiming that a public desecration of the Sabbath had taken place, and in the subsequent vote some members of the NRP abstained, leading Mr. Rabin to dismiss the NRP from the coalition and thus remain as head of a minority government until 1977.

The second was the growing number of scandals involving leading Labour Party personnel in both the government and in the Labour-controlled institutions.

⁵¹ See, Cockburn and Cockburn, Dangerous Liaison, Bodley Head, London, 1992.

⁵² Reich, The United States and Israel, Praeger, New York, 1984, p41-42.

⁵³ The role of Mr. Rabin in helping persuade the American administration to airlift arms to Israel during the war proved to be of great significance to the outcome of the war.

⁵⁴ Bradley, Parliamentary Elections in Israel, Three Case Studies, Tomson and Rutter, New Hampshire, 1985, p48.

The first major scandal involved Mr. Asher Yadlin, the party's choice for the post of Governor of the Bank of Israel, who was jailed for accepting bribes and making false tax declarations. During his trial he implicated two Cabinet Ministers and several other Labour Party leaders in illegal fund raising activities for the party. Prior to his trial the Minister of Housing, Mr. Avraham Ofer, committed suicide after charges that he had been involved in corruption. However, the resignation of Mr. Rabin was the most serious scandal, both because of the person involved and the timing of the resignation, coming just before the Knesset elections in 1977. Mr. Rabin resigned after his wife was convicted of infringing the strict foreign currency controls which prevented Israelis from holding bank accounts abroad⁵⁵. Therefore, just before the election the Labour Party was forced to change its leader and Mr. Peres was selected to take over.

The Labour Party, although it had narrowly survived in the Knesset elections of 1973, lost power for the first time in 1977. The underlying explanations for this loss are reserved for Chapter Three. However, with regards to the timing of the demise, all the above factors played a part, as did the related event of the formation of the Democratic Movement for Change (DASH), which had been formed largely in response to the failings of the Labour Party. The major electoral reason for the defeat of the Labour Party was the defection of many of its members and voters to DASH. This new party fought the election with a list of candidates selected in American style primaries, in sharp contrast to the "smoke filled rooms" method of selection, which was still employed by the Labour Party. DASH cost the Labour Party 15 seats in the 1977 election and overall, the Labour alignment was reduced

⁵⁵ For a detailed account of Mr. Rabin's decision to resign see: Rabin, The Rabin Memoirs, Steimatzky, Bnei Brak, 1994.

Because Mr. Rabin was head of a minority caretaker government, he was not constitutionally allowed to resign, so he chose to take an extended leave of absence.

from 51 to 32 seats. The Likud gained four seats, increasing its representation from 39 to 43 seats, and was for the first time able to form a coalition government. Thus, for the first time the labour movement found itself out of power, and in opposition in the Knesset.

CHAPTER 2

EXISTING APPROACHES TO UNDERSTANDING THE ROLE OF THE ISRAELI LABOUR PARTY IN THE POLITICAL SYSTEM

In order to fully understand the relationship between the Israel Labour Party and the political system it is necessary to examine the existing different approaches to the party's position within the party system in Israel taken by political analysts. In addition to this, consideration needs to be given to the role of the political system in shaping the development of the party, in terms of the related effects on the party of the electoral system, coalition government, together with the importance of personality and intra-party politics.

As regards the first, there exists within democratic regimes three types of party system namely; a two party system, in which the two major parties compete for power, a multi-party system, in which different coalitions rule, and finally, the dominant party system, in which a single party is dominant. In Israel, the period up to 1977 was dominated by the Labour Party (or formerly Mapai), although it never won more than 50 percent of the vote in any one election.

2.1: Dominant Party Theories and Party Systems.

The classic definition of a dominant party was provided by Maurice Duverger and it is this definition which the majority of scholars use or develop to describe the status of the Labour Party in Israel prior to 1977. Duverger states that a dominant party need not win the majority of the votes, but over a period of time it gains more votes than any of the other parties, consequently creating a system in which there is

one party which dominates the whole system¹. He argues that the reason for this dominance is that the party is identified with an epoch, and is therefore able to appeal to a broad strata of society, with a mutual identification of political ideology, philosophy and style². Dominance is also related to belief. A party can be dominant when the public believes it to be. Shapiro argues that Duverger's definition thus includes the notion of the inferiority of the opposition parties, caused by the dominance of one party affecting their conduct and actions³. The spiritual advantage (as Duverger puts it) accounts for the possibility of a dominant party ruling without an electoral majority, thus achieving legitimacy by a lack of viable alternatives. The other parties may be in a coalition which is built around the dominant party, but they do not play a significant role in government. In short, a party that can convert such a spiritual advantage into electoral success is likely to remain in power for a considerable of time⁴.

Other political scientists disagree with Duverger, claiming that there is no difference between a multi-party system and a dominant party system, and therefore the presence of a dominant party system does not effect the party system. Giovanni Satori states that a party's electoral dominance is directly related to its ability to attract more resources than other parties, and this is only a temporary advantage⁵. Samuel Huntington argues that the presence of a dominant party leads to a special set of inter-party relationships, claiming that the electoral dominance of a party is achieved by its ideological flexibility, which attracts support from wide-

¹ Duverger, Political Parties: Their Organisation and Activity in the Modern State, Wiley, London, 1960.

² Ibid.

³ Shapiro, "The End of the Dominant Party System", in Arian (ed), The Elections in Israel 1977, Jerusalem Academic Press, 1980.

⁴ Ibid.

⁵ Satori, Party and Party Systems, Cambridge University Press, London, 1976.

ranging strata in society⁶. When the electorate disagrees with the party, they cast their votes for a second or contender party, which takes the form of a pressure party⁷. Consequently, the dominant party takes note of the feelings of the public and adapts its policies to the changing consensus in order to attract voters. Huntington, therefore, argues that the key to the party's dominance is this ideological flexibility which allows it to modify itself when the need arises⁸.

The vast majority of Israeli academics take Duverger's definition of a dominant party, and the effect it has on the political system as a whole, in explaining the fortunes Mapai and its successor the Labour Party⁹. However, Medding, doesn't agree with much of Duverger's theory and is sceptical of the extent to which Mapai's dominance can be identified with an epoch, which he feels was more identified with the state rather than the party¹⁰. He accepts, as previously discussed, that the two were closely related, but argues that they were not the same. He also sees difficulties in defining the differences between a dominant party, and dominant party systems. Mapai (the dominant party), occupied the pivotal position in the system, in that no coalition could be formed without it. This constitutes, therefore, merely an elaboration of Satori's theory¹¹.

In addition, both Aronoff and Shapiro stress the importance of the special set of historical circumstances required for the ideological and material resources to be concentrated in the hands of a small elite, who set up strong political, social and economic organisations which lead to this spiritual superiority. ¹². The historical

⁶ Huntington, Political Order in Changing Societies, Yale University Press, New Haven, 1968.

⁷ Ibid.

⁸ Ibid.

⁹ See, in general the work of Arian, Aronoff and Shapiro.

¹⁰ Dr. Medding is the author of Mapai in Israel and several other works on the labour movement and Israeli politics.

¹¹ The above was related to the researcher in an interview with Dr. Medding. Interview with Dr. Peter Medding, Jerusalem, 14th November 1994.

¹² Shapiro, The Formative Years of the Israel Labour Party.

circumstances which were present within the Jewish community in Palestine in the 1920's and 1930's included the presence of immigrants (willing and keen to modify their way of life), the desire of this group to establish an independent state, and their willingness to be mobilised by an elite, in order to achieve this aim. The period of the pre-state Yishuv (up to 1948) was an almost unique period, in which the decisions of the leaders were not supported by the sovereign state, but rather their authority was based on two factors. First, moral authority, and simply the power of persuasion. However, this was not enough in itself to create and develop a strong political organisation. Second, the provision, by the leadership, of economic resources to the newly arriving immigrants, many of whom brought little or nothing with them from their countries of origin. As previously described, the elite was able to do this with its control of the financial resources of the WZO, and the development of the Histadrut. This led to the forming of economic or material dependency ties, in contrast to the first which can be viewed as forming ideological links.

There is general agreement on the above, but it is at this point that Israeli academics start to differ on the role and importance of ideology and dependency ties, together with the agendas of the elite within the labour movement. Gomi emphasises the importance of ideology, arguing that the leadership gained legitimacy by articulating and implementing the ideological consensus of their followers¹³. Shapiro, on the other hand, stresses the pragmatic tendencies of

Aronoff, Power and Ritual in the Israel Labour Party.

¹³ Gomi, Ahdut Ha'avodah 1919-1930, The Ideological Principles and the Political System 1919-30, HaKibbutz HaMeuchad Publishing House, Tel Aviv, Israel, 1973, (Hebrew).

leaders such as Mr. Ben-Gurion, shown by the building of strong centralised political institutions leading to dependence on these by the population¹⁴.

2.2: Party Organisation: The Party Elite Framework.

In providing an understanding of the Labour Party's dominant party status it is necessary to develop the concept put forward by Aronoff and Shapiro (see previous page) concerning the concentration of ideological and material resources in the hands of a small elite. In doing so it is important to describe the framework of how the leadership of Mapai (ILP) succeeded in achieving and maintaining its control of the party through the use of these ideological and material resources .

The organisational pattern of elite domination of the party was formed in the Yishuv, and was not radically altered in the period up to the party's electoral defeat in 1977. The elite employed the following methods in order to maintain this control. First, a top group of national leaders controlled (and had the power to veto) appointments, the size and scope of party committees, and the nominations for positions, both in the political sphere and economic institutions such as the Histadrut. After the winning of statehood, the scope of this control increased to include party lists to the Knesset, as well as the other institutions of the new state, still dominated by the labour movement. The top tier of the elite maintained its position by way of a series of pyramid relationships, with a second tier of leadership in a patron-client situation. Consequently, personal loyalty was viewed as the single most important characteristic, and not initiative taking or other qualities. Thus, there emerged a group of party functionaries, dependent on their party patrons for political advancement. It was this second tier leadership which took responsibility for ensuring the control of the party mechanisms, the first tier dealing predominantly with the affairs of the state. This led to an over representation of key groups,

¹⁴ Shapiro, loc. cit.

notably supporters of the elite in the party institutions such as the Central Committee and the Bureau as the elite reinforced its hegemony. The perceived, rather than actual, link between the party elite and the national will, allowed the leadership to often ignore or flout the party constitution and democratic procedures¹⁵. The elite went as far as to not only use the charge of acting against the national will against the Revisionists but also against intra-party opposition from within Mapai.

The birth of the state of Israel in 1948 was marked by a strengthening of the party machine. The Tel Aviv branch party machine acted as the basis for the national model and was noted for the growing economic dependence of party functionaries on the elite. The patronage networks included the provision of housing, jobs and favours, for the party machine workers. The dominance of the labour movement in the vast majority of economic activities in the state meant that the rewards offered to these functionaries were substantial. In return, these functionaries remained loyal to the leadership and, in particular, to their patron in the leadership. The Tel Aviv machine was mirrored in the rest of Israel, guaranteeing a majority of support for the elite.

The resilience of this party machine to withstand attack was illustrated by its survival of the major divisive issue of the early years of the state, the Lavon Affair, and the subsequent departure of the co-founder and first leader of Mapai, Mr. Ben-Gurion. The departure of Mr. Ben-Gurion, originating from the dispute between the "Tzeirim" and the "Gush", was significant for two reasons. First, despite the fact that Mr. Ben-Gurion left the party, many of his supporters did not follow him, as they were too dependent on the party machine¹⁶. The leaders that did follow Mr. Ben-

¹⁵ Aronoff, "The Decline of the Israel Labour Party: Causes and Significance", in Penniman, (ed), *Israel at the Polls 1977*.

¹⁶ Aronoff, *Ibid*.

Gurion, included Mr. Moshe Dayan and Mr. Shimon Peres. However, many of Mr. Ben-Gurion's supporters were unable or unwilling to break their economic dependence on Mapai, indicating the strength of such dependency ties on party functionaries. Consequently, this contributed to the organisational structure of Rafi being relatively weak, especially at local level. It also helps to account for Rafi's relatively disappointing electoral performance in 1965, and the ease with which the majority of members rejoined the mainstream (ILP) in 1968¹⁷. Second, it further illustrated the lack of substantial ideological debate within the party. As previously stated, the dispute centred around generational politics, rather than marking an ideological challenge to the elite¹⁸. The Tzeirim offered no radical alternative to the party, although they proposed differences in terms of the desire to transfer the powers from the Histadrut to the state. However, these changes can only be seen as modifications to existing policies of "mamlachtiyut" (statism) being pursued by the party machine, of which Mr. Ben-Gurion was the founder.

In terms of the maintenance of power by the elite, the period following the Six Day War (1967) was marked by the continuing decline in the role of ideology and an increased reliance on the resources of the state and the Histadrut. Increasingly any intra-party dissent to the policies of the leadership from below was either ignored or defeated by the elite, particularly on issues of security and foreign affairs. Israel's victory in the Six Day War further increased the domination of the elite in these areas. Aronoff describes a feeling of powerlessness throughout the party as a whole and within fringes of the inner elite¹⁹. Shimon Peres, the Minister of Communications, vented such frustrations, stating that he was not in the government to fix telephones.

¹⁷ Rafi won 10 seats in the Knesset elections of 1965.

¹⁸ Interview with Mr. Yitzhak Ben-Aharon, 8th August 1994.

¹⁹ Aronoff, "The Decline of the Labour Party: Causes and Significance".

The elite had been down to two small groups, who between them controlled the affairs of the nation and the party. The first grouping was Mrs. Meir's, "Kitchen Cabinet", which comprised of four or five senior Ministers who met regularly away from the official Cabinet, taking the most important policy decisions²⁰. The second group dealt with intra-party affairs in a similar way, under the direction of Mr. Sapir. The importance of the latter of these groups increased with the merger of three parties in 1968 to form the Israel Labour Party, which led to an increase in the number of factions competing for representation and power within the party. Consequently, the ability of Mr. Sapir and his group to manage this increase effectively was vital for the elite's continued intra-party control.

Medding and Aronoff disagree on the success of the elite in managing the party²¹. Medding stresses that in his research he found a high number of instances in which local parties managed to exert influence on the elite²². Aronoff disputes Medding's claims on the following grounds: Medding's primary research took the form of an examination of Knesset and party protocols, which he argues did not present the whole picture. Aronoff, in his primary research, attended meetings of local parties, national committees and executives, and noted the high instances of agenda-fixing at such meetings, together with the methods used to control the selection of officers and candidates. In particular, he identified three areas where the elite enjoyed effective control: candidate selection, the party conference and representation within the party²³.

²⁰ Members of the Kitchen Cabinet included, Mr. Dayan, Mr. Israel Galili, Mr. Sapir, and advisors to Mrs. Meir. For account of Mrs Meir's Kitchen Cabinet see, Meir, My Life, GP Putnam's Sons, New York, 1977.
Dayan, The Story of My Life, Warner Books, USA, 1976.
The significance of the Kitchen Cabinet was confirmed to the researcher by Mr Ben-Aharon.

Interview with Mr. Ben-Aharon.

²¹ Medding, Mapai in Israel, Cambridge University Press, London, 1972.

²² Ibid.

²³ Aronoff, Power and Ritual in the Israel Labour Party.

The first of these controls concerned candidate selection which took place within the centrally controlled Candidate Selection Committee, where the elite's most loyal deputies were appointed to make the selections. The Central Committee merely rubber stamped these appointments, and thus legitimised them. Second, the elite controlled the party conference, allowing little token dissent from the floor. The Preparation Committee, responsible for organising the event, was highly effectively centrally managed, at this time by Mr. Sapir. Agenda-fixing of the conference was widespread, resolutions were agreed in advance, and debated for ceremonial approval. Representation at the conference was not balanced with, for example, the Kibbutz movement being vastly over-represented. This is important, as the Kibbutz representatives tended to be of a similar generation and background to the elite (Ashkenazi Jews of the Second or Third Aliyah). Other groups, such as the Sephardim (Oriental Jews), were greatly underrepresented²⁴.

Third, representation within the party as a whole is an important method in evaluating the party's responsiveness to the various developing constituencies in Israeli society. Aronoff argues that representation in the Israel Labour Party merely mirrored the patron-client relationship, with the patron dominating one of the major factions: Mrs Meir and Mr. Sapir for Mapai, Mr Allon for Ahdut Ha'avodah and Mr. Dayan for Rafi. A consequence of the merger of the three parties was that, in order to absorb them, it proved necessary to expand the size of party institutions such as the Central Committee. This increase led to them becoming more ineffective and inefficient. Disputes were concentrated on the size of representation on the party organs of the various factions, and not challenges to the elite. The problems of maintaining party unity, therefore, became more difficult to manage, and this led to an increased failure of the elite to respond to the demands and interests of society.

²⁴ Arian, Politics in Israel, The Second Generation, p62.

2.3: The Electoral System, Coalitions and Intra-Party Conflict.

In understanding the Labour Party's position in the Israeli political system is also important to describe the effect of the electoral system on the party. This section will argue that one of the direct consequences of the electoral system was that it helped (in addition to previously described framework) maintain the ability of the elite to control the party.

Israel uses the purest form of proportional representation, the party list system. Section four of Israel's Basic Law stipulates that the elections should be general, national, direct, equal, by secret ballot and proportional²⁵. A further clause was introduced, so that an absolute majority and not a simple majority is required in the Knesset, to change any aspect of the electoral system²⁶. This was inserted due to the fear that Mr. Ben-Gurion and Mapai would attempt to change the system to a first-past-the-post method. Bogdanor argues that this would have transformed the political system with Mapai becoming not only the dominant party, but one with an absolute majority of seats in the Knesset and therefore enjoying a total monopoly of power²⁷.

The basic details of the electoral system are the following. First, Israel has adapted the closed party list system, in which the party draws up a list of candidates and the order in which the candidate is placed on the party list. Second, at election times Israel becomes one single national constituency, and the electorate votes, in

²⁵ Israeli Electoral Basic Law, Translated by the Israeli Embassy, London.

²⁶ The decision to use the party list system was not taken after much thought. The pre-state elections in the Yishuv were conducted under PR in order that all the parties involved should be represented, and consequently this system was carried over into the state. At the time of making the decision on the electoral system Israel was involved in the War of Independence with the Arabs, therefore, the leadership decided to continue with the old system. Mr. Ben-Gurion was in favour of using the British first past the post system, but accepted at the time that the undefined borders of the infant state made it impossible to draw up the constituencies needed for this system.

²⁷ Bogdanor, *The Electoral System, Government and Democracy*, in Sprinzak and Diamond (ed), Israeli Democracy Under Stress, Lynne Rienner, London, 1993, p84.

theory, not for the candidate, but for the party. Third, once the candidate has been elected, there is no impediment preventing him from joining a different party. There are no by-elections, the next name on the list simply fills the gap caused by resignation or death. Finally, the electoral threshold (the percentage of votes needed to win one seat) has been relatively low, set at one percent until 1992, when it was raised to one and a half percent. This was meant to ensure fair representation for all parties, important in a country where the parties stand for a particular principle and represent differing sizes of constituencies. Consequently, Israel has a high degree of party fragmentation, with in 1984, 15 out of 26 party lists winning at least one seat. Even with the increase in the threshold in 1992 some 10 party lists were still elected to the Knesset. Such a system has at times allowed extreme parties to gain representation to the Knesset, as Kach did in 1984²⁸. Within a dominant party system, the election of radical parties was not particularly significant. Mapai merely excluded them from the coalition bargaining process. However, in the post-1977 competitive party system, in which there was relative parity between the Likud and the Labour Party, the election of such groups as Kach was extremely important in that, in theory, they held the balance of power²⁹.

The party list system had important 'conditioning effects' on the internal organisation of Mapai and the Israel Labour Party. Hermens, in his classic study of proportional representation, argues that the democratic nature of parties is destroyed by the system, in that the individual deputy is no longer independent as he lacks the support of his constituents³⁰. Once the leadership has gained control over the appointments committee, this leads to total domination of the elite over the

²⁸ Kach called for the forcible transfer of the Arabs from the Occupied Territories.

²⁹ Although the Likud refused to deal with Kach in 1984, they allowed Moledet in to the coalition in 1990. Moledet stood on the single issue of the voluntary transfer of Arabs from the Occupied Territories.

³⁰ Hermens, "The Dynamics of Proportional Representation", in Eckstein and Apter (ed), Comparative Government, Macmillan, Canada, 1968, p269.

party³¹. The leader, or leadership, has the ability to destroy and make political careers with the stroke of a pen, the only compensation for a rebellious candidate being that he can form another list and run as an independent. However, in reality, the cost of campaigning prevents most candidates from attempting to do so³². Mapai clearly contained many of the above characteristics, with its highly-centralised, oligarchic party machine and the control of the leadership over appointments to the Knesset list. This situation was compounded by the fact that Mapai was a dominant party, winning the largest number of seats in Knesset elections, thus helping to reinforce the power of the leadership.

On the other hand, Medding disagrees with the notion of the leaders using the appointments committees to destroy political careers³³. He argues that the temporary nature of the Appointment Committees prevented them from influencing or dictating the candidates parliamentary behaviour. He goes on to say that:

There is no evidence to suggest that Mapai parliamentarians were dropped because they offended members of the appointment committees; most were dropped for reasons of age or unsatisfactory parliamentary performance or because groups recognised as having a right to nominate candidates for "safe places" decided to alternate between their leading members³⁴.

However, Medding, ignores two key factors. First, the appointment committees, although temporary in nature, were comprised of either the elite themselves or their lieutenants, and therefore there was a high degree of consistency in membership of these committees³⁵. Second, he fails to account for

³¹ Ibid.

³² The cost of doing this in a party list system, is exaggerated by the need of the majority of the candidates to appeal to the single national constituency. This will involve him campaigning in the entire country, attempting to win votes from every region.

³³ Medding, Op. Cit. , p164

³⁴ Ibid.

³⁵ For example the 1951 appointments committee comprised of Prime Minister, Mr. Ben-Gurion, Foreign Minister, Mr. Sharett and former Secretary General of the

the active conditioning factor of this system, in terms of the motivation of the prospective candidate, to please the elite, and at least not confront or challenge the leadership. In simple terms, the limitations imposed by the electoral system on the candidate, and the power it provided the elite with, were not always visibly evident, but rather acted as a restraint on the actions of the individual candidate³⁶.

The electoral system tended to reinforce the importance of intra-party politics over inter-party politics in Mapai. With the party serving as the central reference point for the candidate, as opposed to the electorate in a first past the post system this led to an intensification of intra-party conflict, as the candidate struggled to gain a realistic place on the party list³⁷. Various factions in the party, whether interest groups or party factions (post 1968 merger), fought to increase their representation on the list. Leaders attempted to get their clients placed in a realistic position on the list in order to enhance their own position within the elite. This became more profound, as the divisions within the leadership grew and the old factions became to be replaced by simply personality and power politics. The strength of a leader, therefore, came to be measured by how many of his supporters he could get into realistic positions on the Knesset list. The intensification of the intra-party struggle, with the Lavon Affair and the emergence of the first serious divisions within the elite, confirms this. Mr. Ben-Gurion was keen to ensure that his "young guard" were given a realistic number of places on the party list so as to bolster his intra-party position, in the conflict with Mr. Lavon and subsequently with the Gush itself.

Histadrut, Mr. Lavon. The consistency in the membership of the committee can be seen by the presence of the first two in the 1955 version of the committee.

³⁶ It should be remembered that much of Dr. Medding's research was based on a detailed examination of party protocols. Such restraining tools employed by the elite would not be visible in such documents just as such tactics as agenda fixing of party organ meetings would not be recorded.

³⁷ Hermens, loc, cit.

Notions of the dominance of intra-party politics were compounded by the long period of Mapai or Labour Party rule in Israel, in which a generation of party functionaries came to rely on the party for their career, thus making them more concerned about their own position within the party structure, rather than any inter party conflict concerns³⁸. The inter-party conflict, prior to 1977, was based around which parties would form a coalition with Mapai (ILP), and not on any real threat of the party losing its pivotal role in the coalition negotiations. Hence, its importance was not as significant as it would have been in a competitive party system. However, even with the emergence of a competitive party system in 1977, intra-party conflict continued to dominate inter-party conflict, within both the Labour Party and in the Likud, illustrating the deep-rooted nature of the phenomenon³⁹.

2.3.1: The Coalition-Forming Process.

Because Mapai, was unable to win an overall majority in any election, or to change the electoral system, it proved necessary after each Knesset election to form coalitions with other parties. The process of coalition-forming itself had important consequences for Mapai both in terms of ideology and organisation. As previously mentioned, Mapai, occupied the pivotal role in the coalition process, in that no government could be formed without its participation. Consequently, after each election it was the leaders of Mapai who became the prime movers in coalition negotiations.

Mapai was keen to include as many parties as possible in the coalition, with the exception of Herut and the Communists, based on the notion that the larger the

³⁸ Korn, The National Unity Years, (Hebrew) or PhD Thesis (English), London School of Economics, 1991.

³⁹ The importance of intra-party conflict in the Likud notably after the resignation of Mr. Begin (1983) was confirmed in interviews with the leadership of Likud conducted by the researcher for example; Interview with Dr. Moshe Arens, Tel Aviv, 26th September 1994.

coalition, the easier it was to manage for Mapai. Evidence from the period starting in 1949 clearly shows that Mapai included at least one excess party in the coalition (a party not needed to create a coalition majority), and often three or more excess parties in a coalition⁴⁰. Large coalitions had two advantages for Mapai: first, they contained many diverse elements which increased Mapai's freedom of action, and second, the coalition could survive the resignation of one of the participating parties⁴¹. Mapai for these reasons preferred to have all the smaller parties in a coalition (except Herut and the Communists). Hence it was the smaller parties which determined who participated in government coalitions⁴². These smaller parties joined coalitions for various reasons, the religious parties to ensure the maintenance of the religious *status quo* and their share in the distribution of religious funds, while others did not join mainly because of the electoral damage that membership in a previous coalition had brought. The General Zionists, for example, were convinced that their poor performance in the 1955 Knesset elections had been caused by their participation in the previous government.

Etzioni went further to argue that Mapai used the coalition-forming process to adapt to change in voting patterns, and in particular the strength of its rival parties. Mapai did this in order to attempt to diffuse voter dissatisfaction with aspects of its policies by attempting to introduce into the coalition, a party or parties that had significantly increased its share of the vote in the previous Knesset election⁴³. In 1955 Mapai lost votes to two parties which pursued an activist approach towards

⁴⁰ Medding, The Founding of Israeli Democracy, 1948-1967, p95.

⁴¹ Despite the attempts of Mapai to include a large number of parties in the coalition to avoid it being a "government of blackmail" where the resignation of one of the partners would undermine its majority, the periods between 1949-51, 1961-65, and 1974-77 were marked by the existence of such types of government coalitions. For a complete history of members of coalitions see Appendix 2.

⁴² Issac, Party Politics in Israel: Three Visions of A Jewish State, Longman, New York, 1981, p114.

⁴³ Etzioni, "Alternative Ways to Democracy", Political Science Quarterly, 74, June 1959.

the Arabs, Herut and Ahdut Ha'avodah, and hence included the latter in the coalition. Etzioni believes that coalition-building is the method that a dominant party uses to adapt to changes in voter sentiment. In short, the party is not replaced, but rather changes its coalition partners and policies in response to the change in public opinion⁴⁴. Issac finds Etzioni's theory difficult to accept, in that all the evidence was based on the 1951 and 1955 Knesset elections and that he ignores the efforts of Mapai to include other parties in the coalition such as Mapam in 1955 (which had just split from Ahdut Ha'avodah).

In terms of ideological development, the formation of coalitions by Mapai reinforced Mapai's position at the centre of Israeli politics and, as Mr. Ben-Aharon argued, led to a pragmatic ideological programme of government which bore little resemblance to the parties original programmes⁴⁵. The need to reach compromises in coalition formation tended to blunt the ideological edge of even the most radical left wing parties such as Ahdut Ha'avodah (from 1965), and Mapam (1969-1984), as they were dominated in the government by the centre party, Mapai. The central principle of all coalition agreements in Israel was the collective responsibility of the government⁴⁶, and this together with the in-built Mapai majority in the government, as well as the fact that it always held the most important portfolios, meant that Mapai was practically able to translate a coalition government into a close approximation of government by a single party⁴⁷. There is, therefore, a clear relationship between the electoral system which has always led to coalition government, and the decline in the importance of ideology, or lack of an ideological challenge to Mapai, from the parties positioned to the left of it.

⁴⁴ Ibid.

⁴⁵ Interview with Mr. Ben-Aharon.

⁴⁶ This principle became law in 1949.

⁴⁷ Medding, op. cit. p92.

On the other hand, the Revisionists (Gahal) did not share the same Zionist ideology as the labour movement and were not included in any government coalition from 1948 up to the NUG in 1967⁴⁸. Mapai's refusal to accept Herut as a constructive party, and the hostile relationship between Mr. Begin (leader of Herut) and Mr Ben-Gurion, created a bitterness between the two parties and their successors which is important in understanding contemporary party politics in Israel⁴⁹. Mr. Ben-Gurion and the other Mapai leaders saw the Revisionists' Zionist ideology as a danger to the state, and consequently attempted to de-legitimise them in the eyes of the voters, by not allowing them in to a coalition government. This view was shared by the other parties of the left and the NRP up to the mid 1960's. Consequently this made it nearly impossible to form a coalition which did not include Mapai, or its successor the Labour Party, up to its electoral defeat in 1977. However, as the electoral support for the Labour Party substantially declined so it became more difficult for it to form majority coalitions (61 seats). This fact was illustrated by the problems which Mrs Meir experienced forming a coalition after the 1973 election, and by the fact that as the 1977 election approached Mr. Rabin was in charge of a minority, caretaker government.

In bringing together the central aspects of the relationship between Mapai (ILP) and the Israeli political system, it is worth remembering that it was largely the labour movement which founded, shaped and defined the political system. The pre-state period of the Yishuv acted as a model for the state of Israel, and therefore many aspects of the political system such as the electoral system, the dominance of a small elite over Israel's highly centralised and oligarchic labour parties, have their

⁴⁸ Isaac, op. cit. p116.

⁴⁹ The bitterness between the two leaders was such that even in the Knesset, Mr. Ben-Gurion would not bring himself to refer to Mr. Begin by name or communicate with him in anyway. However, on the eve of the Six Day War their relationship improved to the extent that it was Mr. Ben-Gurion who called for Gahal to be included in the NUG.

origins in this period. An understanding of this "loading of the dice" in the Yishuv is also central to explanations of how the labour movement, and in particular Mapai, remained in a dominant position until 1977. In short, the labour movement dominated the early years of the state of Israel because it had founded and controlled the institutions of the Yishuv, and had delivered their promise of statehood in 1948. What is clear is that by 1977 the methods used by the elite to maintain power over a dynamic developing society were bankrupt. Had the 1973 election not been conducted with the country in a state of shock following the Yom Kippur war then the bankruptcy of the methods employed by the elite to maintain power (both ideological and material) would probably have led to an earlier electoral defeat.

CHAPTER 3

THE 1977 ELECTION AND THE DECLINE OF THE LABOUR PARTY

The defeat of the Alignment in the 1977 election was twofold. First, it lost its position as the single largest list, and second, it no longer held the pivotal position in the coalition bargaining process¹. The results of the election are often referred to by Israeli scholars as an upheaval or earthquake (mahapach), marking the end of the labour movement's rule and the ascendance to power of the Likud. Consequently, the election marked the end of the dominant party system and its eventual replacement with a competitive party system in Israel. In providing an analysis of the decline of the Labour Party, it is necessary to first examine the events surrounding the loss of the Knesset elections and second to examine the models and evidence which Israeli scholars employ to account for this decline.

3.1: The Background, Organisation, and Personalities of the 1977 Campaign.

In the period leading up to the campaign and to an extent during the campaign itself, the leadership of the Labour Party made a series of organisational errors and misjudgements which contributed to the party's poor showing in the polls. These can be classified into two related categories, personalities, and internal organisational mistakes. One of Mr. Rabin's final decisions, before resigning as Prime Minister, was to appoint Mr. Chaim Bar-Lev as Campaign Manager for the

¹ The use of the word "list" is significant here. The Labour Party was still the single largest party with 26 seats out of 32 for the Alignment (Mapam 6 seats). Herut won 19 seats out of the total Likud block's 43 seats. It was not until 1988 that Herut and the Liberals formalised their relationship in order to form a united party called the Likud. However, the election marked an increase in the significance of political blocks over single parties.

1977 Knesset elections. Such a move was a clear illustration of one of Mr. Rabin's failings in his first premiership. Mr. Bar-Lev, like Mr. Rabin, was an ex-General in the IDF, with minimal experience of party politics and therefore lacking the party organisational skills required during an election campaign². The tone of the campaign, that Labour knew what was best for Israel, appeared arrogant and failed to respond to the concerns of the electorate about the performance of the Labour leadership, manifest since the Yom Kippur war.

In organisational terms, the decision to hold the elections to the Histadrut after the Knesset elections was an error. The Histadrut elections had come to be viewed as an opportunity for the electorate to cast a protest vote (in the absence of by-elections in Israel), in an organisation where the labour movement could absorb such a vote and still, with its large majority, retain power. The moving of the Histadrut elections until a month after the Knesset elections removed the possibility of absorbing such votes, thus increasing the significance of the Knesset vote. A similar mistake was made with the decision not to hold the Municipal elections on the same day as the Knesset elections, as had traditionally been the case. The presence of Municipal elections was an important factor in motivating the local party workers in the branches to campaign vigorously and to ensure that Labour Party supporters turned out to vote. The removal of this linkage took away the strong sense of personal motivation to ensure such a turnout.

During the campaign itself the two central personalities were Mr. Peres from Labour and Mr. Weizman from the Likud. Both in a way deputised for absent colleagues: Mr. Peres for Mr. Rabin (resigned), and Mr. Weizman for Mr. Begin (iii)³. They were joined by Mr. Yadin from DASH (DMC), a new party with a platform

² Mr. Bar-Lev had been Mr. Rabin's successor as Chief of Staff of the IDF, serving from 1968 to 1972. He became Secretary General of the Labour Party in 1978.

³ Mr. Weizman was a former commander of the Israeli Air Force and Deputy Chief of Staff from 1966 to 1969, serving as Mr. Rabin's deputy during the Six Day War.

calling for electoral reform, an exchange of land for peace, and a decentralisation of Israeli government⁴. The party contained many figures who had previously been identified with the Labour Party, and appealed predominantly to disillusioned Labour voters⁵. The central ideology of Likud, the Revisionist vision of a Greater Israel (a Jewish State on both sides of the River Jordan) was no longer the cornerstone of Likud's campaign which instead concentrated on the corruption and failings of the Labour Party⁶.

Mr. Begin was ill and hospitalised for much of the 1977 campaign, and therefore did not play a dominant role in the campaign itself, although his position as leader of Likud was secure.

⁴ Mr. Yadin had served as the second Chief of Staff of the IDF serving until 1952. During the War of Independence (1948), Mr. Yadin served as Acting Chief of Staff. Importantly, he was a key member of the Agranat Commission set up following the Yom Kippur war.

⁵ Interview with Mr. Avraham Poraz, Shinui MK (1994), and founding Member of Dash, Tel Aviv, 24th August 1994.

⁶ Leaders of Likud accept that the party was not elected because of the issue of Greater Israel in 1977, although they say that it was then (1977) not as unpopular as it had been in the past.

Interview with Dan Meridor, Mr. Begin's Cabinet secretary, The Knesset, Jerusalem, 17th October 1994.

3.2: Results and Analysis of the Election.

The elections were held on the 17th May 1977, 1,771,726 votes were cast (79.2% turnout), and produced the following results;

Table 3.1: Number of Seats Each Party Won in the Respective Blocks.

<u>Labour Led Block</u>	<u>Likud Led Block</u>
Alignment 32	Likud 43
Sheli 2	NRP 12
Ratz 1	Agudat Israel 4
Hadash 5	Shlomzion 2
United Arab List 1	
<u>Total 41</u>	<u>Total 62</u>

Other parties accounted for the remaining 18 seats, of which the most important was Dash which won 15 seats. The Independent Liberals, Flatto-Sharon and Poalei-Agudah each won one seat. The most significant factors in the results were, first, that the Labour Party (Alignment) had lost its pivotal position in the coalition building process, and second, that the Likud was able to put together a winning coalition (62 seats including Mr. Dayan), without the support of Dash. The founders of Dash had not envisaged such a situation and were preparing themselves for coalition negotiations with the Alignment after the election⁷. However, their success in the election become the single most important statistical factor in the defeat of the Labour Party, and its subsequent inability to form a

⁷ The majority of Dash preferred a coalition with the Labour Party and this was to issue which eventually led to the collapse of the party.
Interview with Mr. Poraz, 24th August 1994

coalition⁸. Eventually Dash joined the coalition of Mr. Begin on 24th October 1977, after being offered four Cabinet portfolios.

Of great importance to the Likud was the move of the religious parties away from the Labour Party, after what Mr. Peres's supporters term as the "smart exercise" of 1976 (the breaking of the historic partnership between these parties and the labour movement, by Mr. Rabin), towards the Likud nationalist camp⁹. In truth, this trend had started well before the 1976 split with the radicalisation of especially the NRP. One of the major reasons for this change in the NRP was the growing influence in the party of settlement movements such as Gush Emunim (Block of Faithful), from the 1967 war onwards. The change in the NRP was both ideological and generational, with the younger generation proving more militant and messianic supporters of Greater Israel, as well as the settlement drive in these areas¹⁰. Consequently, in positional terms they moved into the Likud camp along with the other religious parties, thus providing the Likud with an in-built blocking majority in 1977 and for much of the 1980's. In 1977 the strength of the religious parties increased to 17 seats, thus compounding the difficulties for the Labour Party.

The performance of the Likud, in increasing its number of seats from 39 in 1973 to 43 in 1977, while impressive, was therefore not the single most important factor in its victory. Nevertheless, the elections clearly marked a sea change in the

⁸ Ibid.

⁹ Many of Mr. Peres's supporters view the "smart exercise" as one of the fundamental reasons that allowed Likud to gain and maintain a central hold on power for 15 years.

Interview with Mr Avraham Hatzharmi, Director of the International Department of the Israel Labour Party, Tel Aviv, 29th November 1994.

¹⁰ The details of the fundamental change in the NRP and the split with the Labour Party were explained to the researcher by Mr. Avraham Burg, Labour MK, (currently in 1995 Chairman of the Jewish Agency), and son of the founder and leader of NRP Mr. Yosef Burg.

Interview with Mr. Avraham Burg (Currently Chairman of the Jewish agency 1995), The Knesset, Jerusalem, 13th September 1994.

move away from labour Zionism towards a more nationalistic brand of Zionism led by the Likud and the religious parties. Importantly, it represented the ascendance of block politics over simple party politics with smaller parties lining up behind one of the two major parties (Labour and Likud), to form political blocks and potential coalition partners¹¹. The fact that Mr. Begin had a choice as to whether he wanted Dash in the coalition or not was a clear indication that the Likud-led-block had become the stronger of the two. This was compounded by the addition of Mr. Moshe Dayan to the Likud list and his presence in the government as Foreign Minister, giving the Likud an additional seat in the Knesset while reducing the Alignment to 31 seats.

The Alignment experienced its single largest loss of seats in any election, losing support on two fronts, first to DASH, in traditional Labour middle class strongholds, and second, to the Likud, among the key inter related groups of low income groups, ethnic groups and the young. In the low income areas of the major cities Likud received nearly three times the votes of the Alignment, and also performed much better than previously in the wealthy areas against the Alignment. Part of this marked Likud improvement in the wealthy areas was caused by Dash taking away some traditional Labour Party supporters. Table 3.2 reveals the basic statistics for Tel Aviv and Haifa, illustrating the scale of the Alignment's problem.

¹¹ Interview with Mr. Hanan Crystal, Political Correspondent Israel Radio and Hadashot, Tel Aviv, 4th September 1994.

Table 3.2: The Alignment and Likud Vote in the Cities of Tel Aviv and Haifa in the 1977 Knesset Election.

City	Alignment	Likud
Tel Aviv (low In.)	17	53
Tel Aviv (wealthy)	27	32
Haifa (low Income)	19	41
Haifa (Wealthy)	27	26

Source: Central Bureau of Statistics, Jerusalem. The figures are in percentages.

The Alignment's performance in the IDF was equally bad. The Likud polled twice as many IDF votes as the Alignment. The only area where the Alignment won a plurality of the vote was in the Kibbutzim¹². A more detailed analysis of the statistical reasons for the decline of the Labour Party is left to 3.3.2, where they are presented as evidence for the decline of the party due to demographic changes which led to an increase in the type of voter who was likely to vote for the Likud.

3.3: The Decline of the Labour Party: Four Frameworks.

Existing explanations by Israeli scholars for the decline of the Labour Party as represented by the 1977 election results divide into four theoretical areas: the political dynamics framework, a political culture framework, national conflict

¹² The IDF vote is used by Israeli commentators as a guide to the young vote. Most first time voters are doing their national service in the IDF at the time of elections, and vote in special polling stations.

structuring internal politics, and a political economy framework. The frameworks at times overlap, but scholars place emphasis on different reasons for the decline.

3.3.1: The Political Dynamics Framework.

Aronoff argues that the decline of the Labour Party can be attributed to two factors: the degeneration of the party from within which led to the elite becoming estranged from the electorate. This made the elite unable to respond to the rising protest groups which grew out of the voters alienation and frustration¹³. In addition, using Duverger's notion of the arrogance of power, he argues that this was illustrated by a lack of reform in Labour's highly centralised, oligarchic party structure. Both Aronoff and Shapiro argue that Mapai (ILP) did not adapt its ideology to the changing needs and realities of Israeli society. Therefore, after a period of time, it came to rely more and more on non-ideological incentives to mobilise support. They see this failure as being directly related to the organisational patterns of the party¹⁴. Duverger supports this, stating:

When a left wing party becomes dominant, its appetite for revolution is dulled... The dominant party wears itself out in office, it loses its vigour, its arteries harden... Every domination bears within it the seeds of its own destruction¹⁵

As was argued in Chapter Two, the control that the elite had over the party remained radically unaltered up to the electoral defeat in 1977. However, in presenting evidence to support the political elite framework, Aronoff sees the failure of the elite to respond to changes in Israeli society as taking place from the Yom Kippur war (1973) to the election defeat (1977). The post-war period in Israel was

¹³ Aronoff, Power and Ritual in the Israel Labour Party, M.E. Sharpe, London, 1993.

¹⁴ Ibid.

Shapiro, The Formative Years of the Israel Labour Party: The Organisation of Power 1919-1930, Sage Publications, London, 1976.

¹⁵ Duverger, Quoted from Arian, "The Electorate", in Penniman, (ed), Israel at the Polls 1977, same article also appears in Arian (ed), The Elections in Israel 1977, Jerusalem Academic press, Tel Aviv, 1980, p67.

marked by a period of attacks on the Labour elite from the general public, and increased frustration being voiced by some elements of the party itself¹⁶. The response of the elite, in dealing with these frustrations, was to attempt to avoid talking about the leadership's handling of the war, or the peace process in general, in order to preserve a degree of public party unity.

At the first meeting of the Central Committee of the party after the war, the failings of the leaders, in particular Mrs Meir and Mr. Dayan, were not even discussed¹⁷. When the party eventually did discuss the subject on 5th December 1973, there was a major confrontation between Mr. Sapir and Mr. Dayan which threatened to split the party, and which led to a rare public dispute between Mrs. Meir and Mr. Sapir over her continued support for the Defence Minister Mr. Dayan¹⁸. The lack of responsiveness of the elite was compounded by the presentation of the party list, in the delayed Knesset elections of 1973, which was identical to the list for the original election date. In reality, this was not the decision of the Labour Party, but it illustrated the lack of change and new blood in the party¹⁹. Hermans, however, argues that this inertia, and lack of opportunity for new and young candidates, was

¹⁶ One of the main internal critics was Mr. Lova Eliav (Secretary General of the Labour Party 1970 to 1972), who was at the time in the running to succeed to Mrs. Meir. His main objection was to the lack of progress in the peace process. He left the party in 1977, eventually formed Sheli and was subsequently elected to the Knesset.

Interview with Mr. Eliav, Tel Aviv, 25th July 1994.

¹⁷ This represents a key example of agenda fixing by the elite and Mr. Sapir in particular. Central Committee, Party Protocols, Labour Party Archives, Beit Berl, near, Tel Aviv, Israel.

¹⁸ The confrontation between Mr. Sapir and Mr. Dayan was fundamentally about personalities, although there were substantial differences between them on the future status of the territories which are catalogued in 3.3.3.

Minutes of the Central Committee, 5th December 1973, Labour Party Archives, Beit Berl.

¹⁹ The decision to hold the election with the same list of candidates was taken by law and was the same for all parties that had submitted their lists for the original election date.

a direct consequence of the party list electoral system which contributes to the decline in the vitality of political parties²⁰.

The ending of the domination of the party by Jews from the founding generation was completed with Mrs. Meir's resignation, in the aftermath of the war. Her natural successor, Mr. Sapir (4th Aliyah), declined to be considered for the post due to ill health. The selection of Mr. Rabin in the first leadership contest did little to change the structure of the party machine. Mr. Rabin, as previously described, was the choice of Mr. Sapir and the party machine, even though his background was in the military. In the years following his election, Mr. Rabin made little attempt to reform the party, instead choosing to largely ignore it and concentrate on cabinet government. In addition to the problems between Mr. Rabin and Mr. Peres, the old factionalism in the Cabinet was replaced by new divisions between Mr. Rabin's mainly ex-military, security teams (recruited from outside the party) and those who had come up through the party machine²¹.

The changes which were instigated from the bottom up from second tier national leaders and the branches at this time failed to radically alter the balance of power in the party. The changes included, the creation of eight new districts in the party, and a membership drive which resulted in over 50,000 applications being rejected because of some form of irregularities. The majority of these came from the two largest districts, Tel Aviv and Haifa, whose numbers were reduced from 45,000 and 44,000 respectively to around 27,000 members each²². This was a rather crude attempt by these branches to increase their representation within the party, and especially the number of delegates they sent to the Party Conference. Third, the

²⁰ Hermans, "The Dynamics of Proportional Representation", in Eckstein and Apter (ed), Comparative Politics, Macmillan, Canada, 1968.

²¹ One such example was the appointment by Mr. Rabin of Mr. Ariel Sharon to serve as a special advisor of security issues to the Prime Minister.

²² Aronoff, op.cit. , p139.

Central Committee was increased to 819 members, which only made it larger, easier to control and hence less effective. Fourth, attempts were made to open up the party conference, by way of by-passing the centrally controlled Steering Committee, and forming informal committees of their own to discuss and debate issues.

Taken together, these changes were seen as a step forward. In addition, there was some movement from the elite on a further opening up of the leadership and Knesset list selection process as well as changes to the organisation of the Party Conference. However, Aronoff argues that this was all too little too late, and did not therefore amount to the major internal party reforms which were needed if the party was going to revitalise its fortunes²³.

In conclusion, the highly centralised and oligarchic party structure which permitted the elite to dominate policy making decisions and appointments could not reform itself and adapt to the changing needs of the dynamic Israeli society. The final phase was completed with the engineering of a successful challenge from the right, starting with the merger between Herut and the pro business Liberal party in 1965, whose legitimacy had been increased by its inclusion in the 1967 NUG. During the late 1960's and early 1970's Likud, under Mr. Begin, shifted its ideology away from pure Revisionism to a more pragmatic programme which thus appealed to a wider constituency. In short, as the fortunes of the Labour Party declined, so the right was able, for the first time, to mount a serious challenge to Labour's dominance, culminating in its electoral victory in 1977.

3.3.2: The Political Culture Framework.

Proponents of the political culture approach place a different emphasis on the decline of the Labour Party. Arian argues that demographic change is the key

²³ Aronoff, op.cit. , p140.

starting point in explaining this decline²⁴. Therefore, the decline is seen in terms of political change of the mass public, rather than within the elite. Etzioni-Haley and Shapira stress that the changing composition and background of the electorate moved Israel's political culture to the right, while the dominant party (Mapai) did not make the corresponding change²⁵. In addition, Inbar suggests that this change in the electorate was particularly true in matters of defence and security from 1967 onwards²⁶. In defence of their hypothesis they concentrate on statistical analysis, based on the various cleavages which have emerged in Israeli society since 1948. In short, they argue that the demographic changes which occurred in Israel led to the proliferation of the type of voter who tends to vote for the right²⁷. This voter is traditionally of Sephardi background and / or young, whereas the typical Labour voter is seen as older and of Ashkenazi background. Arian elaborates on this, stating that the Labour Party is conservative in nature. It wanted to preserve what it had won for the state. Its support, therefore, comes from the more conservative elements in society, such as the elderly and middle education or income groups. On the other hand, Likud's support came from two areas. The Herut faction was seen as representing the Sephardim, many of whom were poor. The other faction of the Likud, the Liberals, were a bourgeois party, drawing support from the upper middle class merchants and business community²⁸. In assessing how these changes took place it is necessary to first examine the various cleavages in Israeli society, and second, their effect on voting patterns.

²⁴ Arian, "The Electorate", in Arian (ed), The Elections in Israel 1977.

²⁵ Etzioni-Haley and Shapira, Political Culture in Israel: Cleavage and Integration Among Israel's Jews, Praeger, USA, 1977.

²⁶ Inbar, War and Peace in Israeli Politics: Labour Party Positions on National Security, Lynne Rienner, London, 1991.

²⁷ Shalev, Labour and the Political Economy in Israel, Oxford University Press, London, 1993, p287.

²⁸ Arian, op.cit. , p59

The two major population developments in Israeli society have been the proportional growth of the Israeli born (Sabra) Jew, which now equals more than 50 percent of the total Jewish population of Israel, and the halving of the European or American born Jews, from more than 50 percent of the population in 1948 to just over 20 percent in 1988. Table 3.3 shows the voting potential of the Jewish population in 1967 and 1988.

Table 3.3: Voting Potential of the Jewish Population in Israel, 1967 and 1988.

<u>Group</u>	<u>Percentage of Population</u>		<u>Number of Potential Seats</u>	
	<u>1967</u>	<u>1988</u>	<u>1967</u>	<u>1988</u>
<u>Israeli</u>	6.5	19.5	4	8
<u>Born, Father</u>				
Israeli				
<u>Israeli</u>	18.7	25.7	5	22
<u>Born, Father</u>				
Asian or				
African				
<u>Israeli</u>	16.4	16.2	13	16
<u>Born, Father</u>				
Europe or				
America				
<u>Asian or</u>	27.8	17.2	38	27
<u>Africa Born.</u>				
	30.6	21.4	46	33
<u>European/</u>				
<u>American</u>				
<u>Born.</u>				
Total	100 %	100%	106	

Source, The Statistical Abstract of Israel, 1968 and 1989 editions.

The potential number of Knesset seats assumes an 80 percent turnout, and that 12,000 votes equalled one seat in 1967 and 17,600 votes were needed to win one Knesset seat in 1988.

The major distinction among the Jewish population is between Sephardim, who immigrated from the countries of Asia and Africa, and Ashkenazim, who came from America and Europe. As Table 3.3, shows the demographic balance moved considerably towards the Sephardi (born in Israel with a father of Sephardim origin or born in Asia or Africa). The Sephardi Jews, arriving in Israel, tended to be poor with little education or training, and consequently were directed by the already established Ashkenazi Jews to perform mainly manual jobs. On their arrival, the Sephardi were highly dependent on the Labour-led governments to supply them with jobs, housing and social services, and as a result of these dependency ties, in the initial years, they supported these governments. However, from the mid 1960's onwards their support started to shift away from the Labour Party to parties of the right, and especially the Likud. Israeli scholars offer three different explanations as to why this happened.

First, the protest vote theory, the most common perspective, is employed by Yishai and Cohen²⁹. They argue that the lack of opportunity of the Sephardim led to a feeling of frustration and bitterness, directed against the dominant Labour Party who they held responsible for their situation. Second, the class or economic strata explanation suggests that the Labour Party is seen as a middle class party, while the Sephardim are concentrated in the lower classes. Thus, once they had seen that the Labour Party was not a true socialist working class party, serving their interests, they started voting for a party which promoted their concerns³⁰. Third, the Arab explanation, concerns the fact that Sephardim attitudes and relations with the

²⁹ Yishai, "Israel's Right Wing Jewish Proletariat", Jewish Journal of Sociology, 4, 1982.

— Cohen, "Ethnicity and Legitimation in Contemporary Israel", Jerusalem Quarterly, 28, 1988.

³⁰ Arian, Politics in Israel: The Second Generation.

Arabs are reflected in Likud's hawkish policy concerning the Arab-Israeli dispute³¹. Often, the Middle East Jews were, before arriving in Israel, a persecuted minority in Arab countries, and hence tended to be more hawkish in their views towards the Arabs. In reality, it has probably been a combination of all three factors which account for the way the Sephardim Jews votes. Different explanations are more relevant to particular individuals, depending on that person's personal experiences and values.

The shift of the Sephardi vote away from the Labour Party is shown in Table 3.4.

Table 3.4: Party Preferences for the Two Major Parties of the Sephardi 1965-1977 in Percentages

Election	Labour	Likud
1965	50	35
1973	40	45
1977	28	56

Source, Peres and Shemer, The Ethnic Factor in Elections.

In 1965, the year of the merger of Herut and the Liberals, Mapai's lead over the Likud in the Sephardim community was 15 percent. However, by 1973 the Likud had caught and overtaken the Labour Party, and by the 1977 Knesset election Likud's rating was twice that of the Labour Party, confirming the decline of the latter among this constituency.

The second major cleavage in Jewish society is age, with a direct link between support for one of the major parties and the respective age groups, illustrated by Table 3.5.

³¹ Yishai, Ibid.

Table 3.5: Party Vote By Age, 1969, 1973, 1977.

1969 (In Percent)

<u>Age</u>	<u>Num.</u>	<u>Lab.</u>	<u>Likud</u>	<u>Relig</u>	<u>other</u>
<24	210	40	36	15	9
25-39	414	54	30	9	7
40-49	272	61	25	10	4
+50	461	62	21	14	3
<u>Total</u>	<u>1357</u>	<u>56</u>	<u>27</u>	<u>12</u>	<u>5</u>

1973 (In Percent)

<u>Age</u>	<u>Num.</u>	<u>Lab.</u>	<u>Likud</u>	<u>Relig</u>	<u>other</u>
<24	154	39	44	6	11
25-39	277	37	44	7	12
40-49	135	48	35	7	10
+50	310	54	23	13	10
<u>Total</u>	<u>876</u>	<u>45</u>	<u>35</u>	<u>9</u>	<u>11</u>

1977 (In Percent)

<u>Age</u>	<u>Num.</u>	<u>Lab.</u>	<u>Likud</u>	<u>Relig</u>	<u>Dash</u>
<24	144	20	51	4	21
25-39	336	25	34	11	27
40-49	156	38	29	10	20
+50	314	53	23	8	15
<u>Total</u>	<u>950</u>	<u>35</u>	<u>32</u>	<u>9</u>	<u>21</u>

Other parties totalled the remaining 3 percent.

Source: Adapted from Arian, Politics in Israel. The Second Generation-

1) The Labour Party includes Mapam (Alignment)

2) The Religious parties include the NRP, Agudah Israel and Po'alei Agudat.

3) The Likud in 1973 includes Mr. Ariel Sharon's list.

The Labour Party in 1969 had a clear advantage in each of the respective age categories (something that a dominant party would naturally expect). However, by 1973, the Likud was more popular among the under-39 age groups. In the 1977 election, with the presence of Dash, Labour Party support among the young was near to collapse. As Table 3.5 confirms, the Likud vote among the younger age groups was twice that of the Labour Party. On the other hand, Labour support among the older age categories remained more consistent, the party holding a lead over the Likud in the over 40's categories.

Most Israeli scholars explain the rejection of the Labour Party by the younger age groups as evidence of the conservative nature of the Labour Party. The party, after the success of winning statehood, was keen to preserve what it had won, and did not adapt to the newly forming constituencies such as the Sephardim and the young³². In short, in preserving the position of the earlier Aliyah's, the party was sacrificing its appeal to the demographically important young and Sephardim constituencies. The feelings of political alienation of the young were apparent in the fact that many of this age group were involved with Dash in 1977, and the setting up of other parties such as Ratz(CRM). The conservative nature of the Labour Party policy, and its lack of ideological fervour did not appeal to the younger generation. This group perceived the party as the establishment which was responsible for their difficulties and they demanded more radical solutions to both socio-economic and security issues.

³² Arian, Ibid.

In addition to the above constituencies cited by Arian, there are two more major cleavages within Israeli society, which both stimulated an element of realignment away from the labour movement, eventually leading constituencies to adopt a more extreme position on the political spectrum.

The third cleavage in Jewish society is the secular-religious divide. At inter-party level this divide is not as significant as the previous two, in that the religious constituency has been served by a number of religious parties which attract the vast majority of support from religious society. Consequently, in direct terms, neither the Labour Party or the Likud attract much direct support from this constituency. However, at inter-block level the role of the religious parties has become extremely significant in determining which of the major two parties can form a winning coalition (61 seats). As previously described, there has been a profound change in the religious parties linked to the changing political agenda, with after the 1967 war and the conquest of the West Bank, the inclusion of Greater Israel as a realistically obtainable prospect³³. Prior to this political awakening, the main function of the religious parties had been to secure a favourable share of the allocation of state funds and to ensuring the continuation of the religious status quo in Israel³⁴. With the emergence of a younger, more radical leadership, notably in the NRP, and the ending of the historic alliance in 1976, the religious parties moved into the Likud-led block. This movement was illustrated by the decision of the religious parties to support a Likud led coalition after the 1977 election and subsequently support the Likud if there was any chance of the Likud forming a coalition³⁵.

³³ Herzog, "Penetrating the System", in Arian and Shamir (ed), The Elections in Israel 1992, State University of New York, 1994, p84.

³⁴ These constituted the basic principles of the historic alliance between the labour movement and the religious parties up to 1976.

³⁵ The preference of the religious to form a coalition with the Likud in 1977 and after was confirmed in interviews with leaders of the Labour Party with the researcher.

The fourth cleavage in Israel is the Jewish-Arab divide. By 1977, Arabs accounted for nearly 9 percent of the electorate. Prior to 1977 the Labour Party (Mapai) won a largest number of votes cast for Zionist parties in Knesset elections. This support was compounded by the support given to Arab lists aligned to the Labour Party. Table 3.6 shows the history of the Arab vote up to 1977.

Table 3.6: The Arab Vote, 1949-1977.

<u>Election</u>	<u>Arab</u> <u>Voters in %</u> <u>of Electorate</u>	<u>Labour</u> <u>Vote in %</u>	<u>Zionist</u> <u>Parties in %</u>	<u>Arab</u> <u>List Aligned</u> <u>with Labour</u>
1949	6.6	10	-	28
1951	7.5	11	26	55
1955	8.2	14	23	48
1959	7.9	10	26	42
1961	8.3	20	29	40
1965	8.6	13	27	38
1969	8.4	17	27	40
1973	8.5	13	29	27
1977	8.9	11	21	16

Source: Adapted from Al-Haj, The Political Behaviour of Arabs in Israel in the 1992 Elections, in Arian and Shamir (Ed's), The Elections in Israel 1992.

The total Zionist vote consists of the Labour Party vote and the vote of the other Zionist parties.

The ability of Mapai to win a plurality of the Arab vote from the early years of the state until the late 1960's was based on the party's control of the Arab affiliated lists. These lists were initiated and supported by Mapai in particular with the fundamental aim of catching Arab votes³⁶. The demise of these lists reflected the growing active political participation of the Arabs due to a number of factors such as the renewed contacts between Arabs within Israel and the West Bank Arabs after the Six Day War in 1967. Also, the emergence of more radical parties such as the Communist Party which provided an electoral alternative to the affiliated lists, and an increased awareness among Arabs of the rules of the political game in their relationship with the Jewish state³⁷. Consequently in electoral terms the Labour Party saw its share of the vote and number of seats from the Arab sector move away from party lists which were affiliated to the Labour Party toward more radical Arab parties. The problems of dealing with these independent Arab parties meant that the Labour leaders never felt able to use them at inter-block level, for anything more than a blocking majority, thus depriving the party of vital seats within its block.

In conclusion, the Labour Party was losing votes among the very sectors of the population which were growing in size and therefore importance. The fact that it was unable to respond to this challenge is both an illustration of its own failings, and the confirmation of the emergence of a number of alternative parties. These parties provided the electorate with an outlet for a protest vote and in the case of the Likud, a viable alternative government.

³⁶ Al-Haj, "The Political Behaviour of the Arabs in Israel in the 1992 Elections", in Arian and Shamir (ed), The Elections in Israel 1992, p142.

³⁷ Smooha, Arabs and Jews in Israel: Conflicting and Shared Attitudes in a Divided Society, Boulder: Westview, USA, 1989.

3.3.3: National Conflict Structuring Internal Politics Framework.

Both Kimmerling and Shafir argue that the conquest of the territories in the 1967 war opened up divisive debates, notably in the Labour Party, on the fundamental nature of Zionism and national security³⁸. Shalev describes the consequence of this:

The right fell heir to the very elements which in the pre-state context had secured Mapai's own ideological dominance; nationalism, militarism, messiansim and settlement³⁹.

Mapai, which as previously described had been expert in directly linking the Jewish national struggle to the fortunes of its own party, failed to react decisively to the occupation of the lands conquered in 1967. This resulted in the party alienating both the hawkish nationalists, who demanded annexation, and the predominantly Ashkenazi liberal war weary, who believed in returning part or all of the territories in exchange for peace. The policy of the Labour Party towards the territories needs to be viewed within the framework of the intra-party politics of factionalism, succession battles and inter-elite personality problems.

Three separate Labour Party positions emerged on the future status of the Occupied Territories: the functionalist approach or integration of lands into Israel (but not annexation), the Allon plan, which amounted to some exchange of land for peace and the use of the lands as simple bargaining chips in future negotiations with the Arabs⁴⁰. Each of these plans was supported by one of the factions and leaders of the party. Mr. Dayan was the prime mover of the first and had the support

³⁸ Kimmerling, Zionism and Territory, The Social Territorial Dimensions of Zionist Politics, University of California, 1983.

Shafir, "Changing Nationalism And Israel's Open Frontier on the West Bank", Theory and Society, 13-6, 1984.

³⁹ Shalev, op.cit. , p287-288.

⁴⁰ In interviews with the Labour leadership conducted by the researcher it is interesting to note the differing definitions of the functionalist approach which varied from eventual annexation of the lands or simply a short term solution.

of the Rafi faction. Mr. Allon was the author of the second plan, who although coming from Ahdut Ha'avodah, drew support mainly from Mapai for his plan. The third was the policy of Mr. Sapir who controlled the party machine⁴¹.

The importance at the time of maintaining party unity led Mr. Sapir to not challenge Mr. Dayan, who as Defence Minister (1967-1973) had responsibility for the administration of the territories. The Prime Minister Mrs. Meir, in not making any formal decision on the future of the territories, allowed Mr. Dayan to pursue his policy of integration⁴². The party platform remained vague, thus allowing the leadership to shape their positions depending on the audience with, for example, one speech for the settlers and another for the international community. This tactic has been consistently used by the leadership, and even in the 1992 Knesset campaign was employed by Mr. Rabin over the future of the Golan Heights.

The Galili document (3rd September 1973) was the first major attempt to define the party's aims for the territories. The document, which was considered extremely hawkish, satisfied most of Mr. Dayan's demands, and accelerated the settlement programme⁴³. Its recommendations included the following: the development of economic ties between Israel and the territories and the development of the economic, social service infrastructure for the Arabs in the territories. In addition, it called for the encouragement of Jewish settlement in the areas of the Rafa Salient, Jordan Valley Rift, the Golan Heights as well as the continuation of the development of Jewish settlements in the area surrounding

⁴¹ Yishai, Land or Peace, Wither Israel, Stanford Hoover, USA, 1987, p63.

⁴² There was a definite policy of the elite not to commit anything to paper on the future status of the territories. Decisions which had to be made were done so within the realms of Mrs. Meir's Kitchen Cabinet and not in full sessions of the cabinet. Only in 1977 was the Allon plan publicly accepted by the party leadership as its official platform on the territories.

⁴³ The plan also alienated many doves in the party including the former Secretary General Mr. Eliav, who left the party as a result of it. Mr. Eliav's main objection to the document was that it allowed private land purchases in the territories. Interview with Mr. Eliav.

Jerusalem. In terms of land purchases in the territories it called for the majority to be conducted by the government sponsored Israel Lands Administration. However, the document permitted private land purchases providing the land was purchased for what the document referred to as "constructive enterprises" and not for "speculative purposes"⁴⁴.

The document although endorsed by the party institutions was never binding to members of the Labour Party. Consequently, in addition to satisfying Mr. Dayan's demands it allowed Labour Party candidates to adopt independent positions and still remain within the party. However, even after the 1973 war and the demise of Mr. Dayan, tension remained in the party. The key problem concerned the Ahdut Ha'avodah faction which had a historical commitment to "Greater Israel" and were therefore pushing for an extremely active settlement policy⁴⁵. The period of Mr. Rabin's premiership (1974-77), was marked by continuing uncertainty and lack of decisive action over the future status of the territories, which was typical of the government's performance at the time.

Both Kimmerling and Shafir argue that it was this divisive issue which was the major factor in the decline of the Labour Party. The splits and divisions in the party were compounded by the timing of the debate, coming at the end of the dominance of one generation and the subsequent battle for succession. The merging of the three parties (1968), with differing ideologies on the territories, made it difficult to discuss the issue without threatening party unity, thus allowing the dominant personalities in the elite to pursue their own agenda with little or no consultation⁴⁶.

⁴⁴ Galili Document 1973 (Hebrew), Labour Party Headquarters, Tel Aviv.

⁴⁵ Ahdut Ha'avodah's historical ideological link with Greater Israel goes back to the party's opposition to the partition of Palestine in 1948. It was in favour of the IDF occupying what it termed "Judea and Samaria" during the War of Independence in 1948.

⁴⁶ Kimmerling, *Ibid.*
Shafir, *Ibid.*

3.3.4: The Political Economy Framework.

In recent years Israeli political economists have developed explanations for the decline of the Labour Party. Shalev stresses the need for this framework to complement the other political explanations, and he does not challenge the validity of these works⁴⁷. The political economy framework emphasises that it is not enough for a dominant party to be on top of political issues and functioning effectively as a party, but it must be able to perform the basic economic functions of satisfying the material interests of business⁴⁸. The three requirements for this are, first, to have developed a formula for economic growth which is workable and benefits the interests of the party as well as the state. Second, to find solutions to problems of distributional conflicts, notably in respect to the organised working class and the problems of industrial peace. Third, to establish a relationship with the international economic community which is economically supportive. By the mid 1970's, it was apparent that these three ingredients were missing. The underlying causes for this lay in the declining usefulness of the Histadrut, problems with the elite's distribution of gift capital to the security sector (notably after 1973), and the increasing problem of marrying the interests of business to those of the state.

Regarding the first of these, there were three main factors which contributed to the decline in the Histadrut's usefulness the party. There was a weakening of the Histadrut's influence over its mass membership. Also there was a growing independence of a new generation of Histadrut leadership and the problem of subsidies to Histadrut enterprises. The Histadrut influence over its mass membership, which was central to the Mapai's control of the labour sector of the economy and its direct link with the party, proved more and more difficult to

⁴⁷ Shalev, op.cit. , p288.

⁴⁸ Ibid.

maintain. The fundamental reason for this difficulty was the party's commitment to full employment, which strengthened the bargaining power of the workers. Consequently, this led to a series of increased wage settlements, inflationary spending, and eventually a series of embarrassing industrial strikes. Indeed, by the mid 1970's the workforce had become extremely militant, leading to increased industrial action, and thus the Labour Party's management of the Histadrut was made more difficult⁴⁹. The character and nature of the elite in the Histadrut changed over a period of time. The new breed of leaders enjoyed more formal training and were more independently minded. In addition to this, there was a growing resentment among this group of political patronage appointments in the Histadrut by the Labour Party leaders and their new sense of independence was illustrated by some Histadrut magnates being involved in the formation of Dash in 1976. The increase in state subsidies to the Histadrut enterprises led to an increase in the inefficiency of the labour controlled economy as they were predominantly used to write off debts or simply maintain overmanning levels. In general terms, Mr. Ben-Aharon saw the decline in the Histadrut's usefulness as linked to the ending of people's dependence on the centralised organisation of the Histadrut as they acquired their own funds, and the failure Histadrut to find a new role for itself⁵⁰.

Abed examines the problems of the distribution of the gift capital, and in particular Israeli dependence on American aid from 1973 onwards, and the decision of the Israeli leadership, to use this capital, to follow a strategy of near self sufficiency in weapons systems⁵¹. The aid contributed little to the macro economic policy but led to a militarization of the economy and the paying of large subsidies to

⁴⁹ Reshef, "Political Exchange in Israel, Histadrut-State Relations", Industrial Relations, 25-3, 1986, p308.

This article contains a list and classification of disputes from 1974 onwards.

⁵⁰ Interview with Mr. Ben-Aharon.

⁵¹ Abed, "Israel in the Orbit of America, The Political Economy of A Dependency Relationship", Journal of Palestine Studies, 16-1, 1986.

this sector. Shalev argues that the elite's distribution of this aid to companies did little to help their profitability in the long term⁵². The Military Industrial Complex (MIC), he argues, was not the answer to Israel's economic problems and proved difficult for the elite to control. In short, the elite were distributing large amounts of gift capital to one sector in which both the political and economic returns from this investment, were not significant.

The third factor in the decline can be seen in the rise of capital and the reduction in state autonomy which took place during the early 1970's. The labour movement, being so closely related to the state, therefore suffered a similar loss of power. The state, despite a fiscal crisis, continued to increase subsidies dramatically to the public sector diverting state resources away from other areas. The business sector, once dependent on the goodwill of Mapai, had now become more independent. Consequently, during the economic crisis of the 1970's, the state was not able to rely on its previous control of either labour or capital, which would have helped it through the crisis⁵³.

In summarising the arguments of the political economy framework the central theme is that with the party unable to successfully manage the economy, its legitimacy was undermined. This, taken in accordance with the previous explanations of the loss of its ideological commitments, meant that the party came to rely more on deference and emotional dependency which were to be shattered in the Yom Kippur war. Shalev, in defending the framework, notes that the decline in the state's autonomy was not reversed when the Labour Party lost power, making it more difficult for the subsequent governments to successfully manage the political economy to benefit both capital and the party.

⁵² Shalev, Labour and the Political Economy in Israel.

⁵³ Ibid.

Conclusion.

The decline of the Labour Party, and the use of the four explanatory frameworks by Israeli scholars, illustrate differences more in emphasis of particular points than any fundamental argument over the causes of the decline. They all see the 1960's as the start of the reversal of fortunes for Mapai and subsequently the Labour Party, which culminated in its electoral defeat in 1977. The importance of the political consequences of the Arab-Israeli conflict, and in particular the Six Day War (1967) and Yom Kippur war (1973) cannot be over stressed. The Labour Party saw its political fortunes benefit (temporarily) from its conduct of the 1967 war, while its role in the conduct of the 1973 war is generally viewed as marking the end of the party's dominance. In some respects, the electoral system protected the Labour Party from an earlier decline, with its party list system and subsequent reliance on coalition government. The Labour Party, as its support declined, merely had to include more coalition partners in the government. Even in 1977, if the religious parties had decided to remain within the Labour-led-block there would have been the possibility of it forming a coalition involving the religious parties and DASH. This could have happened despite the fact that it was no longer the largest list. Conversely, the rise of the Likud, with its base in the 1965 merger of Herut and the Liberals, provided the electorate with an alternative party (block) to Labour, capable in the long run of building a winning coalition to govern. Although, the Likud's major electoral gains were made in the 1973 Knesset elections, the decision of the Labour Party to include it in the 1967 NUG provided the Likud with a sense of political legitimacy, which previously had been denied to the party. The rapprochement between the previously bitter enemies, Mr Ben-Gurion and the Herut leader Mr. Begin, contributed to this new found status of the Likud, as did the conquest of the territories in 1967, bringing with it, a realistic chance of building Greater Israel, a central feature of Likud ideology.

Recent explanations, such as the political economy framework, have drawn heavily on the more traditional notions of the party holding within itself the seeds of its own destruction. The Lavon Affair marked the start of this destruction as the previously relative homogenous nature of the Labour leadership was shattered. The political consequences of the Affair was one of the single most important factors in determining the inter-elite relations and, in particular, the relationship between the party and its co-founder Mr. Ben-Gurion and his followers up to its electoral defeat in 1977. Both the national conflict structuring internal politics and the political dynamics frameworks, concentrate on the failure of the Labour leadership to act decisively on the issue of the period. The party's failure, with respect to the question of the future of the territories, was clearly linked to its paralysing divisions and the fundamental need to preserve party unity above all else. The political culture framework offers an interesting contrast to the party dynamics approach with its concentration on the dynamic nature of Israeli society, and the failure of the labour movement to incorporate or react to these changes. Its central theme was the conservative nature of the Labour Party, both in terms of ideology and internal organisation, and its corresponding declining, predominantly Ashkenazi, ageing constituency.

As the party went in to opposition in 1977, it was faced with a number of challenges it needed to address if it was to return to government. There was a clear need to address both the problems of internal organisation, and notably internal democratisation, in order to rejuvenate the party, both in the eyes of its members and the electorate as a whole. In terms of policy, the party needed to adopt a clear and definitive approach to the future of the territories, and consequently to the peace process in general. In addition, it needed to find a way of renewing the bond between itself and the Sephardim, soon to be a demographic majority in Israel, and broaden its appeal to the young and low income groups of the electorate. In

parliamentary terms, the party needed to find a way of renewing the historic relationship with the religious parties, to prevent the Likud-led block from holding a near blocking majority after each Knesset election. Finally, the leadership had to understand their previous mistakes, and that the party had suffered a major defeat in 1977 as the result of a process of long term systematic decline, and not merely because of events surrounding the election. In short, they had to understand the illness before applying the remedy. This should have led to a solving of the damaging intra-elite divisions, and a concentration on offering dynamic clear leadership to Israeli society.

The degree to which these challenges were met would be shown by the party's fortunes in opposition and in the National Unity Governments (NUG), from 1977 to 1992.

CHAPTER 4

THE LABOUR PARTY IN OPPOSITION 1977-1981.

The Labour Party's response to its electoral defeat in 1977 and its subsequent actions between 1981-1984 can be attributed in part to it having continued to act as a dominant party which had temporarily lost power, but this being a situation which would be reversed at the next Knesset elections scheduled for 1981. In Chapter Two a dominant party was defined using Duverger's work as when:

... it is identified with an epoch; when its doctrines, methods, and its style so to speak, coincide with those of the epoch... Domination is a question of influence rather than strength, it is also linked with belief. A dominant party is that which public opinion believes to be dominant... even the enemies of the dominant party, even citizens who refuse to give it their vote, acknowledge its superior status and its influence they deplore it but admit it¹.

Such a definition can also be applied to a dominant party in opposition where it continues to act as a dominant party. This chapter does not aim to argue that the Labour Party remained a dominant party after 1977, but rather key elements, notably among the elite, continued to act as if the party's status had not changed. As outlined in Chapters 1 to 3 this group, with the highly centralised and oligarchic nature of the party, constituted the most important element in control of party institutions and policy. Thus their perception of the place and status of the party in the Israeli political system was vital in explaining the failings of the Labour Party in opposition.²

¹ Duverger, Political Parties: Their Organisation in the Modern State, Wiley, 1960, p308-309.

² In the period immediately following the election defeat none of the leadership of the party offered anything more than superficial explanations for the defeat. Mr. Rabin blamed the series of scandals and Mr. Peres for the defeat stating; "The residue of scandals, genuine and fabricated was especially bitter for the Labour Party, since 1977 was an election year and incumbent administrations are

The first term of opposition presented a series of unique challenges to a party that could not attribute the political development of the state to anyone else but itself. The fact that it was responsible for everything that happened in Israel until 1977 limited the party's opportunities to criticise the new administration. This was compounded by seeing its exile to opposition as a temporary phenomenon. Dr. Yossi Beilin confirms these problems arguing that the party still controlled the Histadrut, the Municipal Councils and the Presidency, and that the party believed it would soon return to controlling the Knesset³.

Dr. Beilin's comments provide an added complication to the definition of a dominant party in Israel. As described in Chapter One many of the Labour controlled institutions of the pre-state Yishuv had continued to exist after the birth of the state in 1948 such as the Histadrut. The birth of the state and the policy of Mr.

always an easy target of public agitation and discontent.. Clearly the time had come for the party to close ranks and dedicate a maximum effort to preparing for the upcoming contest at the polls. Mr. Peres was engaged in his own private race for the Prime Ministership, and instead of engendering unity on the eve of the battle, he tore the party into two opposing camps".

Yitzhak Rabin, The Rabin Memoirs, Steimatzky, Bnei Brak, 1994, p240.

Some 15 years later Mr. Rabin's views on the reasons for the party's defeat in 1977 remain relatively unaltered as does his belief that it could have been avoided.

Mr Peres, the party man, saw the defeat as an organisational failure and therefore the party needed to be reorganised. He did not envisage many other changes. On the night of the defeat he argued; "undoubtedly the moment that the new party DASH was created, it was clear that they were going to take away some votes which were traditionally due to our party".

Address at Labour Party Headquarters, Tel Aviv, 18th May 1977.

Mr. Peres in his memoirs published in 1995 devoted a whole chapter to the reasons for the loss of power in 1977 and showed a deeper understanding of the processes which took place.

Shimon Peres, Memoirs: Battling For Peace, Weidenfeld and Nicolson, London, 1995.

Even the scholarly former Foreign Minister Mr. Abba Eban failed to offer anything more than a similar version to Mr. Rabin's, but without the personal attacks on Mr. Peres.

Abba Eban, An Autobiography, Random House, New York, 1977, postscript.

³ Interview with Dr. Yossi Beilin, The Foreign Ministry, Jerusalem, 29th August 1994.

Ben-Gurion to transfer certain tasks away from these institutions to the state (mamlachtiut) meant that these institutions had a reduced role. However, the Histadrut still remained in control of for example, the health care of two-thirds of the population as well as the large labour sector of the economy. This meant that the party which controlled the Histadrut still enjoyed a certain influence in shaping socio-economic policy of the country. In short, the notion of the loss of dominance was not as "black and white" in Israel as it generally is within other dominant party systems.

The lack of an understanding of the profound changes which took place in Israel at this time were not confined to the leadership of the Labour Party. Israeli society, even those who had supported the Likud, continued to view the Labour Party as the dominant party or the establishment. This fits in with the final part of Duverger's definition of a dominant party where he suggested even those who did not vote for the party accepted its superior status. The penetration of the labour movement in to the everyday life of the population remained substantial. As well as its control of the Histadrut, it controlled the Municipals (local government), the civil service (after years of political appointments) and the media (newspapers and the sole television channel). Consequently, despite the fact that the party was now in opposition it could not, in the eyes of the public, function free from complicity for both the past failings of the state and the present problems which confronted it. In addition to this the Likud in its first period of government did not try to challenge the view of the Labour Party as the establishment. It did not, for example, attempt to dilute the influence of Labour Party in the civil service or conduct a programme of mass political appointments to replace the previous Labour ones⁴.

⁴ Interview with Mr. Dan Meridor, The Knesset, Jerusalem, 17th October 1994. Mr. Meridor served as Mr. Begin's Cabinet Secretary.

Consequently, the Labour Party was still perceived by both itself and the population as a dominant party and thus failed to introduce substantial reform to its party institutions, representation and methods of policy formation. Finally the fact that the Labour Party had been in power since the pre-state Yishuv meant that there was a lack of an organisational infrastructure, leadership and a platform for the successful conduct of a party in opposition. In short, the labour movement had been based on action such as the building of social, economic and eventually state structures and had no clear idea how to fill the role of a party in opposition⁵.

4.1: Internal Labour Party Response to the 1977 Election.

The Labour Party was in a state of shock and dismay following its election defeat. The Histadrut elections which took place three weeks after the Knesset defeat left the party with little time to contemplate the loss of power. This was illustrated by the decision of Mr. Peres and the leadership to postpone the post-mortem on the defeat until after the Histadrut elections⁶. At this time, there was widespread fear and panic within the party that they would lose control of the Histadrut. Both the Histadrut and the Kibbutzim feared for their future as a result of attacks from the Likud who described them as a privileged enclave of Israeli society⁷. There was a feeling in the Labour Party that it was vital to maintain its control over the Histadrut to act as a counter balance to the Likud government, and

⁵Interview with Mr. Ben-Aharon, Givat Hayim, 8th August 1994.

Interview with Mrs Esther Herlitz, Former Labour MK and Israeli Ambassador, Tel Aviv, 15th August 1994.

⁶ Party protocols reveal that the party organs at this time tried to concentrate on putting forward a clear united platform for the Histadrut elections. Mr. Peres, concerned about his intra-party standing, was in favour of such a postponement as was the Secretary General Mr. Bar-Lev.

Party Protocols of Central Committee Meetings and Bureau Meetings, Labour Party Archives, Beit Berl, near, Tel Aviv.

⁷ Such statements had been employed by the Likud during the 1977 Knesset campaign. The Likud threatened to split up the Histadrut and retain it only as a Trade Union, selling off its holding companies and health care systems etc.

to maintain a key party institution⁸. In order to aid the party's efforts the Kibbutzim mobilised their volunteers to both Labour Party Central Headquarters and into the periphery to help run the Histadrut campaign. Such a resource proved of vital importance to the Labour Party which was experiencing severe financial problems.

The results of the Histadrut elections reflected a slight decline in support for the Alignment, but were hailed as a victory by the party clearly maintaining control of the Histadrut for the labour movement.

Table 4.1: Histadrut Results 1973 and 1977 (In Percentages).

<u>Party</u>	<u>1973</u>	<u>1977</u>
Alignment	58.35	56.5
Likud	22.69	28.8
Ratz +Ind. Libs(1).	5.97	1.3
Religious Workers	4.27	1.8
Sheli (2)	2.75	1.0
Hadash (3)	2.38	3.0

(1) In 1973, only Independent Liberals

(2) In 1973, only Moked, Meri (radicals and left union)

(3) In 1973, only Rakah (New Communist Party)

Source: Central Bureau of Statistics, Jerusalem.

⁸ The depth of feeling on the need to maintain control of the Histadrut was expressed to the Researcher in several interviews with the leadership of the party for example, Interview with Mr. Gideon Ben-Israel, Head of Histadrut-Knesset faction Relations (Number Two in the Histadrut), Head of Histadrut Labour Party Faction, Tel Aviv, 21st October 1994.

As Table 4.1 reveals the most worrying trend for the Alignment (Labour and Mapam) was the increase in support for the Likud which, although not enough to challenge the hegemony of the Alignment, represented an increase of over six percent from 1973. However, such a victory in these elections presented the Labour Party with an opportunity and an institution with which to check and balance the power of the Likud government. It also contributed to the feeling within the Labour Party that it was still a dominant party which had been punished by the electorate in the Knesset elections. The fact that it had retained control of the Histadrut (only three weeks after the Knesset elections) led many in the party to presume that the electorate had registered a protest vote in the Knesset elections and that the party was now on course to return to government in 1981.

With the successful conclusion of the Histadrut campaign the post-mortem into the Knesset defeat started in earnest. In assessing the changes which took place within the party as a whole, and the leadership in particular, following the Knesset defeat the central theme is that of the continued cosmetic nature of change. This lack of substantial change applied to both changes in the organisation and composition of the party organs and the continued importance of elite personalities supported by newly emerging factions which were to partially replace the old factional divisions of Ahdut Ha'avodah, Mapai and Rafi.

Aronoff identified three fundamental criteria for assessing the changes which took place in the Labour Party: change in the way consensus is reached within the party,⁹ the consideration of alternative policies and changes in the groups that were represented in the decision making process in the party organs. In addition to these, he examined the general question of the degree to which the policy makers in the party become more representative to the constituents they represented. A high level of change would indicate an understanding of the loss of the party's dominance and

⁹ Aronoff, Power and Ritual in the Israel Labour Party, p168.

correspondingly an acceptance that Israel had moved from a dominant party system to a competitive party system. This would indicate an awareness of the need for the party to rebuild to meet the challenges discussed in the conclusion of Chapter Three. Correspondingly, a low level of change would illustrate a lack of acceptance of the defeat and confirmation of the assumption that the party believed it would soon recover from this "freak road accident"¹⁰.

4.2: Representation Within the Party, Internal Change and Generational Conflict.

The decline in the power of the Labour Party machine after the Knesset defeat was matched by an increase in the influence of the Histadrut and Kibbutzim within the party. The fact that the Labour Party retained control of the Histadrut in 1977 meant that the Histadrut faction had a greater degree of influence within the party than prior to the Knesset defeat. At a national level Histadrut leaders such as Yisrael Kessar increased their status and power bases with their maintenance of control over the Histadrut¹¹. Their autonomy from central party direction also increased as a result in this shift in the balance of internal power¹².

The strength of the Kibbutz movement within the party also grew in the wake of the electoral defeat. The Kibbutzim were perceived at the time as the saviours of the party providing the resources and personnel to help maintain the Histadrut in Labour hands and save the party from financial ruin. In the months following the electoral defeat a special committee charged with cutting party expenditure recommended the dismissal of over half the employees in the Labour Party

¹⁰ The term "freak road accident" was used by many in the Labour Party to explain the loss of power in 1977 for example; Interview with Mrs Daphna Sharfman, Chair of Labour Party Human Rights Committee 1994, Haifa,

¹¹ Interview with Mr. Ben-Israel.

¹² Interview with Mrs Herlitz.

Headquarters and among its administration. During this period the party's debts rose to over 35 million Israeli pounds which was compounded by the inability of the party to sell property because of the law governing the financing of parties. With the reduction in Alignment seats to just 32 so the sum allocated by the state to the party fell adding to its financial difficulties¹³. Consequently, this led to dramatic changes at party Headquarters in Tel Aviv, party functionaries became out numbered by the young volunteers sent by the Kibbutz movement to run the party bureaucracy¹⁴. The major motivation of these volunteers had been to fill the vacuum caused by the break up of the old political machine and alignments and the protection of the Histadrut. A secondary consequence of their action was the short term strengthening of the Kibbutzim representation within the party.

Unsurprisingly, the rise of the Kibbutzim representation in the party was not welcomed by the large city branches of Tel Aviv, Haifa and Jerusalem, who were not content to watch their power basis and patronage networks being eroded. However, the large city branches were at this time themselves in a bad way both financially and organisationally as they attempted to regroup after the election defeat¹⁵. Moreover, the machines themselves were undergoing a period of realignment with new groupings and factions starting to evolve out of them. In short, they had little option but to accept the increased role of the Kibbutz movement in the party in the short term while they put their own house in order.

In terms of representation within the party organs there was little change in the method of selection and role of the organs. The Central Committee, the so

¹³ The financial problems of the Labour Party in 1977 were widely reported in the Media see for example, "Mass Dismissal of Alignment Employees", Middle east International, 75, September 1977, p27.

Interview with Mr. Avraham Hatzhami, Director of the International Department, Party Headquarters, Tel Aviv, 29th November 1994.

¹⁴ Interview, Ibid.

¹⁵ Interview with Mr. Gideon Saguy, Mk, Head of Tel Aviv Machine 1994, The Knesset, Jerusalem, 25th July 1994.

called central policy making body, continued to be highly ineffective. Out of the 814 Central Committee members only between 200 and 300 effectively participated in meetings¹⁶. Out of this group only around seventy were involved in the formation of tactical coalitions that affected party policy decisions¹⁷. These intra-party coalitions were arranged in a highly hierarchical manner with Mr. Peres, the head of the party, at the top of a ruling group which included the former Foreign Minister Mr. Abba Eban and the Secretary General Mr. Bar-Lev. Mr Rabin and another ex-Foreign Minister Mr Allon headed separate other groupings in the Committee and within the party as a whole. In order to get elected to the Central Committee it still proved necessary to be a client of one of these three senior leaders. The trio had by this time all but replaced the old party factionalism (Ahdut Ha'avodah, Rafi and Mapai) with a more personality oriented form of patronage¹⁸.

The two most important groupings which evolved during this period were the Beit Berl Group (named after the location of their first meeting) and the Yahdav group. The Beit Berl Group was founded in 1977 as the result of a series of meetings involving around 20 people¹⁹. Its membership included the Labour Party's economic expert Mr. Ya'acov Levinson, Mrs Nava Arad (Deputy Secretary General of the Histadrut), Mr Israel Gat (Chairman of the International Department of the Party) and Mr Uzi Baram (later to be Secretary General of the party). The image of

¹⁶ For example in four crucial Central Committee meetings to decide upon the Labour Party's programme for opposition the following number of members were present at each meeting: 21st July 1977 - 290 members

28th July 1977 - 312 members

31st July 1977 - 232 members

8th August 1977 - 394 members.

Details from Minutes of Central Committee Meetings, Beit Berl Archives and Labour Party Headquarters, The Offices of the Secretary General.

¹⁷ Goell, Jerusalem Post, 13th June 1977..

¹⁸ This replacement of the old style of factionalism to the new more personality oriented form was confirmed to the researcher in several interviews for example, Interview with Mr. Yoram Peri, Labour Party Spokesman, Labour Party Headquarters, 31st October 1994.

¹⁹ Azmon, "Labour and its Factions", in Jerusalem Quarterly, Spring 1981, p122.

the group was that of a mainly Ashkenazi, liberal dovish faction. Members of the group claim that it was instrumental in attempting to push the Labour Party towards a more dovish party²⁰. However, the main aim of this group was that of a generational and power challenge as Dr. Yoram Peri describes:

The challenge was almost natural, the major common denominator was the age and the fact that they were pushing ahead to get a better position in the party power structure... They covered themselves in beautiful ideological differences but basically their fundamental aim was that of self interest²¹.

After 18 months meetings were expanded to a larger group but it still remained somewhat elitist in nature²². The group, although it had originally supported Mr. Peres, contained supporters of Mr. Rabin. Eventually it was this split which brought the activities of the group to an end during the 1981 leadership contest between Mr. Peres and Mr. Rabin. The strength of this group lay in its composition which included the heads of the Kibbutz Movement and of the enterprises of the Histadrut. Its influence peaked in 1979 with a series of weekend meetings which were used to express concern over the leadership of Mr. Peres and the lack of change within the party. However, Mr. Peres succeeded in getting the second of these weekend meetings cancelled amid concern that the meeting amounted to the first volley in a new internal party battle and a threat to his leadership²³. Once Mr. Peres succeeded in doing this the role and threat of the group to the leadership started to diminish as members moved on to other groupings or positions within the party.

If the Beit Berl Group was an elitist self appointed group, then the Yahdav Group was the opposite, open to all, and largely made up of party branch workers.

²⁰ Interview with Mrs. Nava Arad, Tel Aviv, 27th July 1994.

²¹ Interview with Dr. Yoram Peri, Editor of Davar and former Spokesman for the Labour Party, Davar, Tel Aviv, 1st August 1994.

²² Azmon, loc. cit.

²³ Honig, "Labour Discontent Mounts", Jerusalem Post International, 11th to 17th November 1979.

The group was led by two top Tel Aviv party officials, Mr. Speiser and Mr. Ben-Amir, and included Histadrut leaders as well as leaders of the Moshavim and leaders to the opposition to the official party leadership in Haifa and Jerusalem. The group was more oriental and hawkish than the Beit Berl group as well as being somewhat closer to Mr. Peres (who never officially adopted the group)²⁴. The composition of both of these groups mirrored the divisions within the party. On the one hand there was a loose alliance between the leaders of the Histadrut and the Kibbutzim who were demanding changes to party institutions, leadership, and policies which they felt were necessary in order to win the next Knesset election. On the other hand, the local party leaders close to Mr. Peres along with many of the rank and file membership (including party workers) perceived the actions of the Beit Berl Group to be potentially dangerous. A note of caution is required in that it is too simple to view these groups totally in this light for being informal groupings they both tended to include crossover members, and therefore neither was totally uniform in its membership.

There were two other influential groups within the party at this time: Group 77 and the Young Guard. Group 77 consisted of a group of University Professors who joined the party after the election defeat. Importantly there was an awareness within Group 77 of the profound changes which had taken place in the Knesset elections of 1977. They understood that the party had experienced something more than a temporary loss of power for a dominant party which would automatically be reversed in 1981. Consequently, this group were the most notable proponents and supporters of reform of both party structure and ideology which they viewed as necessary to return the party to power. They argued that without the suggested reforms the party would not return to power in 1981.

²⁴ Aronoff, *op. cit.* , p171.

In organisational terms they attempted to link up with the Kibbutz movement which shared its interest in ideological politics. However, such efforts failed as their views differed on key issues. The "Professors" were more dovish than the Kibbutzim members notably on the issue of settlements²⁵. Mr. Peres offered some encouragement to these academics, offering to get them elected to the Central Committee, but the Group failed to make a decisive impact on party affairs²⁶. Dr. Hatis-Rolef, a member of Group 77 explains this failing as due to the fact that they (Group 77) came to save the party and wrote some beautiful position papers, but they were not in touch with the grass roots of the party. In addition, despite that fact that Mr. Peres helped them to get elected to the Central Committee they could not convince the Committee of their ideas. In short, they did not have what it took to play intra-party politics and the party at the time did not fully understand the extent of its problems²⁷. Another member of the Group, Mrs Hertzilz, saw the problem as similar to the above in that the party never really took the academics seriously and that the Professors were eventually lost to parties to the left of Labour. Many of the Professors were influential in the building of Meretz in 1992²⁸.

The Young Guard (members up to the age of 35) were ideologically similar to Group 77 due in part to many of them being either past or present students of the above professors. Within the party they performed the role of "enfants terribles" and were strong supporters of party reform (especially internal party democratisation of the party organs and decision making processes). Their level of influence however was minimal within these institutions in which they had little representation at the

²⁵ Aronoff, op. cit. , p172

²⁶ The Labour Party leadership had previously been somewhat suspicious of academics and their intentions. Mr. Peres's decision therefore, marked a change of policy as the party attempted to rebuild itself and its constituency.

²⁷ Interview with Dr. Hatis-Rolef, Editor of Spectrum, Member of Group 77, Jerusalem, 29th August 1994.

²⁸ Interview with Mrs Esther Hertzilz.

time. The members of this group were still too young and inexperienced to mount a generational challenge to the leadership of the party at this stage. The leadership therefore, in controlling the similar challenge from members of Beit Berl Group, successfully survived any form of generational challenge to their position.

4.2.1: An Assessment of Internal Change.

Between 1977-1979 no single strong united elite ruled the party. There was no party machine similar to the "Gush" dominated by Mr. Sapir so the intra-party conflict within the elite heightened. Mr. Peres was in a semi-dominant position having ensured that in the rebuilding of the party that many of his supporters gained places in the party organs (notably the Central Committee). In reality Mr. Peres's rebuilding programme for the party was motivated for two reasons. These were to construct what eventually resembled a similar party structure to the old model (pre-1977) and also to ensure that he had control over the party in order to maintain his position amid the intra-party conflict. Mr. Peres's need to both gain control and then tighten this advantage of the party machine became all the more necessary over the years because of his inability to win elections²⁹. The commitment of Mr. Peres to rebuilding the structure of the party was such that by the time of the 1981 election he had succeeded in bringing the organisational side of the party nearly up to the level of the old party machine. The major difference was that he was now the major although not the only power broker in the party. This evidence of Mr. Peres's growing domination of the party organs was illustrated by his landslide leadership victory over Mr. Rabin in the Party Conference vote in 1980 (Mr. Peres won 72 percent of the votes to Mr. Rabin's 18 percent). This was in direct contrast to the situation between 1974-77, when Mr. Peres had been the outsider competing against the party machine's choice of candidate Mr. Rabin. However, an ex-Minister

²⁹ Interview with Dr. Korn, Tel Aviv, 13th September 1994.

Mr Zakok correctly argued that this rebuilding of the organisation was not enough in itself to win an election without the necessary reforms to accompany it³⁰. Thus the emphasis on developing new power bases within the newly emerging party deflected from what should have been a period of substantial party reform³¹.

Mr. Rabin at this time, in the aftermath of the scandal which forced him from office, slowly started to reassert himself within the party. However, he was no match for Mr. Peres (as the 1980 result confirmed) in intra-party politics. In addition to this he was without the support of the old pre-1977 party machine. A third candidate emerged for the leadership, Mr. Allon (a former Foreign Minister), but he did not enjoy much support away from the Kibbutz movement and the old Ahdut Ha'avodah faction in the party. Like Mr. Rabin he was no match for Mr. Peres at the games and manipulations of intra-party politics³².

A consequence of the intra-party conflict was the decision to expand the size of both the Central Committee and Bureau to allow the building of the new elite constituencies. The Secretary General of the party Mr Bar-Lev, acting on recommendations for internal party change, increased the size of the Central Committee by 40 members and introduced 3 new members to the Leadership Bureau. Crucially, the latter appointments all parachuted in from above by means of appointment by Mr. Peres and Mr. Bar-Lev³³.

³⁰ Interview with Mr. Chaim Zakok, Minister of Justice 1974-77. Mr Zakok at this time was still influential behind the scenes in the party and in policy formation.

³¹ Mr Zvilli, Secretary General of the Labour Party 1994, agrees that the importance of Mr. Peres rebuilding programme was not as great as the need for widespread reforms.

Interview with Mr. Zvilli, The Knesset, Jerusalem, 5th September 1994.

³² Mr. Allon died in 1980, an event which was seen as prompting the challenge of Mr. Rabin to regain the leadership. Mr. Allon's wife was reported to have told Mr. Rabin that it was now his turn to take up the mantle and challenge Mr. Peres. Interview with Dr. Korn, who served as an advisor to Mr. Allon in the Foreign Ministry (1974-77).

³³ The three appointees were Mr. Mordecai Gur retiring Chief of Staff of the IDF, Mr. Chaim Herzog retiring Ambassador to the United Nations and Mr. Ya'acov Levinson a former Chairman of Bank Hapoalim.

Reforms to the procedure for selection of candidates to the Knesset list appeared to take a degree of power away from the leadership. However, the changes were superficial with the final control remaining within the inner-elite of the party. In the new system candidates who wished to stand for a third term in the Knesset were required to win the support of 60 percent of the Central Committee. Balancing this new reform was the continuation of the Party Selection Committee (a remnant from the old party machine) which selected half the names for realistic places on the Knesset list. The other fifty percent were selected by the local branches, but importantly it was the Selection Committee which determined the candidates who received a realistic place on the list. The Committee comprised of Mr. Peres, the leaders of the Kibbutzim and Moshav movement, together with the heads of the city branches, Tel Aviv, Jerusalem and Haifa³⁴. Such a committee bore a remarkable similar resemblance to the old Selection Committees employed by Mapai and in particular the "Gush" from 1948 onwards.

The Party Conference (December 1980) was still a highly managed affair with the leadership still in control of the delegate selection process for the conference. Also it was still the elite-controlled Preparation Committee which still effectively set and controlled the agenda of the Conference. The party platform which emerged from the Conference represented little in the way of substantial change from the previous Conference and was subsequently widely criticised in the Israeli media³⁵. The resulting Manifesto was full of contradictions notably on the peace process and the Settlements issue. Paragraph Seven outlines the party's aims:

³⁴ Details of the new system for selecting the Knesset candidates are contained in the Labour Party Constitution 1981, Labour Party Headquarters, Tel Aviv, Office of the Secretary General.

³⁵For example see, Keshet, Yediot Aharonot, 30th January 1980.

Israel under a Labour government will endeavour to reach peace agreements with Jordan and Syria with defensible borders based on territorial compromise with each of them³⁶

However, this seemingly contradicts with Paragraph thirty-one on the Peace with Syria which states:

The Government led by the Labour Alignment will work for the consolidation of the Israeli position on the Golan Heights and will insist that in peace time the security and Settlement deployment on the Golan shall be under Israeli sovereignty, as an inseparable part of Israel³⁷.

As Syria had consistently stated that any peace with Israel would be based on a complete return of the Golan Heights, then it was difficult to see how the Labour Party programme offered any chance of such a prospect.

On the issue of the Settlements Paragraph Thirty states: Settlement in the Jordan valley (including the area to the north-west of the Dead Sea), in the Etzion Block, in the areas surrounding Jerusalem, in the South of the Gaza Strip and also on the Golan Heights is vital to the security of the state. The Government of Israel led by the Labour-Alignment will work for its consolidation and development.

The Labour Party not only talked about the continuation and consolidation of the settlements(Paragraph 30), but for the first time formally declared that settlements established by the party beyond the Green Line would remain part of Israeli territory. This stance reflected the new realities in the party, and in particular the more prominent role being played in the party by the newly formed United Kibbutz Movement. The Kibbutzniks along with the Ahdut Ha'avodah traditions of aggressive settlement thus confirmed their ascendancy in the party with the above decisions at the Party Conference.

The lack of a well organised and carefully thought out plan of reform or the will of the elite to introduce a package of measures meant that the party during this

³⁶ The Labour Party Manifesto for the 1981 Knesset elections. The Manifesto is based on the decisions reached at the Party Conference.

Labour Party Headquarters, Offices of the Secretary General, Tel Aviv.

³⁷ Ibid.

period was hoping the changes they did make would prove sufficient for it to regain power. The elite's reluctance to introduce any significant reforms were largely due to its failure to understand the illness (described in Chapter Two) before administering the necessary medicine to the patient. In short it confirmed that the party did not realise that the 1977 election defeat represented something more than a temporary loss of power for a dominant party. This lack of understanding was compounded by the serious problems which beset the Likud led government which seemingly indicated a return to power for the Labour Party in 1981.

4.3: The Likud-led Government, Issues of the Day, and Labour Party Responses.

Prior to 1977 the major debate within Israeli society had been predominantly on socio-economic issues, but after 1977 it was largely on the issue of peace³⁸. The Camp David Accords (17th September 1978) and the subsequent signing of a formal peace treaty with Egypt transformed the political party landscape of Israel in several ways. It led to the birth of the radical right which included many ex-Likud members who rejected the Camp David Accords (in particular the evacuation of the Sinai settlements). In addition, it threatened to split the Labour Party into those who were willing to return all the Sinai (including the air bases) and those who were unwilling to cede control of all of the Sinai. Consequently, the Camp David Accords came to be seen as the single most important divisive issue of the time for both major political blocks.

³⁸ The change in 1977 from socio-economic issues to the peace process was confirmed to the researcher in many of the interviews conducted with leaders of the Alignment for example, Interview with Mr. Victor Shemtov, Former Leader of Mapam and Minister in the Last Alignment Government, Tel Aviv, 12th July 1994.

The period prior to the Camp David Accords saw the setting up of Mr. Begin's coalition which included the centre party DASH and the former Labour Party Defence Minister Mr. Dayan serving as the Foreign Minister. Initial fears of an immediate annexation of the West Bank by the new government proved to be unfounded. The cautious nature of the government was confirmed by its maintenance of many Labour-appointed personnel in key posts in the civil service and government institutions³⁹.

This cautious approach was indicative of a natural lack of confidence from a party which had come to power after 27 years in opposition. In short the Likud government did not during the life of the government attempt to dismantle the Labour dominated state apparatus. This to some extent confirmed Duverger's argument of the inferiority of opposition party's in a dominant party system (see 2.1). Transferred to the post-1977 Israeli party system this argued that the Likud although it was now the party in power (government) acted at times as if it were still a non-dominant party in a dominant party system. This represented the other side of the coin from the Labour Party which continued to act as it were a dominant party although it was now without power (not in government).

After an initial honeymoon period the government of Mr. Begin became increasingly unpopular with a series of high profile cabinet splits on both the peace issue and economic matters. This was compounded by the raised expectations of Israelis after the historic visit of President Sadat to Jerusalem and the failure of Mr. Begin to secure a quick breakthrough in the peace process following this visit.

The single most significant event for the Labour Party, and Mr. Peres in particular, was the meeting in Vienna between Mr. Peres and President Sadat (June

³⁹ Mr. Meridor describes the first Likud administration as one of the cleanest in the history of Israel as they had not yet started the process of political appointees which had been part of Israeli political culture.

Interview with Mr. Meridor, The Knesset, Jerusalem, 17th October 1994.

1978) which helped to develop Mr. Peres's image as a leader with international recognition⁴⁰. In short, it appeared that Mr. Peres would come to terms with President Sadat more quickly than Mr. Begin did at the time⁴¹. The meeting took place at the time when the negotiations between Israel and Egypt were stalled and had been arranged by members of the Socialist International (SI) to help push the peace process forward. The resulting document from the meeting put together by Mr. Peres and two Labour Party colleagues (Mr. Zadok and Mr. Harish) and was accepted with slight modifications by Mr. Sadat⁴². The main result of the meeting was that for the first time President Sadat stated that he distinguished between the Sinai and the West Bank. He accepted that in the latter Israel had real security problems. Importantly he also told Mr. Peres that Egypt would be willing to conclude the first stage of negotiations and sign an agreement after it had reached an understanding with Israel on the Sinai, and after Israel had issued a declaration of intentions which would draw King Hussein of Jordan in to the process⁴³.

The document was officially presented by the Austrian Chancellor Mr. Bruno Kreisky and the ex-German Chancellor Mr. Willie Brandt, and while both Mr. Peres and President Sadat viewed the document in a positive light they felt unable for domestic reasons to publicly endorse it⁴⁴. On Mr. Peres's return the document was discussed within the Labour Party organs, but due to concern expressed that it would lead to a Palestinian state the original document was never voted on in any of

⁴⁰ For a detailed highly personalised account of the meeting and the events surrounding it see, Peres, Memoirs, Battling For Peace, p203-206.

⁴¹ Mr. Israel Gat summarised the mood in Israeli political circles that it appeared that Mr. Peres might steal Mr. Begin's thunder on the principal issue of the day. Interview with Mr. Gat, Chairman of the International Department of the Labour Party, Party headquarters, Tel Aviv, 11th August 1994.

⁴² Beilin, a Dominant Party in Opposition, The Israel Labour Party 1977-1981, in Middle East Review, 17, 1985, p35.

⁴³ Minutes of the Meeting between Mr. Peres and President Sadat, Labour Party Headquarters, Tel Aviv.

⁴⁴ Beilin, *Ibid.*

the party organs. Instead the party inserted a clause stating that the Palestinian problem should be solved within the framework of a Jordanian-Palestinian state and emphasising that Israel would not return to the pre 1967 borders⁴⁵.

The historical importance of the Vienna document was superseded by the Camp David Accords, but it could have represented the Labour Party's finest moment in opposition. If it had simply been an opposition party and did not still consider itself to be a dominant party then it would have been more likely to adapt the original draft of the Document (especially as leaders of the Labour Party were its principal authors). It would have then put it forward to the electorate as a clear alternative to the policy of the Likud government. In reality, the Labour Party was still acting as a dominant party working in the national interest and helping to break the deadlock in negotiations which had followed Mr. Sadat's visit to Jerusalem in 1977⁴⁶. In addition, its reactions to the original document illustrated the problems of altering the party platform on the key issue of the peace process. These lay in the fact that the party was still deeply divided on the issue.

4.3.1: The Camp David Accords.

The Camp David talks marked a way out of the increasingly precarious position of Mr. Begin's government and were one of the many factors which

⁴⁵ The Document was discussed at the Central Committee meeting on 23rd July 1978 where the new clauses were inserted making the new document almost unrecognisable to its original form. At the meeting there was general support for the document, but fears were expressed that if the party endorsed the document as its platform it would suffer at the polls. Mrs. Meir (the ex Prime Minister) summarised the position stating that we (the Labour Party) should support the document but not endorse it.

Party Protocols of Central Committee Meeting, 23rd July 1978, Labour Party Archives, Beit Berl, Near Tel Aviv.

⁴⁶ Mr. Peres claims to have made it perfectly clear that everything that was said to him would be reported back to Mr. Begin and that he was not attending the meeting to make domestic political capital.

Peres, op. cit. , p205.

undermined the performance of the Labour Party during this period⁴⁷. Prior to the Camp David talks the Labour Party had been mounting strong personal attacks on Mr. Begin accusing him of slowing down the peace process and a failure to manage the economy⁴⁸. There was widespread economic unrest culminating in a series of one day strikes organised by the Histadrut. In addition to this the government suffered from a series of self-inflicted wounds involving public disputes and internal divisions⁴⁹.

However, there was a marked change of tactics by the Labour Party between the Camp David talks up to the signing of the treaty and its subsequent ratification in the Knesset. The major reason for this was the Israeli tradition of uniting behind a government in times of crisis or external pressure on security issues. Thus the Labour Party refrained from attacking the Likud during the Camp David negotiations so as not to weaken Mr. Begin's negotiating position⁵⁰. A major tactical problem for the Labour Party at the time was the unexpected flexibility of Mr. Begin during the negotiations with Egypt following a period of inflexibility from the government. This was compounded the fact that Mr. Begin eventually delivered a peace treaty with

⁴⁷ The Camp David Accords have been widely published for example, the Israeli Embassy London, and have not been included in the Appendix section because of the length of the Accords.

⁴⁸ Inflation by November 1978 was running at an annual rate of 50 percent. The Labour Party tabled an unsuccessful motion of no-confidence in the Knesset on this issue (16th November 1978).

⁴⁹ Many in the Likud saw the failings of the government at the time as the result of Mr. Begin's devotion to the peace process which took up most of his energies. Consequently, he allowed Ministers to get on with their own jobs and did not employ much central management of the government. This resulted in a situation where Ministers were given too much freedom over the traditions of Cabinet collective responsibility.

Interview with Dr. Yossi Ben-Aharon, Director of Mr. Shamir's Prime Minister's Bureau, Jerusalem, 18th September 1994.

⁵⁰ The restraint of the Labour Party at this time was confirmed by Mr. Shahal, the Head of the Labour Party Faction in the Knesset, Interview on Israel Radio, 21st August 1978.

Mr. Shahal agreed not to reconvene the Knesset during the summer recess so as not to weaken the Cabinet's position in the talks.

Israel's potentially most threatening Arab neighbour. The Labour Party's response to the Camp David Accords illustrates the problems the leadership experienced in opposition.

Of primary importance was the Labour leadership's inability to reconcile criticism of the treaty with their self-perceived role as the dominant party in Israel. In short, the Labour Party's past meant that it could not oppose a peace treaty with Egypt. This despite the party having strong reservations concerning Mr. Begin's conduct of the process and the decision to return all of the Sinai. The Labour Party clearly felt that an Accord could have been reached at a much lower cost to Israel (notably the decision to give up the Sinai Airfields)⁵¹. An additional problem for the Labour leadership was the fact that it soon became clear that Mr. Begin was going to have to rely on their support to ratify the Accords in the Knesset. This despite Mr. Begin having successfully enlisted the support of Mr. Sharon in agreeing to dismantling of the settlements in the Sinai. During the subsequent debate in the Knesset Mr. Peres articulated many of the problems facing the Labour Party. He started by welcoming the Accords:

I unhesitatingly congratulate the Government and the Israeli Prime Minister on the difficult and awesome, but vital decision they have made to march towards peace in return for a price that seemed impossible for the present Government, to free themselves from their commitments, conventions and ideology, and progress towards a new direction in the history of the Middle East⁵².

However, Mr Peres moved on to catalogue what the Labour Party saw as the totally inadequate performance of the government during the negotiations and its inability to retain some Israeli control of the Sinai:

⁵¹ Many in the Likud believed that Mr Sadat's price for peace was in fact lower than a complete return of all the Sinai.

Interview with Dr. Yossi Ben-Aharon.

⁵² Mr. Peres Address to the Knesset, 25th September 1978, Knesset Library, Jerusalem.

We have paid a heavy price for these mistakes. Mr. Chairman, this Cabinet conceded all of the Sinai on one clear Jerusalem evening. Afterwards it held negotiations, characterised by regrets, but it did not help. In conceding the Sinai, the Cabinet shattered Israel's credibility. We stood on a defensible border with settlements and airfields... We have returned to 1967 borders and have given up this defensible border⁵³.

Mr. Peres's justification for supporting the Accords said a lot about the continuing ethos of dominance within the Labour leadership. He portrayed the party as responsible towards the people and argued that had the Likud been in opposition their response would not have been so responsible.

The major intra-party problem for the Labour Party stemming from Camp David was that it reopened old wounds in the party between the hawks and doves, notably over the dismantling of the Sinai airfields and the evacuation of the settlements. The Accords were eventually ratified in the Knesset (27th September 1978) by a vote of 84 in favour to 19 against (17 abstained)⁵⁴. One of the leading dissenters in the Labour Party, Mr. Hillel, argued that the Labour Party should support the peace treaty, but that the problem of the settlements had to be resolved independently. In addition to this he supported retaining around 25 percent of the Sinai for security reasons⁵⁵. Subsequently he called for there to be two votes: one on the peace treaty and the other on the settlement issue. Mr. Begin refused to allow such a vote and after the Labour Party leadership had discussed the issue they eventually agreed with Mr. Begin. Consequently, it was the Labour leadership, who, although they had strong reservations about the Accords, got Mr. Begin out of trouble and presented him with the single biggest achievement of his premiership⁵⁶. This was due to the fact that had Mr. Begin been forced to hold two separate votes

⁵³ Ibid.

⁵⁴ Those that voted against included Dr. Moshe Arens (Likud), Mr Shlomo Hillel (Labour). Those that abstained included Mr Yitzhak Shamir (Likud) and Mr Yigal Allon (Labour).

⁵⁵ Interview with Mr Shlomo Hillel, Jerusalem, 25th July 1994.

⁵⁶ Ibid.

on the Accords it is generally viewed that he would have won the first on the overall Accord, but lost the second on the question of the Sinai settlements⁵⁷.

4.3.2: Post Camp David.

In many ways Camp David, while representing Mr. Begin's single biggest achievement, proved to be extremely problematic for his government. On the one hand some hawkish members, notably Mrs Geula Cohen, left to form Tehiya. On the other hand Mr Begin's two Senior Ministers Mr. Dayan and Mr. Weizman resigned in October 1979 and May 1980 respectively mainly over differences about the conduct and overall lack of progress in the peace process⁵⁸. To make things worse the centrist party DASH had collapsed due to a bitter intra-party conflict over the party's future continuation in the coalition⁵⁹. The unpopularity of the government was visible in opinion polls published at the time predicting that the Labour Party may win an overall majority for the first time in the Knesset elections in 1981.

The Labour Party had overtaken the Likud in the opinion polls from the summer of 1979 onwards. This further added to the over confidence of the Labour Party leadership and reinforced their conviction that the party's return to its past status of a dominant party with power was assured in 1981⁶⁰. However, Israeli

⁵⁷ Mr. Begin would have secured around 90 percent approval in the Knesset vote on the overall Accords, but only around 40 percent approval for the dismantling of the settlements. These figures are based on interviews with Labour MK's 1977-1981 conducted by the researcher.

⁵⁸ In Mr. Weizman's letter of resignation he was extremely condemning about all aspects of the governments policies stating;

" My reservations have increased more and more regarding the Government's peace policy, the economic programme, its social programme, and its functioning".
Extract from Letter of Resignation, Published 28th May 1980.

⁵⁹ DASH eventually split in to two groups one led by Mr. Yadlin while the other group eventually became Shinui (Liberal party) led by Mr. Rubinstein. Mr Poraz Shinui MK sees the death of DASH as a consequence of its original decision to join the Likud-led coalition in 1977.

Interview with Mr. Poraz, 24th August 1994.

⁶⁰ May 1979 put the Alignment at 42 seats to the Likud's 41 seats.

commentators identified this Labour as highly vulnerable because the polls represented a vote of no confidence in the Likud rather than any public perception of real change in the Labour Party since 1977. In addition the fragility of the party's lead was confirmed by the large number of undecided voters due to the collapse of DASH⁶¹. However, at the time the major concern of the Labour leadership was not reforms to the party, but rather preparing for the prospect of returning to power, sooner rather than later (many in the party believed that the Likud would not serve out its term, and therefore elections would have to be brought forward)⁶². In short, the strategy of the Labour Party was to let the Likud government burn itself out, and not itself undergo a radical change. Such tactics of relying on the continued poor performance of the Likud proved to be extremely costly to the party. Importantly this strategy also ignored the opportunities for an incumbent administration to manufacture short term favourable changes in the economy and the possibility of a major security issue increasing the government's popularity.

June 1979 put the Alignment at 46 seats to the Likud's 40 seats
Both polls were commissioned by the Jerusalem Post.

⁶¹ Segal, "Exorcising Labour's Ghosts", Jerusalem Post, 27th May 1979.

⁶² At the time in Israel, Mr. Begin was described as the late Mr. Begin by the Labour Party and the press.

Interview with Mr. Meridor, 17th October 1994.

Conclusion.

The major problem for the Labour Party during this widely accepted difficult period was the failure of the leadership to understand what had happened in 1977 and react accordingly. The party after its election defeat continued to act as a dominant party or more specifically a dominant party without power. This chapter has not attempted to argue that the Labour Party was indeed a dominant party, but rather that key elements of the party and Israeli society perceived it to be such a party. As Duverger outlined in his definition of a dominant party such a perception is itself enough to justify the use of the term dominant party. In addition the behaviour of the Likud government was affected by the extended period of the Labour Party's dominance (1948-1977). This at times made the Likud between 1977-81 appear to be a non-dominant party operating within a dominant party system with power (in government). An additional complication concerned the meaning of 'in power'. Here it has been employed to mean 'in government'. However, as outlined in this Chapter the Labour Party enjoyed a high degree of penetration into the socio-economic affairs of the nation through its continued control of the Histadrut. This tended to cloud the question of where power lay and helped encourage the Labour Party into its perception that 1977 had not really changed the position of the party within the political system.

As the party failed to understand the illness it did not actively seek a cure. Hence it did not undergo the revolution which was required if it was again to expand its narrowing electoral base. There is little evidence of the party taking measures to win support from the Sephardim and younger generations. Mr. Peres concentrated on rebuilding the organisation of the party and developing his own intra-party position. Little attention was given to either reforming the party's organs or methods of arriving at policy decisions.



A small minority in the party (particularly members of Group 77 and the Young Guard) recognised the need to make apparent reforms to the party, but the end result of these changes was cosmetic not substantial reform of the party. This suited the elite figures (like Mr. Peres) but diminished the ability of the wider party to appreciate the real predicament. Hence the Labour Party in 1981 bore a remarkable resemblance to the pre-1977 Labour Party which the electorate had rejected in the previous election. Thus the party employed the high risk strategy of relying on the unpopularity of the Likud government as the single most important factor in its attempt to regain power in 1981.

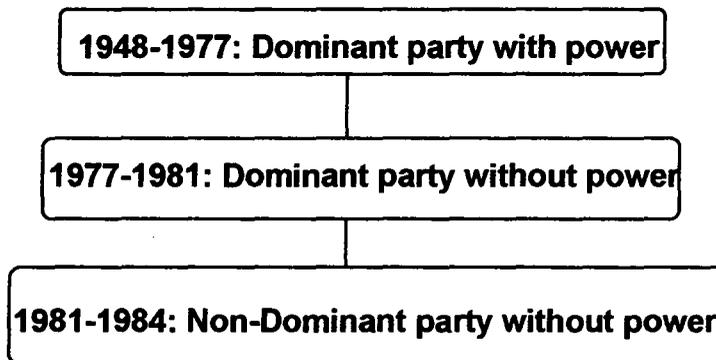
CHAPTER 5

A SECOND TERM IN OPPOSITION: THE ISRAEL LABOUR PARTY 1981-1984.

The period between the party's second consecutive election defeat in 1981 up to the Knesset election in 1984 saw the next stage of development in the Labour Party's position within the Israeli party system. This chapter deals with the 1981 election and the period following it, during which the Labour Party acted more as a non-dominant party operating in a competitive party system without power.

Illustration Two summarises the development of the Labour Party.

2: Development of the Labour Party 1948-84.



It needs to be stressed that the competitive party system in Israel at this time was not fully matured. This was illustrated by the actions of the Likud, which during this period attempted to dismantle the remaining areas of Labour dominance and replace it with their own Revisionist brand of dominance. In simple terms this period saw the attempt of the Likud to become the dominant party in Israel. Therefore in understanding the developments in the Labour Party during this period it is vital to

understand these objectives of the Likud and how they affected the political agenda.

5.1: Background to the 1981 Knesset Elections.

In the six months prior to the election Mr Begin and the Likud had engineered a successful reversal of fortunes while the previously described "soft" Labour Party support declined rapidly. The recovery of the Likud can be attributed to three factors: the re-emergence of Mr. Begin (in good health now serving also as Defence Minister and exercising control over the Cabinet); the blatant election economic package of the new Likud Finance Minister Mr. Yoram Aridor, and the renewed intra-party struggle within the Labour Party surrounding the allocation of the Finance portfolio in a future Labour-led government.

The importance of the personality of Mr. Begin during this period and in the campaign itself cannot be overestimated. After the election he emerged with a personal mandate not enjoyed by any Israeli leader since Mr. Ben-Gurion and not equalled until Mr. Rabin's victory in 1992¹. In holding the Defence portfolio (after the resignation of Mr. Weizman) he was more able to manipulate and control not only the peace process (a meeting with President Sadat during the campaign), but also Israel's responses to external threats (notably the Iraqi nuclear programme and the successful bombing of the Osiraq reactor on 7th June 1981)².

¹ The change in Mr. Begin was extremely visible to those who worked closely with him at the time. Mr. Meridor argues that Mr. Begin a year before had been referred to as the late Mr. Begin and that he (Mr. Begin) had taken it upon himself to win the election.

Interview with Mr. Dan Meridor, The Knesset, 17th October 1994. Mr. Meridor at the time served as Mr. Begin's Cabinet Secretary.

² Mr. Begin's main motivation in assuming the Defence portfolio had not been to achieve such control but had been more aimed at preventing Mr. Sharon from becoming Defence Minister.

The economic package, which became known as the "Aridor sales", included the reinstatement of government subsidies on some basic commodities and oil products. The measures immediately eased the financial burden on especially the lower income families (the effects from this increase in government spending were only felt at a later date). In addition to this a wide range of tax cuts were implemented which included a selective reduction of purchase taxes and other tax measures which reduced the tax burden on almost everyone. Consequently, there was a massive increase in the importing of consumer goods such as cars and televisions³. Although massively damaging to Israel's balance of payments, the policy proved to be extremely popular with the Israeli electorate. The popularity of Mr. Aridor's measures was compounded by the failings of the Labour Party to respond to the package of measures⁴.

In a related matter Mr. Peres's authority was damaged by his inability to appoint a Labour Party finance spokesman after the natural choice, Mr. Levinson, withdrew due to Mr. Peres's failure to cede supreme command on economic matters to him. Mr. Levinson represented the new face of the Labour Party and he had been the star of the Party Conference the previous December⁵. The failure of Mr. Peres to appoint Mr. Levinson raised questions about his leadership abilities and proved extremely unpopular both with the party and the electorate. Taken in addition with

³ Imports of consumer goods into Israel increased by 62 percent in the first quarter of 1981 compared with the previous year.

Statistical Abstract of Israel 1981, Central Bureau of Statistics, Jerusalem.

⁴ The details of the Aridor sales are taken from the Bank of Israel Annual Report 1981 and interviews with economic experts from the Histadrut;

Interview with Dr. Robbie Nathanson, Director of the Institute of Economic and Social Research, The Histadrut Headquarters, Tel Aviv, 29th July 1994.

⁵ The importance of Mr. Levinson to the party was stressed in a number of interviews with Labour Party leaders. The Levinson document on Economic and Social Affairs (1981) was seen by many as the key economic document of the 1980's for the Labour Party.

Interview with Mrs Nava Arad, Deputy Secretary General of the Histadrut at the time, Tel Aviv, 27th July 1994.

the controversy of the replacement of Mr. Bar-Lev with Mr Rabin as the party's candidate for the Defence portfolio (see previous chapter) it meant that there were extremely public intra-party conflicts surrounding two out of the three major portfolios in a future Labour-led government.

The consequence of all three of the above factors was that by the time the campaign started the Likud had recovered much if not all of the ground that it had lost to the Labour Party in the previous three years. Therefore at the outset of the campaign it was clear that either of the major blocks had an opportunity to win the election, thus making the campaign and events surrounding it extremely important in determining the victor.

5.2: The 1981 Knesset Campaign.

The campaign was the most bitter and violent in Israeli political history due largely to the perceived closeness of the outcome and the desire of Mr. Begin to secure a second term in office in order to implement his settlement plans in Judea and Samaria. The aim of the latter was to create demographic realities in these areas and thus prevent any future Labour-led government from returning them to Arab sovereignty. Consequently, Mr. Begin's dream and the emphasis the Likud placed on the settlement programme meant that the party was extremely highly motivated to win the election⁶. The settlement programme represented the most significant but not the only part of the Mr. Begin's motivations for winning the election. The Likud wanted a mandate to start to dismantle the last areas of Labour dominance and introduce Revisionist symbols which up to this period had been largely absent from Israeli political culture.

The strategy employed by the Likud relied heavily on the personality of Mr. Begin who during the Campaign emerged as the dominant figure with his charisma

⁶ Aronoff, Israeli Visions and Divisions, Transaction Books, New Jersey, 1989, p28.

and powers of oratory in direct contrast to the more bureaucratic style of Mr. Peres. The Labour Party's dominant party status became one of the central themes of the campaign. Mr. Begin, in addressing the key Likud constituency of the Sephardim, made constant references to the Ashkenazi establishment and elite who continued to rule Israel. What in effect Mr. Begin did was to attack the idea of the labour movement's past and present dominance through the use of the Jewish ethnic cleavage in Israeli society. In short, he argued to the Sephardim that the Ashkenazi Jews (his code for the Labour Party) continued to treat the Sephardim as second class citizens. Unsurprisingly Mr. Begin's now near demi-god status with the Sephardim was evident in election rallies and in the subsequent results⁷.

Mr. Begin's tactics of courting the Sephardim, together with his highly emotive rhetorical style and use of symbolic themes, played a significant role in the divisive nature of the Campaign. These included several incidents of political intimidation and violence against both voters and politicians⁸. The Labour Party was not altogether innocent in increasing the ethnic tension between the Sephardim and the Ashkenazi Jews during the campaign. Mr. Peres, in response to heckling at rallies, made some anti-Sephardim comments which served to heighten the tension⁹. The most significant anti-Sephardim comments came at a Labour Party mass rally

⁷ Mr. Begin's status with this the Sephardim was confirmed in interviews with Israeli commentators for example, Interview with Mr. Hanan Crystal, Political Correspondent Israel Radio and Hadashot, Tel Aviv, 4th September 1994.

⁸ During the Campaign Mr. Peres had tomatoes thrown at him when he attempted to hold or attend election rallies in the predominantly Sephardim "development towns". On one occasion it is alleged that someone drew a knife on Mr. Peres.

⁹ Mr. Peres's relationship problematic relationship with the Sephardim was to become one of them most significant electoral problems for the Labour Party in the 1980's. It cause was due in part to Mr. Peres being viewed as untrustworthy by this group. His style was seen as too statesman like for this group which preferred straight talking. There were all sorts of false rumours about Mr. Peres which originated from this group illustrating the deep suspicion of him. Interview with Mr. David Horowitz, Editor of the Jerusalem Report, Jerusalem, 25th July 1994.

outside Tel Aviv City Hall which was attended by the leadership of the party. The MC. Mr. Topaz (a famous Israeli comedian) made what were seen as blatant anti-Moroccan remarks¹⁰. Unsurprisingly Mr. Begin was quick to exploit such a mistake citing it as an example of Ashkenazi arrogance. There were also some examples of violence instigated by Labour Party supporters against Likud leaders during the campaign (an unsavoury example were the death threats made against Likud MK Mr. Dov. Shilansky (16th June 1981)¹¹.

The most significant event during the campaign was the successful attack on the Iraqi nuclear reactor(7th June 1981) by the Israeli Airforce which Labour Party leaders claimed was primarily motivated by election considerations¹². Mr. Begin denied such suggestions arguing that his prime motivation for carrying out the raid was his fear that if the Likud lost the election then a Labour-led government would not undertake the raid¹³. The subsequent national rejoicing at the outcome of the raid seemed to remind former Likud supporters of the more positive aspects of the

¹⁰ Mr. Topaz used the phrase to "Cha Cha" which is slang to describe the Moroccan Jews and their lack of education. Mrs Herlitz who attended the rally stated that there was an eerie silence after the remarks. Despite attempts by party managers to limit the damage done it is seen by the leadership of the party as costing the party at least one mandate. The significance of the comment could have perhaps been lost in a normal campaign, but in the highly charged ethnic dominated campaign its importance cannot be overstated.

Interview with Mrs Herlitz, Former Labour MK and Ambassador, Tel Aviv, 15th August 1994.

¹¹ Tensions were such at the time that on a daily basis incidents of violence were carried out by supporters of both the major parties. Examples included the burning down of one of the Labour Party's campaign headquarters in Jerusalem and the burning of a car belonging to a Labour Party election worker.

¹² Mr. Chaim Zadok argues that the timing of the raid was motivated by the election, and moreover that it gave the Likud two extra mandates.

Interview with Chaim Zadok, Tel Aviv, 11th July 1994.

¹³ Central to the Labour Party's allegations were the following. First, the Cabinet had given its approval for the raid at the beginning of May and yet the raid did not take place until June. Second, the Israeli planes were camouflaged (not normal for the Israeli Airforce). Third, Mr. Begin publicly accepted responsibility for the raid when the Israelis had traditionally not publicly done so in previous similar instances. Finally the Labour Party leadership had not been fully informed of the raid in contrast to Mr. Rabin's briefing of Mr. Begin prior to the Entebbe raid (1976).

party¹⁴. In addition to this there was a successful helicopter attack on Beirut which benefited the Likud as the campaign came to a close.

Both of these events illustrated the problems with the Labour Party strategy (1977-81) of believing that the Likud would burn itself out. Importantly it also indicated a failure of the Labour Party leadership to take into account the opportunity that an incumbent government enjoys with regard to creation of a short-term national feel good factor. By the end of the campaign the Likud had successfully manufactured a favourable climate in both the security and economic spheres.

5.3: Statistical Analysis of the 1981 Knesset Elections.

The elections were held on 30th June 1981 and produced the following results. Out of a possible 2,490,014 registered voters 1,954,609 votes were cast (78.5% turnout) with 15,312 votes required to win a single seat in the Knesset. Table 5.1 reveals the distribution of seats after the election.

¹⁴ Diskin, Elections and Voters in Israel, Praeger, New York, 1991, p34.

Table 5.1: Number of Seats Each Party Won and Totals of the Respective Blocks in 1981.

<u>Labour led Block</u>		<u>Likud led Block</u>	
Alignment	47	Likud	48
Hadash	4	NRP	6
Shinui	2	Agudat	4
Ratz	1	Tehiya	3
		Tami	3
<u>Total</u>	<u>54</u>	<u>Total</u>	<u>64</u>

In addition Telem won two seats but have not been placed in either of the blocks because its leader Mr. Dayan had served in both Likud and Labour led governments.

Source: Central Bureau of Statistics, The Results to the 10th Knesset Elections, Jerusalem.

Table 5.2: Voting by Geographical Districts in the 1981 Knesset Elections.

Alignment percentage of valid votes.

City	% of Sephardim	Alignment vote in 1981
Dimona	(83)	22.2
Kiryat Gat	(69)	32.1
Ramle	(68)	28.3
Or Yehuda	(66)	18.6
Givatayim	(23)	49.8
Haifa	(24)	43.5

Likud percentage of valid votes.

City	% of Sephardim	Likud vote in 1981.
Dimona	(83)	60.1
Kiryat Gat	(69)	48.3
Ramle	(68)	51.7
Or Yehuda	(66)	58.5
Givatayim	(23)	31.3
Haifa	(24)	34.1

Source; Central Bureau of Statistics, Jerusalem. The percentage of Sephardim is based on the 1983 survey and had been rounded up to the nearest percentage point.

Table 5.3: The Arab Vote in the 1981 Knesset Elections.

Percentage of valid Arab votes.

Alignment (ILP and Mapam)	26.2
Hadash	37.9
Minority Lists	13.4
Others	22.5

Source; Central Bureau of Statistics, Jerusalem.

5.4: The IDF Vote in the 1981 Knesset Elections.

Party	% of IDF vote	% of Civilian Vote
<u>Labour led Block.</u>		
Alignment	24.3	37.3
Shinui	4.4	1.4
Ratz	3.8	1.3
Hadash	0.1	3.6
<u>Likud led Block.</u>		
Likud	36.7	37.2
Religious Parties	9.2	11.6
Tehiya	9.2	1.9

Source: Central Bureau of Statistics, Jerusalem.

The results of the election confirmed the transformation of the Israeli party system from a dominant party system to a more competitive party system¹⁵. However, it needs to be stressed that this competitive party system was not yet fully matured as the attempt of the Likud to achieve the status of a dominant party illustrated. In addition the election highlighted the importance of intra-block politics which in many respects came to replace the party system with a competitive block system.

Table 5.1 illustrates that the Alignment, despite increasing its number of seats from 32 in 1977 to 47 in 1981, was still not the single largest party. There also

¹⁵ Aronson and Yanai, "Critical Aspects of the Elections and their Implications", in Caspi, Diskin and Gutmann (ed), The Roots of Begin's Success, Croom Helm, London, 1984, p11.

wasn't any prospect of the Labour-led-block forming a winning coalition (61 seats). Much of the increased Alignment support came directly from the disintegration of DASH and the return of the majority of its voters to the Alignment¹⁶. The major winner was the Likud, and in particular Mr. Begin who had personalised and dominated the election campaign. Not only did the Likud's number of seats increase from 43 in 1977 to 48 in 1981 but also the majority of its block over the Labour-led-block increased. This insured that it would be able to present a winning coalition without the need to include any of the centre parties¹⁷.

The major loser was the NRP whose number of seats fell to only 6 seats. Many of its supporters transferred their votes across to one of the growing number of parties of the radical right such as Tehiya. Consequently, the election marked the demise of the moderate elements within the NRP and the ascendance of the more nationalistic younger elements within the party. This placed the party firmly in the Likud-led-block and in turn reduced the chances of the party joining any Labour-led administration in the future¹⁸. Overall, despite the reduced number of seats won by the smaller parties their influence increased due to the closeness of the two major parties (48 to 47 seats). However, against this was the fact that nearly all the parties had publicly committed themselves to one of the blocks prior to the results. In particular, it would have proved extremely difficult for any of the parties from the Likud block to transfer their support to the Labour Party given their respective hawkish constituencies and the clear possibility of forming a Likud-led government.

¹⁶ See Diskin, Elections and Voters in Israel, p143-44.

¹⁷ The centre party Telem (led by Mr. Moshe Dayan) was the only party not to declare which of the two blocks it would join after the election clearly hoping to occupy the pivotal position in coalition negotiations. However, due to size of the victory Mr. Begin was able to form a coalition without them.

¹⁸ Mr. Peres still held hoped to tempt the NRP or at least elements of it back into the Labour camp. Consequently, attempts were made during the term of this Knesset to renew the historic alliance but without success.

5.3.1: Analysis of the Labour Performance in the Election.

Tables 5.1 and 5.2 illustrate that despite increasing its number of seats the Labour Party failed to substantially improve its performance among the key constituency groups of the Sephardim and the young. Many in the party argue that it was extremely lucky that DASH collapsed, allowing a seeming cosmetic improvement in the Labour Party's electoral performance¹⁹. Table 5.2 shows that in towns where the majority of the population were Sephardim the Alignment (ILP and Mapam) performed badly in contrast to the Likud. Its electoral strength continued to lie in the predominantly Ashkenazi towns such as Givatayim (a veterans towns comprising of mainly Polish Jews). Arian, in his Electoral Studies series puts Alignment support among the Sephardim in 1981 as low as 18 percent compared to 69 percent who claimed to have supported the Likud²⁰.

The results illustrated the success of Mr. Begin's linkage of the Labour Party's past dominant position to the problems of Sephardim Jews. Put simply, the Alignment's poor performance among this constituency confirmed that even though the Likud had been in government for four years its image had not transformed into that of a party of the establishment. Similarly four years in opposition had not changed the image of the Labour Party among this constituency as representing the privileged elite and establishment in Israeli society. In short, if the Likud had been defending its four year term in office then the Labour Party had to account for its period of 29 years of rule. An additional worrying factor for the Labour Party was that it appeared to make little difference that 14 out of 47 Labour Mk's who were elected were of Sephardim origin compared with only 6 out of 48 for the Likud. Thus this indicates that the problem the Labour Party had with the Sephardim was not

¹⁹ Interview with Dr. Korn, Tel Aviv, 13th September 1994.

²⁰ Arian (ed), The Elections in Israel 1981. Ramot Publishing House, Tel Aviv, 1983.

simply a matter of under representation of this group, but rather a deeper image problem²¹.

The Labour Party performed equally badly among the younger voters as shown in Table 5.4 they secured only 24 percent of the IDF vote compared to the Likud's 37 percent²². The generational trends are confirmed in Table 5.5 which indicates that the Alignment continued to be the party of the older generations (notably of the 50 and over category) while the Likud still appealed to the younger voters.

²¹ Many leaders in the Labour Party describe the problem of the Sephardim towards the party as irrational and thus making it difficult to define the problem and then solve it. They argue that it was basically an emotional response to vote against the party which they perceived to be the establishment. Mr. Eli Dayan agrees that the Likud gave this constituency pride but little else, but that this pride was their key demand.

Interview with Mr. Eli Dayan, Former Tami Mayor of Ashkelon (predominantly Sephardim party) and Chairman of the Labour Party Knesset faction and Coalition 1994, The Knesset, Jerusalem, 8th November 1994.

²² The IDF vote is a good indicator of the young vote in Israel as the majority of the nations youth are at the time of elections serving in the IDF and vote in separate polling stations. The majority of the IDF vote is comprised of people performing their National Service and therefore the IDF vote is a good illustration of the voting patterns of Men 18 to 21 and women 18 to 20 years old.

Table 5.5: Party Vote by Age in the 1981 Knesset Elections (in percent).

<u>Age</u>	<u>N.</u>	<u>Align</u>	<u>Likud</u>	<u>Relig</u>	<u>Oth.</u>
-24	191	27	51	4	18
25-39	410	35	43	6	15
40-49	147	35	55	1	8
+50	277	50	37	7	7
<u>Total</u>	<u>1025</u>	<u>38</u>	<u>45</u>	<u>5</u>	<u>13</u>

Source; Arian and Shamir, Electoral Studies Series 1981, Data Archives, The Hebrew University, Jerusalem.

Also published in Arian, Israeli Politics - The Second Generation.

Despite the fact that the survey was not totally balanced (the majority of the respondents were Likud supporters) it illustrated the continuing problems of the Labour Party among the younger age groups. Support for the Likud among the under-24 age group was nearly twice that of the Alignment (ILP and Mapam). It was only in the over-50's age group that the Alignment enjoyed a plurality of the responses. Two major conclusions can be drawn from this. The four years of opposition had done little to change the image of the party as the party of the conservative elders. Also that the Likud's continuing popularity among the younger age groups indicated that they were not yet seen as the party of the establishment by this group.

Overall the Labour Party's performance in the 1981 elections can be viewed as even more disappointing than the party's defeat in the 1977 election. The party and the leadership in particular had to come to terms with the fact that its

predominantly Ashkenazi declining constituency was in 1981 no longer sufficient to automatically return it to power. Mr. Peres and his team had worked extremely hard to win back the votes the party had lost to the now defunct DASH party in 1977. However, even with the majority of DASH voters returning to the Labour Party in 1981 it was still not enough to ensure that the party emerged as the single largest party. This fact led the leadership of the party to finally understand that the party was no longer a dominant party and to seek alternative strategies to secure a return to power. An additional worry for the Labour Party was the clear emergence of the Likud-led-block as the strongest block. This led many in the Labour Party to conclude that the Likud and the religious parties would enjoy at least a blocking majority (60 seats) for the foreseeable future and prevent any Labour-led government²³.

5.4: Internal Labour Party Response to the 1981 Election.

The outcome of the 1981 election placed the Labour Party in a difficult position for despite all the problems outlined in 3.4.1 the party had emerged almost on level terms with the Likud at inter-party level. Consequently, despite its failure to win back power the leadership was able to claim with some justification that it had recouped the party's losses from 1977. On the one hand the party had not won enough votes to return to government while on the other hand it did not lose enough votes to necessitate immediate radical changes to its leadership and platform.

At intra-party level the position of Mr. Peres was damaged by his failure to secure a return to power for the party. Therefore the period between 1981 and 1984

²³ Interview with Mr. Hanan Crystal, 4th September 1994.

Many in the Labour Party feared that after the 1981 election defeat the Labour Party was heading for a continued long period of exile because of the strength of the Likud-led-block.

Interview with Dr. Yossi Beilin (Dr. Beilin at the time was an advisor to Mr. Peres), The Foreign Ministry, Jerusalem, 29th August 1994.

witnessed a further intensification of the struggle between Mr. Peres and Mr. Rabin. A third candidate, the ex-President Yitzhak Navon, emerged as an alternative leader to Mr. Peres²⁴. However, Mr. Navon made it clear that he would not challenge Mr. Peres for the leadership but would be willing to take over if Mr. Peres agreed to stand down in the interests of the party. The speculation surrounding the intentions of Mr. Navon came to dominate the Israeli media interest in the party between 1981 to 1982. This even after Mr. Rabin declared that he would try again for the leadership even if Mr. Navon was to stand.

The uncertainty over the leadership position greatly influenced the actions of Mr. Peres between 1981 and 1984 in devising Labour Party strategy to bolster his intra-party standing against both Mr. Rabin and Mr. Navon. Mr. Peres adapted three major tactics to oppose the Likud government and deliver some form of a victory for himself and the party²⁵. He made attempts on several occasions to form a National Unity Government with the Likud (NUG), prior to the Lebanon war (1982), after the Kahan Commission's Report on Israeli conduct during the war (February 1983) and

²⁴ Mr. Navon was originally a Rafi and then a Labour MK of Sephardim origin. In the 1977 Presidency election he was unopposed by Mr. Begin in an effort to show the Likud's Sephardim credentials. When Mr. Navon's term of office finished it was natural that he would again become active in the Labour Party. The concern of the Likud about this was illustrated by their attempts to pass legislation to prevent an ex-President from returning to active politics for a period of time after his term of office.

²⁵ Mr Peres assumed (probably correctly) that if the Labour Party were to join a NUG then he would be made Deputy Premier and be given a leading portfolio. Equally important Mr. Rabin would be given his favoured Defence Ministry and thus not challenge Mr. Peres. It should be stressed that this was consistently Mr. Rabin's price for not challenging Mr. Peres and if Mr. Peres failed to deliver it then Mr. Rabin was far more likely to challenge Mr. Peres. Despite his defeat in 1981 Mr. Rabin's intra-party standing had increased due in part to the decline in support for Mr. Peres following his failure to win the 1981 election and also in part to opinion polls which indicated that Mr. Rabin was more popular with the electorate as a whole than Mr. Peres. Mr. Peres needed also to give Mr. Navon a senior position in order to prevent a similar challenge from him. The party appeal of Mr. Peres versus the electorate appeal of Mr. Rabin was explained to the researcher in interviews for example, interview with Mr. Avraham Hatzhami, Director of the International Department of the Israel Labour Party, Party Headquarters, Tel Aviv, 29th November 1994.

after the resignation of Mr. Begin (September 1983)²⁶. Each time negotiations broke down either through Alignment opposition to the Likud's settlement programme or due to a lack of interest from the Likud²⁷. He also attempted to call for early elections (a high risk strategy as there were no clear signs that the state of near parity between the two major parties had changed)²⁸. Finally he tried to form an alternative government by either attracting members to defect from the Likud or winning the support of one of the religious parties away from the Likud-led-block. With a small Likud inter-party majority there was constant speculation over possible defections from the Likud, notably from its Liberal wing. As Appendix 1 confirmed the Labour Party actually finished this Knesset with more seats than the Likud (49 to 46) after a series of such defections from the Likud. However, the Labour Party was still not able to form an alternative government at inter-block level despite this new inter-party majority (a clear illustration of the importance of inter-block politics).

Dr. Beilin confirmed that there was a marked change in the behaviour of the Labour Party during its second term of office. The party was transformed from acting as a dominant party without power (1977-81) to adapting more traditional

²⁶ Bar-Natan, "Labour a Viable Alternative", Newsview, 7th February 1984, p11-13.

²⁷ The final attempt was almost successful due to the intra-party needs of the new Likud leader Mr. Shamir to block the ambitions of his rival Mr. David Levy. However, the Likud would not accept the Alignment in to a government of equal terms so negotiations broke down.

²⁸ Opinion polls at the time indicated that in fact the Likud enjoyed a lead over the Labour Party for example in polls commissioned by Ha'aretz the position was;

July 1981, Likud 49 seats to Labour's 44 seats

September 1981, Likud 51 seats to Labour's 44 seats

March 1982, Likud 54 seats to Labour's 44 seats

May 1982, Likud 51 seats to Labour's 46 seats.

Source: Ha'aretz, 20th July 1984.

Similar results for the period were produced in polls conducted for the Jerusalem Post, 29th August 1982 and 30th October 1983.

This indicates the growing concern of Mr. Peres and his concentration on simple power politics that he was actively trying to go to the country at a time when there was a clear majority support for the Likud government. Mr. Peres's high risk strategy was also apparent in similar attempts made in 1990-1991.

roles and methods of opposition behaviour²⁹. However, as stressed above Mr. Peres was motivated in part by the need to secure a victory of sorts in order to preserve his position as leader. Consequently, the apparent dominance of these intra-party considerations over inter-party conflict led to such strange actions as the attempt to force new elections at a time when the Labour Party was trailing the Likud in opinion polls. The seemingly illogical nature of such actions illustrated the continuing conditioning effect of the Labour Party's period as a dominant party which continued even after the party no longer considered itself to be a dominant party. The importance of intra-party politics which had its origins in the period when the party was dominant (see 2.3) clearly survived the transformation of the party from a dominant to non-dominant party.

It is also clear that the Labour Party while no longer acting or believing itself to be a dominant party continued to be haunted by its past which restricted the party's responses on many of the key issues of the day. These included the settlements issue, the annexation of the Golan Heights (1981) and the Lebanon war (1982-85). These restrictions when taken together with the continuing intra-party conflict among the elite and the factional divisions within the party made the conduct of effective opposition during this period extremely difficult.

5.5: The Likud Government, Issues of the Day, and The Labour Party Response.

Before examining the continuing problems of the Labour Party in opposition it is necessary to stress the differences between the second Likud government led by Mr. Begin from the first Likud administration. Unlike the first Likud government the second administration of Mr. Begin attempted to dismantle the areas of the labour

²⁹ Interview with Dr. Yossi Beilin, 29th August 1994.

movement's dominance in Israel and replace them with its own brand of Revisionism³⁰. This period therefore marked the Likud's attempt to become the dominant party and construct a similar party system to the pre-1977 dominant party system. Hence the Likud used the power of appointment to attempt to transform the civil service and other government organisations as well as attempting to politically rehabilitate the memory of Revisionist figures such as Mr. Jabotinsky³¹.

In terms of composition of the government there were no more centrist elements (no Mr. Dayan or Mr. Weizman). The two most important portfolios of Foreign Affairs and Defence were occupied by two hawks, Mr Shamir and Mr. Sharon³². Unsurprisingly, with such figures in prominent positions the government pursued an extremely active and aggressive security policy culminating in the Lebanon war (1982). It also devoted a great deal of resources and energies into developing Jewish settlements in the West Bank and Gaza³³. In short, the second Likud government had a more radical agenda and was set upon establishing its Revisionist ideology thus changing the character of the state, which was still heavily influenced by the labour institutions.

³⁰ Aronoff, loc. cit. See particularly Chapter Three. Interestingly Aronoff concludes that the Likud's attempt to do so failed at this time due to deep entrenched nature of the labour movement's dominance.

³¹ The Likud planned to use the event of the 100th anniversary of his birth to do this.

³² It should be noted that the Mr. Shamir of this period was not the same Mr. Shamir of the late 1980's. Mr. Shamir was at this time much more hawkish. He had abstained on the ratification vote of the Camp David Accords. Mr. Begin had reluctantly appointed Mr. Sharon as Defence Minister who he saw as a potential rival, as a reward for M. Sharon's support of the Camp David Accords and his role in the Likud election victory. In addition to this the Chief of Staff of this period was Mr. Eitan well known for his belief that a military solution to the Palestinian problem was possible.

³³ There were a total number of 43 new settlements constructed during this period (by far the largest number under any Israeli government).

Sources: Central Bureau of Statistics Jerusalem and Jewish Settlement in the West Bank and Gaza: Profile 1992, The International Centre for Peace in the Middle East, Tel Aviv.

The Labour Party's response to this challenge was restricted not only by the problems of its past actions but by the need for the party to court the key electoral constituencies of the young and the Sephardim. These were traditionally hawkish and thus generally supportive of Likud's policies³⁴. Consequently, Labour's "catch all tactics" meant that at times the leadership of the party were extremely reluctant to take a stand against the policies of the government and present a clear alternative for fear of offending these key constituency groups³⁵. All of these problems were clearly apparent in the Labour Party's policy and response to the three major issues of the time; the annexation of the Golan Heights, the settlements issue and the Lebanon war.

The Knesset vote on the Tehiya sponsored motion (Mrs Geula Cohen) to annex the Golan Heights (14th December 1981) exposed the problem of the continued divisions within the Labour Party and marked the beginning of the end of the party's electoral association with Mapam. The Labour Party itself split into three groups: those in favour of annexation (comprising of mainly Kibbutz representatives and members of the old Achdut Ha'avoda faction), those against (including the prominent dove Mr. Yossi Sarid) and a third group which believed the party should boycott the proceedings and included the party's economic expert Mr. Gad Ya'acobi. In the absence of Mr. Peres and Mr. Rabin (both in the United States) Mr Ya'acobi secured the support of 33 Labour MK's. However, members of the pro-annexation lobby refused to accept the verdict arguing that they were bound by votes in their Kibbutzim. The Kibbutzim in particular were keen to annex the land

³⁴ The restraints placed on the Labour Party by the need to attempt to capture the votes of the Sephardim and youth are emphasised by the leaders of Mapam who argued that the Labour Party policies were largely dictated by this "catch all factor". Interview with Mr. Victor Shemtov, 12th July 1994.

³⁵ For an account of the failure of Labour's "catch all tactics" see, Mendilow, "Israel's Alignment in the 1984 Elections: Catch All Tactics in a Divided Society", *Comparative Politics*, 20, 1988.

due in a large part to fact that the settlements which had been built on the Golan Heights since 1967 were sponsored by the labour movement. As a result the Golan settlements contained Labour Party supporters who constituted part of the strong pro-Golan Heights lobby within the party³⁶. Consequently, the split in the Labour Party allowed the annexation bill to be passed easier than would have otherwise been the case.

The events surrounding the Golan Heights annexation bill played a significant role in the debate over whether Mapam should remain within the Alignment or return to being an independent left wing party. It is important to stress the somewhat arbitrary nature of this on-going debate. There is no evidence available to suggest that the leadership of either the Labour Party or Mapam took any formal decision on the issue. Rather there was a general move away from one another as the Labour Party drifted to the right in its search for the Sephardim vote³⁷. The Alignment

³⁶ The fact that the settlers on the Golan Heights were put there by the Labour Party and are in general strong Labour Party supporters is extremely important in understanding the current situation with regard the peace negotiations between Israel and Syria. This is of particular relevance to the difficulty that Mr. Rabin has in securing a majority of support from within his own party for the withdrawal and abandonment of these settlements.

³⁷ The two senior figure in Mapam at the time confirm this. Mr Jaffe argues that it became apparent over a period of time that the Labour Party and Mapam were voting against each other on the major issues of war and peace of the day. Consequently, the Golan vote was just the one of the first instances of which the second was the Lebanon war. Mapam clearly defined the red line if which the Labour Party crossed would lead to the end of the Alignment as being any formation of an NUG involving the Likud. Mr. Jaffe also stresses that there was a new leadership in Mapam at this time 1981-84 with a more militant outlook (more dovish), and this happened at the same time as the Labour Party leaders were courting the Sephardim more hawkish constituency. Mr. Shemtov also argues that the Golan Heights marked the start of the end of the Alignment. He argues that the Labour Party's main motivation for supporting the annexation bill was not only the settlements but also because it was an extremely popular within Israeli society, thus the party was following public opinion on the issue.

Interview with Mr. Victor Shemtov, Former Leader of Mapam, Tel Aviv, 12th July 1994.

Interview with Mr. Aryieh Jaffe, Former Leader of Mapam, Kibbutz Hakum, 28th August 1994.

survived the period between 1981 to 1984 even though at times they voted separately in the Knesset, but eventually split after the 1984 election over the Labour Party's participation in the NUG.

The Likud government's settlement drive in the West Bank and Gaza presented the Labour Party with two major dilemmas. The Labour Party manifesto dealt specifically with the defence of what it termed as "security settlements"³⁸. However, it was clear that the Likud settlement programme included settlements which were not located in strategic positions. This presented a major problem to the Labour Party to define what it would do with such settlements in the future. Unsurprisingly, the response of the Labour Party remained vague and at times contradictory reflecting its own internal divisions on the issue and a further consequence of its targeting of the hawkish Sephardim vote³⁹.

In addition, the Labour Party's own settlement programme vis-avis the Kibbutzim and Moshav movements became a victim of the Likud's settlement priorities. The Likud as the party in government was able to divert huge sums of government expenditure into areas which suited its ideological perspectives. Consequently, central government funds which had previously been channelled by Labour-led governments into its Kibbutz and Moshavim movements were greatly reduced. This eventually led to economic difficulties for both these movements during the early to mid-1980's⁴⁰. This failure of the Labour Party to be in a position

³⁸ The term 'security settlement' was deliberately somewhat vague. However, the Settlements on the Golan Heights and the Jordan valley were generally seen as of a security nature, as were the Sinai Settlements prior to the return of the Sinai to Egypt.

Interview with Dr. Alpher, Tel Aviv University, 4th December 1994.

³⁹ The Israeli media recorded in detail the question of what a future Labour Party government would do with the settlements. See for example; Barzilai, "Labour and Likud Settlements", Ha'aretz, 7th May 1982. Ha'aretz Editorial, "Labour; Settlements May Exist under non Israeli Sovereignty", Ha'aretz, 4th May 1982.

⁴⁰ The extent of the financial crisis of the labour movement within and beyond the Green Line was shown by in 1980-81 not one new Kibbutz was established

to deliver financial assistance to the Kibbutzim and Moshavim was a further indication of the loss of its dominant status.

The Lebanon war came to dominate all aspects of Israeli political life during this period. The domestic consequences of the war led to the resignation of Mr. Begin and forced Mr. Sharon to leave the Defence Ministry. In addition it caused a level of polarisation in Israeli society not seen since the birth of the state⁴¹. Details of the fighting which broke out when the IDF crossed the border on 6th June 1982 are well chronicled elsewhere. This study therefore deals specifically with the response of the Labour Party to the fighting⁴². There were four major stages of the war: the limited aims of the 40 km advance, the push further north to surround Beirut (11th June onwards), the evacuation of the PLO and the massacre at Shatilla and Sabra refugee camps (September 1982). A summary of the position of the Labour leadership on the four stages is that they accepted the first stage, but felt that the second and third stages were over ambitious and dangerous while the fourth was a tragic consequence of the overall war.⁴³

Yishai argues that in times of war the formation of policy is usually left to the elite normally in the form of a War or Inner Cabinet. This was also the case with the opposition Labour Party⁴⁴. The key players in the Labour Party during the initial

(excluding Kibbutz Artzi). Also 100 Moshavim were close to bankruptcy. Labour sponsored settlements beyond the Green Line were close to failure with only a few inhabitants.

⁴¹ For the first time many Israelis did not believe that the war was a just war (about the survival of the state of Israel) and opposed the war or felt that the Israel did not have to go so far.

Interview with Mr. Offer Bronstein, Director of the International Centre for Peace in the Middle East, Tel Aviv, 9th August 1994.

⁴² For a critical account of both the military operations and its international and domestic political and social consequences see for example; Schiff and Ya'ari, Israel's Lebanon War, George Allen and Unwin, London, 1985.

⁴³ Interviews with leaders of the Labour Party conducted by the Researcher.

⁴⁴ Yishai, "The Israel Labour Party and the Lebanon War", Armed Forces and Society, Spring 1985, p379.

stages of the war were Mr. Peres, Mr. Rabin and Mr. Bar-Lev. The official party organs such as the Central Committee either did not meet or did not debate the war. The lack of party activity during the period of the war can be seen by the fact that the Labour Party submitted only two motions connected with the war in the Knesset⁴⁵. The Labour Party's major strategy was carried out in the Foreign Affairs and Security Committee of the Knesset where the Labour contingent included three ex-Chiefs of Staff (Mr. Rabin, Mr. Gur and Mr. Bar-Lev), the party leader Mr. Peres and the party spokesman on Foreign Affairs Mr. Eban⁴⁶. The Committee was convened by the Labour Party in order to criticise the government and get involved with the conduct of the war (Labour saw the Committee as the best opportunity to obtain classified information on the war). However, the Committee did not prove to be the most successful institution for obtaining such information during the war. Mr. Sharon and Mr. Eitan (Chief of Staff) misled the Committee on several occasions claiming that, for example, Israel had no intention of attacking Beirut. Mr Sharon's tactics were clearly to deflect any dissent of the war by arguing that this was not the time for debate while Israeli soldiers were dying.

⁴⁵ An analysis of party protocols confirms the lack of meaningful discussion of the war in the Central Committee during the initial stages of the war. This to a large extent reflected the Israeli tradition of not criticising the purpose of a military action while the IDF were still fighting. However, such traditions were based on past wars where there had been only minimal dissension about the war.

Party Protocols, Labour Party Archives, Beit Berl, near Tel Aviv.

⁴⁶ The committee is the most prestigious and important of the Knesset committees. It has a membership of 17 people and a party needs to have at least Six seats in the Knesset to be given a seat on the committee. Most of the committee's work is performed at sub-committee level. The main committee meetings have unfortunately become like the Knesset floor (partisan). The major aim of the committee is to give people the knowledge of what is happening in the IDF and senior IDF commanders are regularly interviewed. Much of the committees work is done in secret, but in recent times a number of leaks have compromised this secrecy (notably over IDF views on the Security arrangements on the Golan Heights and the Oslo Agreements).

Interview with Mr. Ori Or, Chairman of the Foreign Affairs and Security Committee, The Knesset, Jerusalem, 21st November 1994.

The Lebanon war was the first war not to be fought under a Labour-led government and thus Labour Party leaders found their exile from power and information all the more difficult to accept. Mr. Rabin himself did eventually become directly involved in the conduct of the war accompanying Mr. Sharon to Beirut and acting as an unofficial security advisor⁴⁷. Mr. Peres relied to a large extent on briefings from Mr. Begin to gain his information of the conduct and progress of the war. However, it soon became clear that Mr. Begin's information from the Ministry of Defence was not altogether accurate⁴⁸. This can be shown in Mr. Peres's statements after meetings with Mr. Begin. On 6th June Mr. Peres issued a statement after meeting Mr. Begin:

This is purely a defensive action on our part. Israel has no territorial claims on Lebanon and its paramount interest must be to avoid a situation which would deteriorate into war⁴⁹.

On 10th June after a second meeting with Mr. Begin and with the IDF in mountains around Beirut, Mr Peres declared that:

I understand that there is no intention of conquering Beirut⁵⁰.

It was at this point that the Labour Party stated to actively oppose the war and on 12th June issued the party issued confirmed this in the following statement:

The Alignment opposes any attempt at using the IDF to impose political arrangements not included in the Government's declaration concerning the

⁴⁷ It was during this trip that Mr. Rabin made his remark about tightening the siege of Beirut by cutting off the water supply to the city.

⁴⁸ For an account of the information that Mr. Begin was receiving or not see Schiff and Ya'ari, Israel's Lebanon war. It became apparent that Mr. Begin had not been informed over major aspects of the aims of the war and the details of the price that Israel was paying. Mr. Meridor stated that Mr. Begin was led to believe that the war would be over in 48 hours at the most.

Interview with Mr. Dan Meridor, Mr Begin's Cabinet Secretary, 17th October 1994.

⁴⁹ Statement issued by Mr. Peres, 6th June 1982, Labour Party Archives, Beit Berl.

⁵⁰ Address to the Press by Mr. Peres, 11th June 1982, Labour Party Archives, Beit Berl.

existence of a 40 km zone North of Israel kept free of the threat to Israel's security⁵¹.

The Labour Party's attacks increased as the IDF entered Beirut and then after the massacres at Sabra and Shatilla refugee camps in September the party called for the resignation of Mr. Begin and Mr. Sharon and the setting up of an inquiry. This was confirmed in a statement by the Labour Party members of the Foreign Affairs and Defence Committee on 19th September:

The Alignment expresses terrible shock and outrage at the terrible massacre committed in the Beirut refugee camps. The massacre harmed innocent people in a way that on one in Israel can nor will be able to bear. The Alignment calls upon the Prime Minister and Defence Minister to draw immediate personal conclusions because of their responsibility for what has happened in Lebanon and because of their decision to put IDF forces into West Beirut, in total contradiction of their promise. The Alignment calls for the immediate departure of the IDF from Beirut. The Alignment calls for the establishment of a legally appointed judicial inquiry commission⁵².

There were two major restraints on the Labour Party which prevented the party from adopting a more radical approach to opposing the war, even after the rise of Peace Now, the mass rallies in Tel Aviv opposing the war and the growing public awareness that Israel could not win the war⁵³. The first of these was the internal divisions within the party on the question of the war where there were three distinct groups: the 'objectors' who included the leading dove Mr. Yossi Sarid who opposed the war as a matter of principle and emphasised political solutions; the 'reserved' which included both Mr. Peres and Mr. Rabin who supported the initial

⁵¹ Statement issued by the Israel Labour on 12th June 1982, Labour Party Archives, Beit Berl.

⁵² 19th September 1982, Statement from the Knesset Archive Library, The Knesset, Jerusalem.

⁵³ Of the last point Mr. Zeev Schiff argues that the war made it apparent to certain key parts of the intelligentsia, the military and security elites, the limit of Israel's power in imposing a solution on a third country or the PLO. This was therefore an important stage in the move towards peace. In short, the military plans of the likes of Mr. Eitan to defeat the PLO had failed.

Interview with Mr Zeev Schiff, Military and Security Corespondent of Ha'aretz and co-author of Israel's Lebanon War, Tel Aviv, 25th November 1994.

stages of the war up to 40 km in to Lebanon; and finally 'the supporters' who included leading hawks such as Mr. Hillel who supported all the stages of the war. The continuing influence of this third group should not be under-estimated especially when taken in conjunction with the second restraint on the Labour Party response. This second restraint concerned the need for the party to court the Sephardim constituency⁵⁴. The final group with its general hawkish tendencies supported the war thus making it more difficult for the Labour leadership to radically oppose it. Consequently, the leadership of the party had one eye on maintaining party unity and the other on the need to court electoral constituencies in order to return to power at the next Knesset elections⁵⁵.

The war marked the first major event in Israeli history where the Labour Party as a whole was forced to admit that its dominant position no longer existed. For much of the war the party was relegated to the position of a critical spectator with little or no influence on the conduct of the war. Even during the previous major event in Israeli history, the Camp David agreement, Mr. Begin had been forced to rely on the Labour Party to ratify the Accords in the Knesset. The Lebanon war which was conducted almost exclusively by Mr. Sharon helped to illustrate to both the Labour Party and to a lesser degree Israeli society that it was now a non-dominant party without power.

⁵⁴ The leadership of the party after losing two elections was extremely sensitive to public opinion at this time. The importance of the strategy of trying to court the Sephardim constituency was confirmed in interviews conducted by the researcher for example,

Interview with Mrs Daphna Sharfman, Chairperson of the Labour Party's Human Rights Committee, Haifa, 3rd August 1994.

⁵⁵ Mr. Lova Eliav argues that some of the elite were politically blinded by the desire for public popularity and perceiving the Israeli public to be hawkish they wanted to reflect this at almost all costs.

Interview with Mr. Lova Eliav (Former Secretary General of the Labour Party), Tel Aviv, 25th July 1994.

Conclusion.

The 1981 election and events between 1981 to 1984 confirmed that the Labour was no longer a dominant party but rather a non-dominant party operating without power. Unlike the party's defeat in 1977 the leadership understood this change in the party's position in Israeli politics and did not presume that the party would automatically return to power in 1984. In addition there was also a greater understanding within Israeli society (notably during the Lebanon war) that the party was no longer dominant. However, key parts of Israeli society (the Sephardim) still regarded the party as responsible for their continuing hardships even though the Likud had been in office since 1977. This in part confirms the blurred nature of power in Israel and in particular economic power with the continued influence of the Labour controlled Histadrut on the everyday life of the population.

The Labour Party's responses and actions during this period were motivated by its desire to return to power. After the 1981 elections it was apparent that the Likud-led-block was numerically stronger than the Labour-led- block. Consequently, the leadership of the Labour Party moved to actively court new electoral constituencies such as the Sephardim. However, the Sephardim constituency was generally more hawkish in nature than the Labour Party. This led to leadership of the Labour Party with its increasingly pragmatic ideology to adopt a more hawkish position on the key issues of the day in order to attempt to attract this constituency. Hence at times such as the growing public protest against the Lebanon war when the party could have taken a radical stand against the policies of the Likud government, and in particular the Likud led governments conduct of the Lebanon war, the Labour Party leadership felt restricted by its desire to win votes from this key constituency.

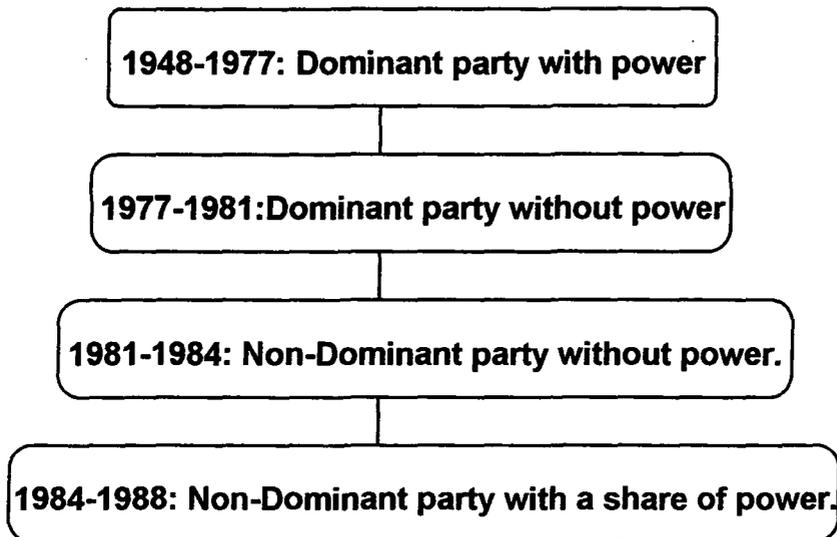
Clearly the success of the Labour Party's "catch all tactics" would be seen in the 1984 election and in particular its performance among the Sephardim constituency.

CHAPTER 6

THE NATIONAL UNITY YEARS 1984-1988

The formation of the NUG which followed the Knesset election of 1984 marked the next logical step in the development in the Labour Party. The party's participation in the NUG (1984-88) indicated that it was now a non-dominant party with a share of power operating in a competitive party system. Illustration Three summarises the development of the party between 1948 and 1988.

3: Development of the Labour party 1948-1988.



The period between 1984 and 1988 also saw a maturing of the Israeli competitive party (block) system. Both of the major parties seemed to accept the relative state of near-parity between the two parties and functioned in a more normal manner for such a system. In short, there was no attempt by either the Likud or the Labour Party to portray itself as a dominant party operating within a dominant party system. However, within the Labour Party there was the continued presence

of the 'conditioning effects' of its pre-1977 dominant party status. These were clearly visible in the continuing importance of intra-party politics, the party's reactions to the events of the day and in its electoral positioning strategy. All of these are examined within the context of the 1984 Knesset election and the formation, performance, and consequences of the NUG.

6.1: Background and Campaign for the 1984 Knesset Election.

The Likud government was forced through the defection of the Tami party leader Mr. Aharon Abuhatzzeira and his two colleagues to bring the election forward to July 1984, more than a year earlier than required by Israeli electoral law¹. The decision of Tami to bring down the government although widely reported to be due to a series of economic and social policy differences was due more to the increasing alienation of its highly dictatorial leader Mr. Abuhatzzeira². Mr. Begin had by this stage been replaced by the less charismatic Mr. Yitzhak Shamir, and the Defence Minister Mr. Sharon by Dr. Moshe Arens in a new-look Likud government. However, the two dominant issues of the day remained unchanged, the Lebanon war and the economic crisis (and in particular the hyper inflation which most

¹ Mr. Eli Dayan thinks that it was a major mistake for Tami to force the Likud into early elections as Tami's constituency was Sephardim and thus punished the party at the subsequent election for its role in bringing down the government. This is an important point in understanding the actions of the Shas party in the late 1980's onwards with regards to its support for the Likud and its reluctance to publicly back a Labour government if there was a possibility of a Likud-led administration. Interview with Mr. Eli Dayan, Former Mayor of Ashkelon (Tami), and Chairman of the Labour Party faction 1994, The Knesset, Jerusalem 8th November 1994.

² Mr. Abuhatzzeira was a former MK from the NRP who left the party over what he claimed as the under-representation of Moroccans in the party, and established Tami in May 1981. Tami ran on a predominantly ethnic platform to close the economic gap between the Sephardim and Ashkenazim. In 1982 he was convicted of a felony and was sentenced to three months in prison.

economists saw as a long term consequence of Mr. Aridor's election economics of 1981)³.

In response to these issues the Labour Party produced an election manifesto which contained no big changes from the 1981 version. A paragraph was inserted about the Lebanon war calling for the need for security arrangements and a speedy withdrawal⁴. On economic issues the party decided that the electorate was not ready for the kind of shock therapy that economists were arguing was necessary to successfully deal with the crisis. On the settlements issue the party, careful for the need to court the generally hawkish Sephardim constituency, inserted a clause stating that no Jewish Settlement would be uprooted. The overall tone of the programme was in part set by this perceived need of the leadership to appeal to the Sephardim. Hence the party still said an explicit no to negotiations with the PLO. In addition, with regards to its economic programme it was unwilling to solve the crisis in a way which would in the short term reduce the standards of living of population, and particularly the lower income groups which are mainly Sephardim⁵.

³ Mr Begin resigned on 15th September 1983 primarily over his acceptance of responsibility for the casualties Israel took during the Lebanon war and also due to ill health and the death of his wife the previous November.

Mr Sharon was forced to resign after the publication of Kahan Report (7th February 1983) into the massacres at Sabra and Shaila refugee camps.

For a detailed account of the history of the economic crisis see, Chapter Two of Shalev and Grinburg, "Histadrut-Government Relations and the Transition from A Likud to a National Unity Government. Continuity and Change in Israel's Economic Crisis", Discussion Paper, The Pinhas Sapir Centre For Development, Tel Aviv University, October 1989.

⁴ Mr. Rabin proposed for an IDF withdrawal within six months including the setting up of necessary security arrangements for Israel.

Interview with Mr. Rabin, Spectrum, June-July 1984.

⁵ Details of Manifesto are from the Labour Party's Programme for Government 1984, Labour Party Headquarters, Offices of the Secretary General, Tel Aviv.

The Campaign in contrast to 1981 was one of the cleanest but duller in memory with no single personality dominating the campaign⁶. On the one hand this illustrated the maturing of the competitive party system with an acceptance by both of the major parties that they were functioning within such a system. On the other hand there was little in the way of meaningful debate on the major issues of the day during the 1984 campaign. Both parties agreed on the need for some kind of withdrawal from Lebanon, presented similar economic packages and the Labour Party adopted a hawkish approach to the future of the West Bank and Gaza in order to attract votes from the Sephardim constituency.

The major event of the campaign was the television debate between Mr. Shamir and Mr. Peres in which Mr. Shamir called for a National Unity Government to be formed after the election. Such tactics were based on three considerations. It looked highly unlikely that the Likud would win the election and the idea of a National Unity Government was seen by Likud leaders as highly popular with the electorate. In addition Likud leaders felt that the party would attract more votes if people knew they were voting for the Likud to be strong in a NUG rather than if they were just voting for the Likud⁷. A more significant consideration was the relatively weak intra-party position of Mr. Shamir who had only assumed the premiership some nine months prior to the election and was facing considerable intra-party challenges from in particular Mr. David Levy⁸. Mr. Shamir himself was a supporter of unity and enlisting everyone into the big fight for Israel and thus his personal beliefs

⁶ Israeli commentators saw this as a consequence of the absence of Mr. Begin and the relative agreement between the major parties on how to deal with the issues of the day, in contrast to the highly decisive 1981 campaign.

⁷ This argument was outlined by Dr. Moshe Arens, Defence Minister who saw the move as a simple election strategy.

Interview with Dr. Arens, Tel Aviv, 26th September 1994.

⁸ The intra-party explanation for Mr. Shamir's action is supported by Dr. Yossi Ben-Aharon, Director of Mr. Shamir's Prime Minister's Bureau.

Interview with Dr. Ben Aharon, Jerusalem, 18th September 1994.

were an additional factor in the Likud calling for an NUG⁹. It is important to understand the motivations of the Likud in calling for a NUG for if it was simply an electoral ploy then it would have been more likely to find an excuse to leave the government at some future stage. In reality its participation in the NUG was primarily motivated by the intra-party considerations of Mr. Shamir which remained relatively unchanged in the period between 1984-88, ensuring the continuation of the NUG for its full term of office.

Mr. Peres and the Labour Party rejected the calls for the formation of a NUG, believing during the campaign that they would win the election. The Labour Party enjoyed a healthy lead in opinion polls at the start of the campaign which peaked at the point of the television debate between Mr. Peres and Mr. Shamir and which despite Mr. Shamir's surprise call for a NUG Mr. Peres was perceived to have won¹⁰. However, problematically for the Labour Party after Mr. Peres's apparent success in the debate, there were signs that the Labour lead in the polls was

⁹ Interview with Mr. Yitzhak Shamir, Prime Minister 1983-83, 1986-1992, Tel Aviv 17th August 1994.

The depth of Mr. Shamir's personal belief in national unity is confirmed by the fact that despite all the problems he encountered working with the Labour Party and Mr. Peres in particular he still views the NUG as a great success.

Mr. Dan Meridor in agreeing with Mr. Shamir's explanation states that Mr. Shamir had made efforts prior to the election to form an NUG, but that elements of the Labour Party had leaked the details of the negotiations to the Media. Mr. Meridor who was one of Likud's negotiators at the talks therefore dismisses the idea of Mr. Arens that it was simply an electoral ploy.

Interview with Mr. Meridor, The Knesset, 17th October 1994.

¹⁰ The Labour Party had enjoyed a lead over the Likud in the polls from October 1983 with the following figures being recorded:

October 1983, Labour 54 seats, the Likud 40 seats, difference +14.

December 1983, Labour 57 seats, the Likud 41 seats, difference +16.

February 1984, Labour 61 seats, the Likud 37 seats, difference +24.

March 1984, Labour 51 seats, the Likud 36 seats, difference +15.

June 1984, Labour 53 seats, the Likud 38 seats, difference +15.

July 1984, Labour 47 seats, Likud 37 seats, difference +10.

The polls were commissioned for the Jerusalem Post and Ha'aretz daily newspapers and were published in Ha'aretz on 20th July 1984.

eroding during the last week of the campaign, an indication which was eventually confirmed by the results¹¹.

6.2: A Statistical Analysis of the 1984 Knesset Election Results.

The elections were held on 23rd July 1984 and produced the following results;

Table 6.1: Number of Seats Each Party Won and The Respective Blocks.

<u>Labour Led Block</u>		<u>Likud Led Block</u>	
Alignment	44	Likud	41
Ratz	3	Tehiya	5
Shinui	3	NRP	4
Hadash	4	Shas	4
PLP	2	Agudat	2
		Morasha	2
		Tami	1
<u>Total</u>	<u>56</u>	<u>Total</u>	<u>59</u>

In addition to the above Yahad led by Mr. Ezer Weizman won 4 seats and Kach the extreme nationalist party won 1 seat.

¹¹ Professor Diskin, the Labour Party Pollster in 1984 confirmed this change for which the explanations of are examined in 6.3. Interview with Professor Diskin, The Hebrew University, Jerusalem, 14th November 1994.

Table 6.2: Voting By Geographical District in the 1984 Knesset Elections.

Alignment Percentage of Valid Votes

<u>City</u>	<u>% of Sephardim</u>	<u>Alignment vote in 1984</u>
Haifa	(23.9)	43.0
Dimona	(83.4)	22.6
Kiryat Gat	(69.2)	29.7
Ramle	(67.8)	27.3
Or Yehuda	(66.2)	16.7
Givatayim	(22.8)	48.8

Likud Percentage of Valid Votes

<u>City</u>	<u>% of Sephardim</u>	<u>Likud Vote in 1984</u>
Haifa	(23.9)	27.4
Dimona	(83.4)	49.5
Kiryat Gat	(69.2)	44.1
Ramle	(67.8)	49.4
Or Yehuda	(66.2)	52.8
Givatayim	(22.8)	24.8

Note that in 1984 the Alignment consisted of the ILP and Mapam.

Source: Central Bureau of Statistics, Results to the 11th Knesset Elections, Jerusalem.

Table 6.3: The Arab Vote in the 1984 Elections in Percent.

Alignment (ILP and Mapam)	23.0
Hadash	33.0
PLP	18.3
Others	25.7
<u>Total.</u>	<u>100</u>

Source: Central Bureau of Statistics, Jerusalem.

Table 6.4: The IDF Vote in the 1984 Elections in Percent.

Party	% of IDF Vote	% of Civilian Vote
<u>Labour led Block</u>		
Alignment	26.4	35.4
Shinui	4.2	2.6
Ratz	3.3	2.3
PLP	1.3	1.9
Hadash	0.3	3.5
<u>Likud led Block</u>		
Likud	32.0	31.9
Religious Parties	11.4	11.5
Tehiya	9.7	3.7
Kach	3.0	1.1

Source: Central Bureau of Statistics, Jerusalem

Out of a potential 2,654,613 voters some 2,091,402 votes were cast (78.8%) with each party needing to win a minimum of 16,786 votes to win a seat. No clear party emerged as a clear winner in the elections, but with thirteen smaller parties passing the electoral threshold, and winning a total of 35 seats between them, it became more difficult for either the Likud or the Labour Party to form a winning coalition. This was compounded for the Labour Party by Mr. Peres's reluctance to form a coalition which relied on the support of the Arab parties. The election, while not representing a triumph for the Likud and Mr. Shamir, did at least consolidate its position in the post-1977 competitive party system. The fact that it emerged at a level of near-parity at inter-block level despite all the problems of the war in Lebanon, the economic crisis and the loss of its charismatic leader (Mr. Begin) confirmed that its status of a non-dominant party competing for power would not change in the foreseeable future.

At inter-block level the Likud at first appeared to be in a strong position, but the decision of Mr. Weizman and Yahad to join the Labour block effectively meant that the blocks were tied at 60:60¹². In addition, Mr. Shamir made it clear that he would not form a government which relied on the support of the extreme Kach party and its leader Mr. Meir Kahane¹³. The increase in support for the smaller parties was an illustration of the growing polarisation of Israeli society, notably in the wake

¹² Mr Weizman and Yahad occupied the pivotal position, but Mr Weizman did not exploit this when he announced in public after the election that he had left the Likud for ideological reasons and would not return to it.

¹³ In practice Mr. Shamir would not have needed to use Kach to remain in power. Under Israeli electoral law if Mr. Peres failed to form a government (as appeared likely) then Mr. Shamir's previous Likud government would have remained in office until new elections were organised. By general agreement this process could have taken a year or more. However, the Likud did not consider the election as a major vote of confidence in Mr. Shamir therefore with the loss of seven Knesset seats Israeli commentators argue that it would have been likely that even if he had remained as a caretaker Prime Minister he would have faced an intra-party challenge to his leadership.

Interview with Hanan Crystal, Political Correspondent of Israel Radio and Hadashot, Tel Aviv, 4th September 1994.

of the Lebanon war that led more voters to seek radical solutions to the issues of the day from the alternative parties than the major two. The increased influence of these smaller parties (with the 60:60 tie) became an additional reason in the formation of a NUG as both Mr. Peres and Mr. Shamir were reluctant to pay the high price the religious parties in particular were demanding¹⁴.

6.2.1: An Analysis of the Labour Performance in the 1984 Election.

The Labour Party did not view the election as a victory despite the fact that it won three more seats than the Likud¹⁵. The election reflected the failure of the party's "catch all tactics". Table 6.2 indicates that support for the party among in the predominantly Sephardim towns remained low. Conversely, the Likud continued to out-perform the Labour Party in these areas as well as winning the plurality of the vote in Jerusalem¹⁶. The Labour Party continued to draw support from its traditional constituency of mainly Ashkenazim areas such as Haifa and Givatayim and from the older generation groups. Such results were extremely disappointing for the leadership and Mr. Peres in particular who had invested a tremendous effort into courting the Sephardim vote. However, Table 6.2 does not reveal the late shift away from the Labour Party by the Sephardim nor the probable explanation for the last minute swing back to the Likud by the Sephardim which cost the Labour Party victory.

¹⁴ In Israeli coalition politics the fact that the smaller parties increased their number of seats in the Knesset was not as important as the 60:60 tie between the blocks in assessing their level of influence. Hence if one of the major two parties had a clear majority then the negotiating position of the smaller parties would have been substantially reduced even if the number of seats the smaller parties won increased.

¹⁵ Interview with Dr. Yossi Beilin, The Foreign Ministry, Jerusalem, 29th August 1994.

Dr. Beilin also conceded that most people in the Labour Party now cannot remember that the party actually won three more seats than the Likud. In short, historically the result of the election is viewed as a tie.

¹⁶ Likud won 33.9% of the vote in Jerusalem to the Alignments 24%.

Results of internal party polling by the Labour Party during the last week of the campaign were summarised by the chief pollster in one word "collapse"¹⁷. The polling was particularly devastating for it indicated that many of the voters who had voted for the Likud in 1981, and who had previously stated their preference for the Alignment in 1984 were returning to the Likud¹⁸. This group accounted for around three percent of the electorate, were of Sephardim origin and were thus crucial to the outcome of the election. Diskin explained this change on two levels. The decline in the popularity of Mr. Peres who after the television debate was preferred to Mr. Shamir as future Prime Minister by a margin of three to two, but who by the last week of the campaign was not even the most popular Alignment candidate for Prime Minister¹⁹.

The decline in the popularity of Mr. Peres is difficult to explain. There was no major event during the last week of the campaign which could have damaged his personal level of support. It therefore appears to confirm the irrationality of the attitude of the Sephardim to Mr. Peres which was discussed in Chapter 5. Diskin viewed this irrationality as the additional level of explanation for the Alignment's problems or put simply the "Peres excuse factor". In short, Mr. Peres with his previously described image problem was used as a reason by the floating voters, particularly those from lower income Sephardim backgrounds, not to transfer their

¹⁷ Crucially this key report dated 15th July 1984 (eight days prior to the election) was censored by the Campaign Manager Mr. Gur who merely cut out the bad news from the report before showing it to Mr. Peres.

Interview with Professor Diskin, Labour Party Pollster 1984, Hebrew University Jerusalem, 14th November 1984.

An account of the censoring of the Report appears in Diskin, Elections and Voters in Israel, p158-161.

¹⁸ In Labour Party telephone polling 19 out of 48 former Likud supporters who had stated that they would support the Alignment in 1984 continued to hesitate until the last minute when they voted for the Likud only after 6 PM on election day.

Internal party Polling 1984, Labour Party Headquarters, Tel Aviv.

¹⁹ Internal party polling indicated that Mr. Navon was the most popular Alignment candidate with 22 percent then Mr. Rabin with 15 percent and Mr. Peres by this time was the favoured candidate of only 7 percent.

support to the Alignment. In reality a more probable explanation for this reluctance of the Sephardim was the strength of the voters' previous emotional commitment to the Likud together with a continued suspicion of the Alignment. There was also a feeling that the Alignment was going to win the election anyway therefore a vote for the Likud did not carry the same significance as in 1981²⁰.

Overall the performance of the Labour Party confirmed that it had become a party which enjoyed a continuing high degree of support from its traditional constituencies, but importantly did not enjoy access to all stratas of society as it had done during its period as a dominant party. Consequently the election results confirmed its status as a non-dominant party operating within a competitive party (block) system. The one variable in its position within the party system was now whether it was with or without power or as in the post-1984 period with a share of power.

The result was extremely damaging personally to Mr. Peres who was viewed, either fairly or unfairly, as an electoral liability among the party's key target groups of the lower income / Sephardim groups. Mr. Peres intra-party standing suffered accordingly and his actions after the election were to a large degree motivated by the need to secure his own leadership of the party against potential challenges from Mr. Rabin and Mr. Navon.

²⁰ The first of these explanations is emphasised by Professor Diskin and the second by Dr. Moshe Arens.

Interviews with the above, 26th September 1994 and 14th November 1994.

6.3: The Formation and Consequences of the National Unity Government (NUG).

In truth the Labour Party had little choice but to agree to the formation of a NUG after the election. Mr. Weizman's Yahad party was against the formation of a narrow-based Labour-led government which relied on the support of the Arab parties making it extremely difficult for the Labour Party to form such a government even if they had desired. However, Mr. Peres himself was against the formation of such a government for the principal reason that he believed that a government with a Jewish majority was necessary in order to withdraw the IDF from Lebanon. This in part also reflected the pre-1977 dominant status of the party. The Labour Party which saw itself as the builder and founder of the Zionist state was extremely reluctant to rely on the votes of non-Zionist parties to provide it with a winning coalition. There was also a fear that the Likud would be quick to exploit the economic difficulties that such a government would have faced as it attempted to deal with economic crisis²¹. Mr. Peres views were widely representative of the Labour Party at the time. Even the leading young doves accepted (in retrospect) the need to join such a government in order to deal with the Lebanon and economic crisis with only Mr. Yossi Sarid leaving the party over the decision to participate in the NUG²².

Mr. Peres had strong intra-party motivations for at least securing a share of government in order to protect his position as leader of the party. He needed to secure positions in the government for his clients. The patron-client system of elite

²¹ The Likud had similar motivations in terms of economic policy for joining an NUG for they needed the Labour Party and its control of the Histadrut to help with the implementation of economic policy.

Interview with Hanan Crystal, 4th September 1994.

²² This point was made clear in interviews with Mr. Burg, Dr. Beilin, Mr. Zvilli and Mr. Merom, *Ibid*. At the time Dr. Beilin opposed the formation of the NUG but still accepted the position as Mr. Peres's Cabinet Secretary in the government.

control (described in 2.3) was a product of both the electoral system and the extended period of time when the party was seen as a dominant party.

Consequently, Mr. Peres's need to gain at least a share in government to protect his intra-party position was related to the continued "conditioning effect" of the party's past dominant position. In addition, the fact that Mr. Peres failed to win the 1981 election meant that he also needed to provide jobs for his potential leadership rivals in order to prevent them from mounting a challenge to his leadership. Mr. Rabin had made it clear that his price for not challenging Mr. Peres was the Defence Ministry. Mr. Navon likewise agreed to settle for a major portfolio in the Cabinet as the price of his support for Mr. Peres's leadership.

To some extent the complex negotiations which took place after the election between Labour and the Likud gave Mr. Peres some badly needed intra-party breathing space by in effect postponing any contest over the leadership of the party²³. As a result of the negotiations Mr. Peres secured a rotation agreement for the position of Prime Minister and the Defence Ministry for the entire four year period of the government as well as an equal division of the remaining 24 Portfolios between the Likud block and the Labour block (see Appendix 3a)²⁴. In addition to

²³ Any leadership challenge at a time when Mr. Peres was conducting coalition talks with the Likud would have been seen as weakening his negotiation position and consequently that of the Labour Party's. Mr. Peres has employed this tactic after each of the party's election defeats as he attempted to make it seem possible that he has a chance of forming a coalition. In 1984 this was vital as it is generally viewed that had either of Mr. Rabin or Mr. Navon challenged at this time they would probably have been successful.

Dr. Korn argues strongly that this was in particular Mr. Rabin's opportunity to challenge Mr. Peres and his failure to do so was a grave mistake.

Interview with Dr. Korn, Tel Aviv, 13th September 1994.

²⁴ The price Mr. Peres paid for his intra-party need to secure to secure the Defence Ministry for Mr. Rabin was a rotation agreement with Mr. Shamir in which Mr. Peres would serve as Prime Minister for the first 24 months of the NUG with Mr. Shamir as Deputy Prime Minister and Foreign Minister. After 24 months the roles would be reversed and Mr. Shamir would become Prime Minister and Mr. Peres Foreign Minister. Mr. Shamir agreed to Mr. Peres serving as Prime Minister for the first period because the Labour Party was the largest single party in the Knesset. In

this an Inner-Cabinet was created consisting of 10 Ministers (5 from Labour and 5 from the Likud).

The agreement which formed the basis of the NUG, as well as reflecting the immediate priorities of withdrawal from Lebanon and the need for an IMF-type solution to economic crisis, contained a series of compromises on other aspects of policy especially the settlements issue²⁵. The agreement called for the establishment of six new settlements during the government's first year with a possible 21 more if finances permitted. Consequently restrictions on settlements were dealt with not on ideological grounds, but rather on the financial resources available²⁶. In addition it was also decided that all decisions on the future size and scale of the settlement programme would be taken within the Inner-Cabinet (a clear attempt to keep the divisive debate within elite control). Mr Peres eventually presented the NUG to the Knesset on 13th September 1984 and won a vote of confidence by 98 votes in favour to 18 against.

The consequences for the Israeli left of the NUG became clear almost immediately with the decision of Mapam to leave the Alignment (September 1984)

addition, he felt that it would be easier for Mr. Peres to withdraw the IDF from Lebanon.

Both Mr. Shamir and Mr. Peres were so concerned about challenges to their leadership of their respective parties that the agreed document uses their names and not the term leader of the Labour Party or Likud: see Appendix 3(a) NUG Agreement 1984-88).

Mr. Shamir exacted a heavy price from Mr. Peres for giving the defence Portfolio to Labour for the entire duration of the government because Dr. Moshe Arens the Likud candidate for the post was a close political ally of Mr. Shamir was extremely reluctant to give up the post for the four year duration of the government. Interview with Dr. Moshe Arens, Tel Aviv, 26th September 1994.

²⁵ For the complete document see Appendix 3(a).

²⁶ For a detailed account of this see Schuldiner, "Israel's National Unity", MERIP Reports, January 1985, p21.

and return to opposition²⁷. The vote of 300 Mapam Central Committee members in favour with only six dissenting illustrated the strength of feeling in Mapam against joining the Likud in government²⁸. This split marked a realignment in the Israeli left with the Labour leadership drifting further towards the right in pursuit of government, while Mapam started to offer an alternative path to the Labour Party culminating in its more radical manifesto document for the 1988 Knesset election²⁹. This period also marked the start of attempts to forge a new party of the left uniting Mapam, Ratz and parts of the peace movement which culminated in the formation of Meretz in 1992.

The leaders of Mapam accused the Labour Party of putting the peace process back 10 years with its participation in the NUG and argued that the Labour Party should have either attempted to form a narrow based left of centre government or returned to opposition³⁰. They stressed that the Labour Party was obsessed by power which had its origins in its extended period of dominance. In short, if there was any opportunity to return to government (or even a share of government) the

²⁷ On the formation of the NUG Mapam became the single largest opposition party with six seats in the Knesset. The size of the NUG at times made effective opposition difficult, but Mapam at times were joined by dissenting Labour MK's in Knesset debates.

²⁸ Interview with Mr. Jaffe, Kibbutz Hakum, 28th August 1994.

Mr. Jaffe was not surprised by the overwhelming vote as during Mapam's Convention in 1983 a similar motion to leave the Alignment had been defeated by only 17 votes with the majority of the leadership voting against the continuation of the Alignment. However, at this Convention the Central Committee set the red line of not joining a NUG which included the Likud.

²⁹ For a detailed analysis of this see, Mapam Direct Line from Israel, November-December 1984, p4.

By 1988 Mapam had accepted the principle of direct negotiations with the PLO providing that they accepted UN Resolutions 242 and 338 thus making it the first Zionist party to be willing to talk to the PLO. In addition Mapam, under certain conditions, accepted the notion of an independent Palestinian state, something that the Labour Party still has not publicly done. Consequently, Mapam's 1988 manifesto was seen as a radical departure from that of the Labour Party.

³⁰ Interview with Mr. Victor Shemtov, Leader of Mapam 1984, Tel Aviv, 12th July 1994.

party would seize it³¹. However, others in Mapam understood the need of the Labour Party to join a NUG for a least two years in the national interest to help organise the withdrawal from Lebanon and deal with the economic crisis³².

The Labour Party's participation had two important consequences for the party itself. The damage to the Labour Party parliamentary faction was limited to the loss of Mr. Sarid. However, within three months of the agreement there were clear signs of the emergence of a strong dovish element within the parliamentary party with the new Secretary General of the Party, Mr. Baram, as its unofficial head³³. Mr. Baram used his new position to articulate his dovish views which were sometimes in direct contrast to the party leader Mr. Peres who himself was restrained by being head of a government which included the Likud³⁴.

Highly significant in the longer term was the growing independence of the parliamentary party from the leadership. In short, with a government that enjoyed a majority as large as the NUG's (it occupied as many as 85 seats in the 120 seat Knesset) it was clear that some of the opposition would originate from within the Labour Party itself. While the leadership worked out compromises with the Likud in order to maintain the government the backbench MK's continued to emphasise the differences between themselves and the Likud (particularly on the peace process). In terms of voting such a large majority meant that there were ample opportunities

³¹ Ibid.

³² Interview with Mr. Yossi Gazit, Spokesman for Mapam, Party Headquarters, Tel Aviv, 17th August 1994.

³³ The loss of Mr. Sarid should not be under-estimated as he had served as Mr. Sapir's right hand man and was a former leader of the Young Guard of the party. Mr. Sarid had been influential in Mr. Rabin becoming Prime Minister in 1974. He was largely viewed as the man who convinced Mr. Sapir and the party machine to support Mr. Rabin's candidature.

³⁴ Mr. Baram saw the development of a strong dovish group in the Labour Party as beneficial to inter-party conflict in that Mr. Peres when negotiating over policy with Mr. Shamir could express the pressure he was under from the doves. This was much in the same way that Mr. Shamir made constant references to the pressure he was under from the right at these policy meetings.

Interview with Mr. Baram, Spectrum, March 1985, p21-22.

for the leadership to allow the MK's to 'let off steam' in votes where the government's majority was assured. An analysis of the Knesset voting records between 1984 and 1988 does not reveal an excess number of rebellions by Labour MK's, but as this period was relatively unique it is difficult to make valid numerical comparisons with previous Knesset's³⁵. However, it was made clear in interviews conducted by the researcher that the formation of NUG did indeed lead to a greater distance between the leadership and the parliamentary party which helped create the climate for a degree of internal democratisation within the party³⁶. Mr. Lova Eliav summarised this change in ideological terms as the leadership becoming more hawkish while the parliamentary party became more outspokenly dovish³⁷. It is important to stress that this distancing of the elite and the Labour MK's did not transform the party overnight, but rather created the conditions for some of the changes which took place from 1988 onwards.

³⁵ The researcher wishes to thank Knesset records for attempting such numerical analysis of the voting records of Labour Party MK's.

³⁶ Interview with Mr. Nissim Zvilli, Secretary General of the Labour Party 1994, The Knesset, Jerusalem, 5th September 1994.

Dr. Yossi Beilin while agreeing with that the NUG led to a break down in party discipline argues that the distancing in effect started earlier while the party was in opposition 1977-1984 and that the most important aspect of this was over the future status of the territories.

Interview with Dr. Yossi Beilin, Deputy Foreign Minister, Foreign Ministry, Jerusalem, 29th August 1994.

Dr. Yoram Peri adds that the weakening of party discipline that took place at this time provided a direct opportunity for continued internal democratisation of the party which had started with the Rabin-Peres Central Committee contest for the leadership in 1974.

Interview with Dr. Peri, Editor of Davar, Tel Aviv, 1st August 1994.

³⁷ Interview with Mr. Lova Eliav, Former Secretary General of the Labour Party, Tel Aviv, 25th July 1994.

6.4: Performance of the NUG and Issues of the Day.

The performance of the NUG needs to be examined in two parts first, the NUG led by Mr. Peres which served from 1984-86, and second, the NUG led by Mr. Shamir which was in office from 1986-88. In general terms the performance, organisation and degree of co-operation between the parties was much greater and more successful in the first period than after the rotation agreement. There were a number of reasons for this: the impressive performance of Mr. Peres during his time as Prime Minister, the clear political goals of dealing with the economic crisis and the Lebanon which dominated the agenda for the first 24 months as well as the acceptance of Mr. Shamir as Mr. Peres's number two in the government³⁸. However, there was a major source of tension present during these two years which occupied the minds of the both the Likud and the Labour parties. This concerned the uncertainty over whether Mr. Peres would renege on the rotation deal and not hand over power to Mr. Shamir as agreed in 1986. Consequently, it needs to be stressed that there was a high degree of mistrust within the government during this first period, but that these difficulties were much less significant than those which afflicted the post-rotation period (1986-88). The problems which dogged the latter period were caused the Likud claimed by Mr. Peres's reluctance to play a similar role to that which Mr. Shamir had occupied in the pre-rotation period, and the

³⁸ For a positive appraisal of Mr. Peres's performance as Prime Minister see for example, Lewis, "Israel: The Peres Era and its Legacy", in Foreign Affairs, 65, 3, 1987.

Mr. Shamir himself accepts that Mr. Peres operated much better when he was in charge or number one. However, Mr. Shamir still found him nearly impossible to work with under any circumstance and in particular that Mr. Peres did not understand the meaning of the word partnership.

Interview with Mr. Yitzhak Shamir, 17th August 1994.

Mr. Shamir's took the meaning of a secondary role in the government's first two years to such an extent that the Israeli media dubbed him "the invisible man".

Labour Party's attempt to push the peace process beyond the previously agreed boundaries of NUG policy³⁹.

6.4.1: National Unity Government 1984-1986.

The success of the first two years of the government can be measured by the fact that it withdrew the IDF from an increasingly hostile environment in Southern Lebanon and dealt effectively with the economic crisis. Much of the credit for these achievements went to the two senior Labour Party Ministers, Mr. Rabin for the withdrawal and Mr. Peres for his handling of the economic crisis. The high opinion poll rating of both these Ministers confirmed that the Israeli public likewise perceived Mr. Peres and Mr. Rabin as the most highly effective Ministers in the government⁴⁰.

The Cabinet decision to withdraw from Lebanon (13th January 1985) marked the first real achievement of the NUG and was widely welcomed in Israel⁴¹. The 17 to 8 vote in the Cabinet was an illustration of both the political skills of Mr. Peres and

³⁹ In interviews conducted with the leaders of Likud they all stress that the major problem of the post rotation period was the behaviour of Mr. Peres.

Interview with Mr. Shamir, Dr. Arens, Dr. Ben-Aharon.

This concentration on the personality of Mr. Peres is a further example of the personality oriented nature of Israeli politics

⁴⁰ The performance ratings of the key Ministers in the government commissioned by the Jerusalem Post and published on 28th June 1986 and 4th October 1986 confirm this.

August 1984: Mr. Peres 62, Mr. Rabin 65, Mr. Navon 55, Mr. Shamir 48, Mr. Levy 48, Mr. Sharon 36.

March 1986: Mr. Peres 74, Mr. Rabin 71, Mr. Navon, Mr. Shamir 51, Mr. Levy 37. Mr. Sharon 31.

May 1986: Mr. Peres 79, Mr. Rabin 73, Mr. Navon 61, Mr. Shamir 59, Mr. Levy 43, Mr. Sharon 36.

The above figures in percentages represent the number of good ratings for Ministers in their respective jobs.

⁴¹ For Israeli reaction to the withdrawal see for example Abramovitz, "A Good Week in Politics", Ma'ariv, 18th January 1985. The Israeli press in general gave a cautious welcome to the proposed withdrawal. Ben-Porat in Yediot Ahronot saw it as a major victory for Mr. Peres (18th January 1985). Goodman in the Jerusalem Post argued that the war had lasted too long, cost too much and achieved too little (18th January 1985). Samet writing in Ha'aretz saw the withdrawal as coming to terms with the limitations of Israel's military strength (17th January 1985).

Mr. Rabin, and the widespread feeling away from the Likud that Israel's northern border could be adequately protected by arrangements drawn up by Mr. Rabin which included the setting up of a security zone to be controlled by the Israeli supported Southern Lebanese Army (SLA)⁴². The Likud opposed the withdrawal, but Mr. Peres and Mr. Rabin were careful to attempt to negotiate a solution with the Syrians and Lebanese. When this failed they sought to gain support for a unilateral withdrawal from the Israeli military establishment. Upon receiving this support they made sure that they had the support of all the Labour Ministers and then convinced the minority parties notably the NRP and Shas, thus ensuring a government majority in favour of the withdrawal. Mr. Peres however, was keen to avoid a direct Labour-Likud split on this fundamental issue and so he looked for support from within the Likud. After much speculation Mr. Levy and Mr. Patt from the Likud did eventually vote in favour of withdrawal giving Mr. Peres a larger than expected majority⁴³.

Along with the Lebanon withdrawal the economic crisis represented the first major challenge for the NUG. At the time of the establishment of the NUG inflation was running out of control at an annual rate of around 500 percent and had been in

⁴² The mechanisms employed by Mr. Peres and Mr. Rabin to win withdraw the IDF from Lebanon are an excellent of their intra-party and inter-party abilities when they choose to work together.

⁴³ Mr. Levy's motivations for voting with the Labour Party were in part dictated by intra-party considerations in that he wished to damage Mr. Shamir and in particular Mr. Sharon. Mr. Levy who once described himself as an "opinion poll on two legs" was also aware of the popularity of such a move within Israeli society. Opinion polls commissioned at the time confirm that the majority of Israelis were in favour of a withdrawal for example a Modi'in Ezrahi poll published in Ma'ariv (3rd February 1985) revealed that 33.7% favoured a withdrawal to the international border with the necessary security measures. A further 15.5% called for an unconditional withdrawal and 23.9 accepted the idea of a partial withdrawal. A further 17.1% opposed a pullback until agreements were reached with Syria and Lebanon, but importantly only 5.5 percent wanted the IDF to remain indefinitely in its then current position. For a more detailed statistical analysis of the Israeli majority in favour of withdrawal in 1984 see, Arian, "Israeli Public Opinion and the War in Lebanon", p8, JCSS Memorandum 15, October 1985.

the three digit bracket since 1979. However, Israel's runaway inflation was merely an expression of deeper social and economic problems which manifested themselves in balance of payments problems and increasing foreign and domestic debts⁴⁴. The import-surplus which under the Likud had reached a record \$5 billion in 1983-84 was still running at \$4 billion in 1985 and was unsustainable. The foreign debt of \$20 billion in 1983 was growing at a rate of 7 percent per annum making Israel one of the world's major debtors⁴⁵.

In securing the positions of Prime Minister and Defence Minister the Labour Party had in effect sacrificed the Finance Ministry to the Likud, but Mr. Peres and the Labour Party knew that the party would be judged on its ability to restore some order to the economy⁴⁶. Hence Mr. Peres took it upon himself to largely determine economic policy during his premiership with the help of Labour's Minister of Economics Mr. Ya'acobi, at times by-passing the Likud Finance Minister Mr. Moda'i⁴⁷. The major aims of the economic policy which emerged after long and bitter debates within the Cabinet were twofold: to restrict wage increases and freeze prices through a series of package deals between the government, the Histadrut and the Manufacturers Association. In addition, during the summer of 1985 the government introduced an austerity programme (Emergency Stabilisation Plan) with the aim of making realistic cuts in budget expenditure which both the Labour and

⁴⁴ Barkai, "Israel's Attempt at Economic Stabilisation", Jerusalem Quarterly, Summer 1987.

⁴⁵ Statistical Abstract of Israel, Various Editions, Central Bureau of Statistics, Jerusalem.

⁴⁶ Interview with Dr. Robbie Nathanson Director of the Institute of Economic and Social Research, The Histadrut, Tel Aviv, 29th July 1994.

⁴⁷ Mr. Peres's dominant role in dealing with the economy was confirmed by Dr. Nathanson the Senior Histadrut economist involved in the negotiations over the Package Deals.

Interview with Dr. Robbie Nathanson, Ibid.

Mr. Moda'i was eventually sacked by Mr. Peres in April 1986 after speaking out against government policy and personally criticising Mr. Peres. His removal caused a major crisis in the NUG which almost led to its collapse

Likud parties accepted were only short-term measures aimed at reducing the level of the initial crisis. The more fundamental economic problem was found in the Zionist institutional structures which instead of allowing production to determine the standard of living permitted the flow of capital to do so⁴⁸. In attempting to redress this balance the government announced its intention to introduce a programme of economic liberalisation with four basic aims. These were to liberalise Israel's capital markets, to reduce the governments highly interventionist role in the economy, the encouragement of greater competition within the domestic market, and the sale of state of state-owned enterprises⁴⁹.

In order to reduce the impact upon the poor sectors of the population (the key electoral target constituency for the Labour Party), Mr. Peres needed support from America to balance the budget cutting with a financial safety net. The aid package which was agreed upon provided Israel with an additional package of \$1.3 billion linked to commitments to devaluation, a reduction in wage increases, and a substantial reduction in government subsidies. A further package of \$1.5 billion was to be forthcoming if Israel implemented a package which had been jointly agreed by the Americans and Mr. Peres which became known as 'Stein's Ten Points'. This package was followed by further budget cuts in 1986, but by the time Mr. Peres handed over power to Mr. Shamir the Labour Party had returned to the norm of making promises of financial assistance to public sector industries and Histadrut companies which were experiencing financial troubles thus abandoning the austerity programme.

⁴⁸ Murphy, "Structural Inhibitions to Economic Liberalisation in Israel", Middle East Journal, 48-1, Winter 1994.

⁴⁹ Dr. Nathanson argues that this was only a proclamation to keep the Americans happy and that at the time the Histadrut (a major target of the privatisation programme) was much stronger and able to resist attempts at privatisation. Interview with Dr. Nathanson, 29th July 1994.

Mr. Peres's motivations for abandoning the austerity programme said much about the continuing influence of the Histadrut within the Labour Party. The Histadrut leaders demanded that after two years of it having made sacrifices, Mr. Peres should now strengthen its position among the workers by supplying the finance to prevent the prospect of increased unemployment from the troubled Histadrut-owned companies such as Koor and Solel Boneh which were heavily in debt. Importantly they demanded that this be done before the less accommodating Mr. Shamir assumed office.

Overall, although the long-term economic value of the original package deals was questionable, in the short-term the deals and the ESP proved extremely popular with the population. The fact that they produced price stability and relative economic calm benefited the popularity standings of both Mr. Peres and the Labour Party. Correspondingly when the economy entered into recession in 1987 it was under a Likud Prime Minister⁵⁰. Clearly the Labour Party's historical control of the Histadrut had helped make the implementation of the various deals a realistic prospect. However, it was this same link and the influence of the Histadrut within the party itself that contributed to their abandonment in the long-term.

Mr. Peres disappointed many in the Labour Party by implementing the rotation agreement in 1986, but in truth he had little choice in the matter as the other alternatives were fraught with danger. Mr. Peres had clearly established himself as a successful Prime Minister and could have therefore with his personal and the Labour Party's popularity rating high in the opinion polls called for new elections⁵¹.

⁵⁰ In polls commissioned for the *Jerusalem Post* the Labour Party enjoyed a considerable lead over the Likud from 1985 to 1987 averaging around 40 percent of the vote to an average of 26 percent for the Likud. See, *Jerusalem Post*, 7th September 1985, 28th June 1986, 4th October 1986 and 9th May 1987.

⁵¹ As previously described Mr. Peres's time as Prime Minister was viewed as extremely successful by most Israeli commentators. However, it needs to be remembered that Mr. Peres operated within a rotation situation where Mr. Shamir was extremely careful not to challenge Mr. Peres for fear that Mr. Peres would be

However, in such circumstances the party may have been defeated because the electorate thought it unfair that the party had avoided implementing the rotation agreement. Also there was a clear majority among the electorate that wished to see the maintenance of the NUG in preference to other forms of government⁵². Mr. Peres's other alternatives were even more limited in that he could not have formed a narrow based Labour-led government as the religious parties were unwilling to participate in such a government. All of these factors forced Mr. Peres to keep the rotation agreement and hand over power to Mr. Shamir in October 1986⁵³.

6.4.2: National Unity Government 1986-1988.

The post-rotation government led by Mr. Shamir with Mr. Peres serving as Foreign Minister was dominated by the peace process together with the issues and events arising from it. Consequently, this NUG was characterised by a sense of paralysis caused by the major differences between the Labour and the Likud on the conduct of the peace process and by the state of parity within the Inner-Cabinet and

given an excuse to break the rotation agreement. This would have prevented Mr. Shamir from assuming office in 1986. In short, Mr. Shamir had a strong intra-party motivation for controlling the more radical elements in the Likud and allowing Mr. Peres and the Labour Party its successes. For a detailed account of the politics of rotation see; Korn, The National Unity Years 1984-1990, (in Hebrew).

⁵² Opinion polls conducted at the time indicated that majority of the electorate wished to see the rotation agreement kept. For example a Hanoch Smith poll published in the Jerusalem Post (7th April 1986) found that 54 percent wanted to keep the rotation agreement. Also Dahaf polls conducted in 1985 to 1986 revealed the majority of the electorate favoured the NUG over any other form of government with the results varying between 59 to 66 percent in favour of the NUG.

⁵³ Up until the last minute there was concern in the Likud that Mr. Peres would not keep the agreement and would call early elections.

Interview with Dr. Ben-Aharon, Director of Mr. Shamir's Prime Ministers Bureau.

Cabinet which prevented any substantial decisions from being taken on this dominant issue⁵⁴.

The basic divide between the two major parties on the peace process became the International Peace Conference. The proposed conference would be co-sponsored by the United States and the Soviet Union and would provide a forum for direct negotiations between Israel and its Arab neighbours. By 1988 both Mr. Peres and Mr. Rabin had accepted providing that its findings were not binding on the Israelis⁵⁵. Mr. Shamir and the Likud were fearful of what such a conference would attempt to impose on Israel and thus called for direct negotiations between Israel and the Arab countries. These differences were compounded by a deterioration in the relationship between Mr. Peres and Mr. Shamir as the latter accused Mr. Peres of attempting to run an alternative foreign policy to that of the NUG. Mr. Peres insisted he had a mandate from the Knesset to follow the International Conference path. In October 1985 the Knesset had passed a resolution in which it stated that direct negotiations could begin through an international forum (as eventually happened with the Madrid Conference 1991). However, Mr. Shamir argued that it was the Cabinet which decided on implementing policy and if the Knesset was not satisfied with this policy then it could propose a motion of no-confidence in the government⁵⁶.

⁵⁴ The Likud did not see the parity of the Inner Cabinet or Cabinet as a structural failing of the government. Dr. Begin argues that the Inner cabinet was extremely effective in maintaining the status quo (the agreed policy guidelines of the NUG) and acted as a restraint on policy moving away from these guidelines.

Interview with Dr. Benni Begin, The Knesset, Jerusalem, 8th November 1994.

⁵⁵ The question of Soviet participation in such a Conference had to be resolved. Both Mr. Peres and Mr. Rabin stated that they would not attend a Conference which included the Soviet Union unless it established diplomatic ties with Israel and allowed its Jewish community the opportunity to emigrate to Israel.

Interview with Mr. Peres, Israeli Television News, 16th July 1987.

⁵⁶ Interview with Mr. Shamir, Israel Radio, 25th February 1987.

The tensions and differences within the NUG were brought to a head with Mr. Peres's London agreement (April 1987) which called for an International Conference with the participation of the Israel, Jordan, United States and the Soviet Union followed by direct negotiations between Israel and Jordan (see appendix 5 for complete plan). The Likud was not only angry about the content of the plan but the fact that Mr. Peres had secretly negotiated the deal with King Hussein in London. Mr. Peres informed Mr. Shamir of the existence of the agreement only after the agreement had been finalised⁵⁷. The London agreement was consequently blocked by Mr. Shamir and the Likud in the Inner-Cabinet leading to the eventual withdrawal of King Hussein from the dialogue and the ending of Jordan's commitment to the West Bank⁵⁸. There was much bitterness in the Labour Party and particularly from Mr. Peres about the refusal of the cabinet to support the agreement. Mr. Peres saw the agreement as important as the Camp David Accords⁵⁹.

Effectively from this point on the NUG was finished but continued to function in order to serve the intra-party needs of both Mr. Shamir and Mr. Rabin⁶⁰. Since the rotation agreement Mr. Rabin had become in effect the senior Labour Party Minister

⁵⁷ Interview with Dr. Yossi Ben-Aharon, Director of Mr. Shamir's Prime Minister's Bureau,

⁵⁸ The London Agreement divided the Inner-Cabinet on party lines 5:5 and was therefore effectively vetoed.

⁵⁹ Dr. Yossi Beilin argues that the Labour Party should have left the NUG over this issue and mobilised support for it.

Interview with Dr. Yossi Beilin, Director General of the Foreign Ministry 1986-88, 29th August 1994.

The Likud on the other hand argued that there was never a clear majority of support for the deal either within the Knesset and or the country as a whole. They also stress that King Hussein's commitment to Mr. Peres not to make the conclusions of the International Conference binding were in actual fact denied later by the King. Interview with Dr. Yossi Ben-Aharon.

⁶⁰ Mr. Shamir was particularly keen to maintain the NUG because as Prime Minister his intra-party standing had increased considerably, and the Likud was enjoying a period of relative internal calm. This was in direct contrast to 1984-86 period when the bitter internal divisions within the Likud, notably between Mr. Shamir, Mr. Levy and Mr. Sharon and their supporters were rarely out of the headlines.

and consequently it was in his interest to maintain the NUG for as long as possible. Therefore the crucial relationship within the NUG from this point on was between Mr. Shamir and Mr. Rabin. In order to maintain and develop this the Likud took particular care to build up Mr. Rabin's public image in contrast to their constant attacks on the credibility of Mr. Peres⁶¹. In addition, one of the reasons the settlement issue did not become as divisive as feared was the restraint shown by Mr. Shamir who sought to avoid a clash with Mr. Rabin and provide the Labour Party with an excuse to leave the NUG⁶².

Unsurprisingly Mr. Peres was not happy with this situation. However there was little in reality he could do about it. The rotation agreement had transformed his personal position from number one in the government to at best second equal with Mr. Rabin. The failure of the London Agreement had in effect further relegated him to third position in the NUG⁶³. Without a clear majority in the Knesset to bring elections forward or widespread support in the country or without the chance of forming a minority government there was little Mr. Peres could do except start what became an 18 month election campaign prior to the 1988 Knesset elections.

The Labour Party's problems with the peace process were compounded by the outbreak of the Palestinian uprising (Intifada) in the Occupied Territories. The short-term consequence of which was a shift in the Israeli public opinion to the right, in effect ending the status quo in Israel over the future status of the territories. This manifested itself in a shift in voting intentions of the electorate away from the

⁶¹ Interview with Ms. Honig, 13th November 1994.

⁶² Korn, National Unity Years, (Hebrew).

Mr. Shamir was extremely pro-settlement movement but his intra-party priority was to avoid the NUG collapsing, therefore he allowed Mr. Rabin in his role as Defence Minister (in charge of the Occupied Territories) to largely influence settlement policy.

⁶³ Mr. Peres's personal popularity ratings fell below those of his rival Mr. Rabin as old questions were asked about his trust worthiness, notably after a series of attacks from the Likud in the wake of the London agreement.

Labour Party to the parties of the right⁶⁴. In addition, it was a Labour Minister Mr. Rabin, who as Defence Minister was charged with dealing with the Intifada (an ironic situation given the fact that the Labour Party argued that it was the intransigence of Mr. Shamir and the Likud in the peace process which led to the outbreak of the unrest). Mr. Rabin's methods in dealing with the violence were criticised by the left in particular for being too strong and this further damaged the Labour Party's election prospects among the Israeli Arab sector. Taken together the problems caused by the Intifada and the directly related decision of King Hussein to effectively give up Jordanian claims to the West Bank damaged the position of the Labour Party. King Hussein's decision ended Mr. Peres's cherished 'Jordanian option' and left the Labour Party without a negotiating partner in the peace process.

6.5: Labour Party Internal Party Reform.

A further indication of the party's transformation to a non-dominant party operating in a competitive party system was the introduction of internal party reforms aimed at opening up the method for selection party candidates for elections. The most significant internal party reform was the decision to introduce American style primaries in the party's Central Committee to select and order the party Knesset list for the 1988 elections. The decision to introduce this reform while marking a climb down by an initially sceptical leadership did not radically alter the balance of power within the party. The principal aim of the reforms (proposed by Secretary General Baram) was to make the Knesset list more representative of the party membership and Israeli society as a whole, and thus help broaden the

⁶⁴ Arian and Shamir found that one-third of Israelis had become more hawkish as a result of the Intifada and around one quarter more dovish. Shamir and Arian, "The Intifada and Israeli Voters, Policy Preferences and Performance Evaluations", Discussion paper, Pinhas Sapir Centre for Development, Tel Aviv University, 1990.

electoral appeal of the party to the electorate. Mr. Baram elected in 1984 on a platform of introducing internal reform believed in a stage by stage process of democratisation. His strategy was to push for an introduction of primaries within the Central Committee and subsequently if these elections were deemed to be a success to introduce party primaries in the future. In these the entire party membership was to be given a chance to vote for their candidates⁶⁵.

There were a number of reasons why the party and the leadership in particular embraced the majority of the changes proposed by Mr. Baram. The reforms marked a natural progression in a process which had started with the opening up of the method of selection for leadership of the party. In Mr. Ben-Gurion's day in the 1950's he had selected his successor. Subsequently the second time he resigned he, together with three or four people, decided who was going to take over. At the end of the sixties a group of four or five senior party figures decided on Mrs Golda's Meir appointment. In 1974 there was an open competition between Mr. Peres and Mr. Rabin in the party's Central Committee of around 400 people for the leadership. Some four years later there was a similar contest between these two rivals, but this time at the party conference with around 1,400 people voting (in 1992 this developed into closed or party primaries)⁶⁶. Therefore Mr. Baram argued that the next logical step at this time was to start to open up the methods of candidate selection for all elections and party positions such as General Secretary.

An additional factor as discussed earlier in this chapter was what was to some degree a break down in party discipline. This had been predominantly caused by the party's participation in the NUG and the large majority the NUG enjoyed which

⁶⁵ Mr. Baram victory was narrow over Mr. Harish who was the chosen candidate of Mr. Peres. However, Mr. Peres did not attempt to overtly intervene in the election allowing the Central Committee a free choice.

⁶⁶ Interview with Dr. Peri, Tel Aviv, 1st August 1994.

therefore permitted the development of a more independent parliamentary faction. A by-product of this development was the growing confidence of the younger generation of the party in particular who supported Mr. Baram's programme and worked effectively to help implement it.

In the end both Mr. Peres and Mr. Rabin accepted the idea after both expressing initial concern over what they felt was a leap in the dark for the party. However, their change of heart took place when it became apparent that the primary system would, so they believed, be beneficial to themselves. Mr. Peres with his continued majority in the Central Committee would not lose many of his so-called clients. Mr. Rabin saw the opening up of any selection process as his best opportunity of mounting a successful future challenge against Mr. Peres. This was based on the assumption that these primaries were a trial run for the wider party membership primaries where Mr. Peres's control of the party machine would not be as significant. In addition it soon became clear that the idea of primaries was extremely popular with the electorate and hence both Mr. Peres and Mr. Rabin embraced the populist idea. In short, the apparent popularity of the reform both within the party and with the electorate would have made it difficult for Mr. Peres and Mr. Rabin to reject the changes out of hand.

The results of the primaries, which were divided into Central Committee and District elections, can best be described as 'ensuring continuity and change'. The top-tier leadership of Mr. Peres and Mr. Rabin's emerged with their intra-party positions relatively unchanged. Most of the candidates who were selected to a realistic position on the list (1 to 45) were functionaries of these two leaders, ensuring their continued dominance over the party. Even among the new candidates there was clear evidence of the operation of patronage networks with for example the selection of Dr. Yossi Beilin's. He had been a functionary of Mr. Peres since 1977.

At other levels there is evidence of deals being struck by the various groups in the party to ensure that their candidates were selected. The major example was the deal between the Tel Aviv, Haifa, Jerusalem party branches and the United Kibbutz and Moshav movements⁶⁷. The clear aim of such deals was to guarantee the traditional groupings of power within the party, but despite this of those selected by the Central Committee there were a large number of young and new faces.

In assessing the major internal reform of the period it needs to be stressed that its short-term effect was that it achieved a principal aim of creating a favourable impression with the Israeli electorate and produced an attractive new Knesset list⁶⁸. However, the method of selection needs to be viewed as a transitory stage in which the balance of power within the party remained relatively unchanged before the party and the leadership had the confidence to open the primaries up to the entire party membership.

Conclusion.

The 1984 election results were very disappointing for the Labour Party. For despite the problems surrounding the Likud in terms of its performance in government and the continuing intra-party struggle succeed to Mr. Begin the Labour Party was unable to secure a clear electoral victory. The results subsequently confirmed to the party its status as a non-dominant party operating within a competitive party system. The election also illustrated the importance of inter-block politics and the relative weakness of the Labour-led-block which prevented the Labour Party from forming a Labour-led coalition government.

⁶⁷ Of the candidates who were included in this group all but three were elected to realistic places on the party list.

⁶⁸ The list contained 13 new faces, 4 women, 15 of Sephardim origin, and a single Arab candidate.

The Knesset Library, The Knesset, Jerusalem.

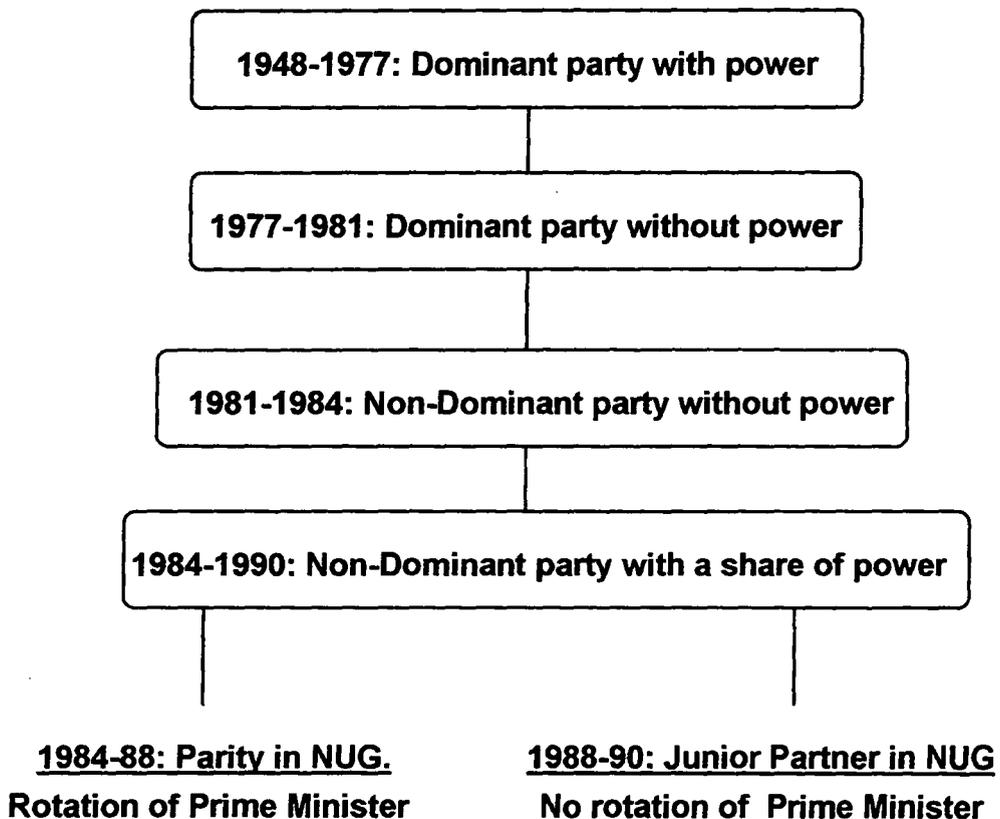
In agreeing to form the NUG Mr. Peres confirmed the continuing existence of the two major characteristics of the Labour Party namely; the self perceived need for power and the related importance of intra-party politics. The 'thirst for power' in the party was based on the past status. The Labour Party for its entire history prior to 1977 had been at the centre of the development of the state and had enjoyed the status of a dominant party. By 1984 it accepted that this dominant position no longer existed but the 'conditioning effects' of this period were still apparent in its overriding desire to return to government. Related to this 'conditioning effect' was the continued importance of intra-party politics in the Labour Party. This led Mr. Peres to accept the rotation agreement of his position of Prime Minister in order to gain the Defence portfolio for his intra-party rival Mr. Rabin.

CHAPTER 7

FROM NATIONAL UNITY GOVERNMENT TO OPPOSITION: THE ISRAEL LABOUR PARTY 1988-90.

The formation of the NUG which followed the Knesset election of 1984 confirmed that the Labour Party was a non-dominant party with a share of power operating in a competitive party system. Illustration Four summarises the development of the Labour Party up to 1990.

4: Development of the Labour Party 1948-1988.



It needs to be stressed that the share of power that the party enjoyed in the NUG (1988-90) was not the same as in the previous NUG (1984-88). After the 1988 election the Likud emerged victorious and the Labour Party joined the government as a junior partner. Its level of power was reduced by there being no rotation of the position of the Prime Minister. The Labour Party, while no longer a dominant party, still experienced the 'conditioning effects' of its extended period of dominance which in part dictated its behaviour. This chapter examines these within the context of the party's motivations for joining the NUG, the performance of the NUG and the party's decision to eventually leave the government and return to opposition. Chapter Eight deals with the developments to the internal dynamics of the party which took place during the time of the party's participation in the NUG. Both of the chapters aim to stress the importance of this period for the party, a period which saw the start of processes of change in both the Labour Party and the Israeli political system which were to culminate in Labour's election victory in 1992.

7.1: Background and Campaign for the 1988 Knesset Election.

The Intifada and the directly related question of the future status of the Occupied Territories dominated the period prior to the campaign and the campaign itself. The Labour Party, in response to King Hussein's withdrawal from the negotiations over the West Bank, was forced to rethink its political and defence platform. As in the past the priority was to maintain party unity and reach a pragmatic compromise. The doves in the party who hoped that the platform would open up the way to future contacts with the PLO while the hawks wanted the document to exclude any possibility of the PLO being considered a future partner for negotiations. The resulting document (18th August 1988) reflected a further two considerations. These were the failure of Mr. Peres to accept the ending of the Jordanian option and the perceived need of the leadership not to appear 'too

dovish' in light of the party's continued quest to win the predominantly hawkish Sephardim vote. In terms of Jordan, article 1.2.4 states:

A government headed by the Alignment will renew as a top priority the initiative of talks and negotiations with Jordan in partnership with a Palestinian representation, in order to arrive at peace along the eastern border, and a settlement of the Palestinian problem¹.

Article 1.2.5 cites on talks with Palestinians that:

In accordance with its aspiration to put an end to the Arab-Israeli conflict, the Alignment will be willing to hold talks with Palestinian personalities and bodies who recognise Israel, denounce terrorism and accept UN Resolutions 242 and 338².

Clearly the party saw the need to talk directly to Palestinians but was reluctant to deal with the PLO especially in light of the short term shift in Israeli society to a more hawkish position following the outbreak of the Intifada. Later in the document the party referred to the possibility of a Jordanian-Palestinian confederation which was a shift from the past insistence on a Jordanian-Palestinian state. However, such changes in the party's platform did little to offer a clear way forward in the peace process, but merely represented the continued self imposed restrictions the party worked under. Mapam, operating free from the chains of the Alignment, called for direct negotiations with the PLO and full self-determination for the Palestinians (see 6.4).

The campaign itself was dominated by the peace process with little attention given to socio-economic issues³. The Labour Party in concentrating on the

¹ The Israel Labour Party's Political and Defence Platform, August 1988, Party Headquarters, Tel Aviv. Note that the Labour Party continued to use the name 'the Alignment' in 1988 despite the fact that Mapam had left the Alignment in 1984 thus ending the Alignment.

² Ibid.

³ Many people see it as a major failing of the campaign for the Labour Party that they allowed the peace process and in particular the future status of the territories to be the single most important issue. Professor Doron argues that this area was the

personality of Mr. Peres attempted to turn the contest into the suitability of Mr. Peres and Mr. Shamir for the post of Prime Minister. Such a high concentration on personality politics, although a characteristic of Israeli politics was taken to new extremes during the 1988 campaign. The major television debate between Mr. Peres and Mr. Shamir produced no clear-cut winner with both the Likud and the Labour parties claiming that their respective internal polls indicated a victory for their leader⁴. During the campaign there was a major terrorist attack at Jericho on a bus which resulted in the deaths of a mother and her children. Such an attack focused attention on the issue of personal security for Israelis and largely dictated the agenda of the latter part of the campaign.

weak point for the Labour Party and it should not have spent so much time and resources responding to attacks in this area and tried to develop other areas. Interview with Professor Doron, Senior Election Strategist for Mr. Rabin 1992, Tel Aviv University, 12th October.

⁴ By 1988 polling had become an important part of Israeli electoral politics with the major polling companies being hired by the major parties to present daily polls.

7.2: A Statistical Analysis of the 1988 Knesset Election Results

The elections which were held on November 1st 1988 provided the following results:

Table 7.1 Number of Seats each Party Won and the Respective Blocks.

<u>Labour Led Block</u>		<u>Likud Led Block</u>	
Labour	39	Likud	40
CRM	5	Shas	6
Mapam	3	Aguda	5
Shinui	2	NRP	5
Rakach	4	Techiya	3
PLP	1	Tsomet	2
ADL	1	Moledet	2
		Degel Hatora	2
<u>Total</u>	<u>55</u>	<u>Total</u>	<u>65</u>

Table 7.2: Voting by Geographical Districts in the 1984 and 1988 Knesset Elections.

Alignment (ILP) percentage of valid votes.

<u>City</u>	<u>% of Sephardim</u>	<u>ILP vote 1984</u>	<u>ILP vote 1988</u>	<u>Difference</u>
Dimona	(83)	22.6	21.3	-1.3
Kiryat Gat	(69)	29.7	24.7	-5.0
Ramle	(68)	27.3	20.8	-6.5
Or Yehuda	(66)	16.7	15.6	-1.1

Note that in 1984 the Israel Labour Party included Mapam in the Alignment and in 1988 Mapam ran independently but Yahad joined the Labour list for 1988.

Likud percentage of valid votes.

<u>City</u>	<u>% of Sephardim</u>	<u>Likud vote 1984</u>	<u>Likud vote 1988</u>	<u>Difference</u>
Dimona	(83)	49.5	47.6	-1.9
Kiryat Gat	(69)	44.1	41.2	-2.9
Ramle	(68)	49.4	46.1	-3.3
Or Yehuda	(66)	52.8	50.6	-2.2

Source: Adapted from Diskin, Elections and Voters in Israel, Diskin Israel Radio, 2nd November 1988 and Election results to the 12th Knesset, Central Bureau of Statistics, Jerusalem.

Table 7.3: The Arab vote in the 1984 and 1988 Knesset Elections.

Percentage of Valid Arab votes	1984	1988
Alignment (ILP and Mapam)	23	16.7
Mapam	-	3.7
Ratz	-	4.5

Source, Central Bureau of Statistics and Gal, The Arab Vote in the 1988 Elections⁵.

⁵ In calculating the Arab vote the author has included mixed cities in the results.

Table 7.4: The IDF Vote in the 1988 Knesset Elections.

Party	% of IDF Vote	% of National Vote
<u>Labour led Block.</u>		
Alignment	29	30.0
Ratz	6.5	4.3
Mapam	2.3	2.5
Shinui	2.2	1.7
Arab Parties	0.9	7.8
<u>Likud led Block</u>		
Likud	35.1	31.1
Tehiya	8.9	3.1
Tsomet	4.8	2.0
Moledet	2.0	1.9
Shas	2.5	4.8
NRP	2.3	3.9
Agudat Israel	1.6	4.5

Source, Jerusalem Post 11th November 1988⁶.

Out of a potential 2,894,267 registered voters some 2,305,576 votes were cast (79.7%) with each party requiring at least 18,567 votes to pass the one percent threshold and win a seat. The results provided no clear cut winner at inter-party level, but provided Mr. Shamir and the Likud with a victory at block level with the parties of the right and the religious parties together securing 65 out of the 120

⁶ The IDF vote has been used to illustrate the vote of the young as most of the 18 to 21 year old first time voters are doing their national service at the time of elections. The IDF vote is therefore seen as a relatively accurate reflection of the votes of this age group.

seats in the Knesset. Mr. Shamir therefore, unlike in 1984, had the clear possibility of forming a narrow based coalition with the ultra-right wing parties together with the religious parties.

The major winners of the 1988 elections were the religious parties whose strength increased from 13 seats in 1984 to 18 seats in 1988. Shas with 6 seats emerged as a serious challenger to the Likud's traditional Sephardim constituency notably in the development towns. With its 6 seats it became the third largest party in the Knesset and occupied a pivotal position in the various coalition manoeuvres which took place within the life of the 12th Knesset.

Both of the two major parties, in losing votes to their splinter parties, saw their power further eroded by the close nature of the result which increased the bargaining power of the smaller parties (notably those holding the pivotal position in the form of the religious parties). The poor performance of both the major parties can be explained in part by the indecisiveness of the 1984-88 NUG (mainly the 1986-88 NUG) and the ideological compromises which both parties had to reach in order to maintain the government. In such circumstances it is natural that extreme nationalistic or religious parties benefit from such a situation⁷. Ironically the rise of these extremist parties was one of the major reasons for the formation of a new National Unity Government by Mr. Shamir. The emergence of a new ultra-right wing block confirmed the move of the Likud towards the centre of Israeli politics. This allowed splinter parties to emerge with policies ranging from annexation of the territories to Moledet's call for the transfer of Arabs from these lands. In addition this marked a maturing of the Likud and of the competitive party system. The Likud and the Labour Parties were by 1988 both attempting to position themselves in the centre ground and were competing for the floating voters within this area. Elections

⁷ D. Korn, The National Unity Years 1984-90 (in Hebrew).

were therefore decided on which of the parties could attract these voters which numbered around 100,000 and accounted for approximately four seats in the Knesset.

7.2.1: An Analysis of the Labour Performance in the 1988 Election.

Critics have explained the poor performance of the Labour Party as due to a number of organisational failures during the campaign. These included the collapse of the London agreement (December 1987) after King Hussein withdrew from the peace process, and continuing problems that the party, Mr. Peres in particular, still faced with the Sephardim and the lower income groups. This problem was compounded in 1988 with a similar problem Labour's other national leader Mr. Rabin now faced with the Israeli Arabs for his brutal suppression of the Intifada⁸. There were two major terrorist attacks during the later stages of the campaign, one of which was a particularly emotive attack resulting in the murder of a woman and her children in Jericho on the eve of polling. These attacks were thought to have hardened anti-Arab attitudes which benefited the parties of the right⁹.

The 1988 Knesset election and the subsequent 1989 Municipal elections reinforced the failure of the party to attract support from within the Sephardim communities and confirmed the continuing decline in its share of the Israeli Arab

⁸ The term brutal was used by Dr. Arens, Likud Minister of Defence from 1982-84 and 1990-92, to describe Mr. Rabin's method of dealing with the Intifada. Interview with Dr. Moshe Arens, Tel Aviv, 26th September 1994.

Such a comment is interesting as Likud's response to such events was considered to be traditionally harsher than that of the Labour Party.

⁹ Many senior figures in the Labour Party see this particular attack as crucial in the party not at least as emerging as the single largest party. They believe that it cost the party up to two seats and thus allowed the Likud to emerge as the single largest party.

Interview with Mr. Yoram Peri, Labour Party Spokesman 1994, Party Headquarters, Tel Aviv, 31st October 1994.

Interview with Mr. Hatzharmi, Director of the International Department of the Labour Party, Party Headquarters, Tel Aviv, 29th November 1994.

vote. Compounding these problems was the party's failure with the younger generation illustrated by its declining share of the IDF vote. In analysing these problems it needs to be stressed that in an electoral situation where a three to four seat swing could make the difference between occupation of the pivotal coalition position or failure the Labour Party was not looking for dramatic swings in these constituent groups but rather signs of improvement¹⁰. However, even using this criteria the results proved extremely negative in the following ways. It became clear that the Sephardim constituency started to move away from the Likud but in the opposite direction from Labour. The major beneficiary from this shift was Shas along with the ultra-right wing parties such as Tsomet and Tehiya¹¹. In addition, the Israeli Arab vote, in the wake of the Intifada, for the Labour Party was significantly reduced by the transfer of these votes to non-Zionist parties¹². Tables 7.2, 7.3 and 7.4 reveal the extent of these problems:

The results of Table 7.2 indicate the two trends within predominantly Sephardim areas. The Labour Party, starting from an already low base, saw its share of the vote further decline despite the slight shift in support from Likud whose vote moved to the right and religious parties. Such results were interpreted in two ways within the Labour Party. The hawks such as Mr. Hillel saw it as evidence that the party had moved ideologically too much to the left on the peace and security issue. They stated that the party under Mr. Peres had surrendered the centre

¹⁰ Interview with Mr. Crystal, Political Correspondent of Hadashot and Israel Radio, Tel Aviv, 4th September 1994.

Mr. Crystal emphasises the point that each election since 1977 has been decided by three to four mandates.

¹¹ Diskin, "The Israeli General Election of 1988", p80, Electoral Studies 1989.

¹² Such a transfer was not worrying at inter-block level for the Labour Party as there was no chance of the Arab parties joining the Likud block. However, at inter-party level it cost the Labour Party between 1 and 2 seats which had they won would have allowed it and not Likud to emerge as the single largest party in the Knesset. This would have altered the coalition bargaining process by strengthening Mr. Peres's position.

ground of Israeli politics to Likud¹³. Conversely, the doves understood it as the failure of the Labour Party's "catch all tactics" and more specifically its overtures to the Sephardim. They consequently called for the party to move to a more distinct dovish ideological position¹⁴. The Labour leadership realised that in order to win the next Knesset election (1992) they had either to convince enough Sephardim voters to transfer their votes to the Labour Party or to at least shift their vote to another right or religious party. This central electoral strategy to a large extent dictated the replacement of Mr. Peres with Mr. Rabin as head of the party in 1992.

The drop in the Arab vote for the party (Table 7.3) indicated the price the party paid for its participation in the NUG (1984-88) and in particular the role of Mr. Rabin in formulating the Israeli response to the Intifada (1987- onwards), as well as the general trend away from Zionist to Jewish-Arab or Arab parties¹⁵. The result was particularly disappointing given that in 1988 Labour had replaced Mapam with Mr. Weizman's Yahad party in the Alignment. Mr. Weizman's dovish views had made him extremely popular in the Arab sector and Yahad had polled nearly 10,000 votes in the this sector in 1984¹⁶. However, at inter-block level the fact that both Mapam

¹³ Interview with Mr. Hillel, Speaker of the Knesset 1984-88, Jerusalem, 25th July 1994.

¹⁴ Dr. Beilin pointed out that instead of investing resources, especially time resources in other areas, "we tried everything to court them. The idea of going out to the markets, the poor neighbourhoods and saying they applauded me, they didn't throw tomatoes was so strong that the leadership forgot that none of them (the Sephardim / poor) voted for the party". Dr. Beilin sees this as directly linked to the past when the Labour Party was a dominant party with access to all strata of society which the party in 1988 clearly didn't have.

Interview with Dr. Beilin, the Foreign Ministry, Jerusalem, 29th August 1994.

¹⁵ In 1984, 48.75% voted for Zionist parties and 51.25% for Jewish-Arab or Arab parties. In 1988, 59.3% voted for Jewish Arab parties and only 40.7% for Zionist parties.

Source: Capitanchik, "The Political Stalemate Continues: The 1988 Israeli General Election", The Academic Study Group Research Report, 1989.

¹⁶ Ibid.

and Ratz with their more dovish platform won 8 percent of the vote between them helped compensate the Labour Party losses¹⁷.

The party's poor performance among the young (Table 7.4), was indicative of the continuing generational cleavage in Israeli politics which saw the Labour Party being increasingly considered as the party of the older generations. The 1988 results revealed a substantial increase in the vote for ultra-right wing parties as well Ratz on the opposite political extreme. Such results can be viewed as part of the young's resentment of the inertia of the NUG (1984-88) and especially the period between 1986-88. These parties held a common ideology which represented an ending of the *status quo* in the territories leading either to the return of the lands to the Arabs or to annexation. Such clearly defined ideologies attracted the young voters in contrast to the more pragmatic programmes of both the Labour and Likud parties. The Labour Party's poor performance showed the need for the party to present a clear ideology on the future of the territories and to increase the representation of the younger generations in the party organs and within the leadership.

A personal profile of the 1988 Knesset lists reveals that the problems that the Labour Party experienced with these constituent groups went beyond simply the question of representation within the party. The Labour Party had 15 MK's of Sephardim origin out of the 39 elected compared to only 11 in the Likud. It had a single Arab Mk (Mapam was the only other Zionist party to have one) and 5 MK's were younger than 40 in contrast to only 3 in the Likud. As well as this there were 4 women MK's in the Labour list out of a total of 7 in the Knesset. In the 1988 election

¹⁷ For a full and detailed analysis of the Arab vote in the 1988 election see, Gal, "The Arab Vote in the 1988 Elections", Givat Haviva Paper, 1989 (in English and Hebrew).

13 new Labour MK's were elected against only 8 in the Likud and a total of 37 in the Knesset¹⁸.

The party's problematical relationship therefore needs to be viewed within the framework of personality image problems of the elite; Mr. Peres with the Sephardim and Mr. Rabin with the Israeli Arabs and to some extent both of them with the young constituency. Also the lack of a clear ideology on the peace and security issue which could have appealed to at least one of these groups (instead of succeeding in alienating to some degree all of them). The party's relationship with these groups also influenced the debate on the future ideological direction of the party in particular for the 1992 Knesset elections. The influence of these groups needs to be examined in conjunction with the internal pressures for ideological change in the party's platform from within the party itself, the Israeli left in general and external agents such as the American administration and the Socialist International (see Chapter 8). In short, the party after the 1988 election failure needed to perform a delicate balancing act taking into account all the above criteria to create a winning formula of ideology and personality appeal to win the next Knesset elections due in 1992. The party's awareness of the need to develop such a strategy was far deeper than had previously been the case. This in turn indicated a growing maturity of the Labour Party operating as a non-dominant party in a competitive party system.

¹⁸ Source, Knesset Records, The Knesset, Jerusalem.

7.3: The Formation of the National Unity Government.

In understanding the internal development of the Labour Party between 1988-90 it is necessary to examine its motivations for joining another NUG and the effects of its participation in the government on both the leadership of the party and its future development. In addition it needs to be stressed that it was Mr. Shamir and the Likud which proposed another NUG when the Likud had a clear possibility of forming a coalition without the Labour Party. Consequently, throughout this chapter the weakness of the position of the Labour Party in the NUG needs to be remembered in contrast to its position of parity with the Likud in the previous NUG (1984-88).

The decision of Mr. Shamir to form another NUG illustrated both the importance of intra-party politics in Israeli political culture and secondly concern over the rise of extremist parties from both of the major blocks. The coalition forming process after the 1988 election was similar to every other one since the move to a more competitive party system in 1977. It contained elements of bluff, intrigue and careful secret playing of their respective hands by both Mr. Peres and Mr. Shamir.

Mr. Peres at first attempted to court at least one of the religious parties to join the Labour-led-block. From a relative position of weakness he secured the support of Agudat Israel with a series of controversial promises in connection with amending the law of right of return to Jews from outside Israel. This substantial achievement, (Agudat had not even supported the Labour Party when it had been the dominant party) should not be underestimated in that it offered the Labour Party block parity with Likud's at 60:60. Such a result would have ensured that the Labour Party would have been able to join the NUG on equal terms with the Likud. This in turn would have secured an agreement for Mr. Peres to again rotate the position of Prime

Minister with Mr. Shamir¹⁹. However Mr. Peres moves were doomed to failure when under pressure from their spiritual and religious mentors Agudat withdrew from the deal²⁰. Korn argues that when parts of the deal became known to the Labour Party organs there was widespread condemnation of the deal from Labour Party members. This would have made it difficult for Mr. Peres had he been in a position to honour the agreement.

Mr. Shamir at first opted in public to form a narrow based coalition from parties within the Likud block and was close to a final deal when he decided to form another NUG. The price of the religious parties with their demands for changes to religious laws, increased funding for religious schools and exemptions for religious students from service in the IDF were viewed by Mr. Shamir as too high. From the ultra-right there were calls for the annexation of the West Bank and Gaza all of which Mr. Shamir knew would lead to international condemnation and possible sanctions against Israel.

¹⁹It had become apparently clear to the leaders of the Labour Party by this stage that all the religious parties preferred to deal with the Likud. They would only deal with the Labour Party when there was no possibility of a Likud-led government
Interview with Mr. Eli Dayan, Labour Party Knesset faction leader and coalition leader, The Knesset, Jerusalem, 8th November 1994.

²⁰ Korn, The National Unity Years 1984-90.

However, prior to the deals collapse Mr. Peres had successfully engineered the 120 member Bureau of the party to reject joining an NUG led by the Likud. At the time, the vote was incorrectly viewed as a defeat for both Mr. Peres and Mr. Rabin, See for example:

Whitley, "Labour Party young Guard Risk Party Poll Hopes", Financial Times, 2nd December 1988.

Both Mr. Peres and Mr. Rabin had publicly supported the motion but in true Machiavellian traditions Mr. Peres close aides had privately campaigned for the motion to be defeated in order to strengthen his hand in the coalition negotiations with the Likud, and in light of his hope of forming a narrow based government with the support of Aguda Israel. This illustrated the control and manipulative skills that Mr. Peres still (despite a poor electoral performance) maintained over the party organs.

Interview with Dr. Korn, 13th September 1994.

Interviews with close associates of Mr. Peres.

The intra-party motivations for another NUG were that by forming such a government Mr. Shamir would have to give key portfolios to the Labour Party and thus deny them to his Likud adversaries, notably the ex Likud Minister of Defence Mr. Sharon and the most prominent Sephardic Mr. Levy. Predictably Mr. Sharon in particular was against another NUG and favoured the setting up of a narrow based government²¹. Mr. Shamir's closest ally Mr. Arens favoured the setting up of an NUG as did most of Mr. Shamir's centre faction of the party²².

With the failure to secure any deal with the religious parties the Labour Party joined the NUG as a junior partner with no rotation of the position of Prime Minister, but with Mr. Rabin appointed as Defence Minister for the entire duration of the government²³. Mr. Peres reluctantly and under great pressure from the party accepted the relatively junior position of Finance Minister in order to oversee the economic package to save the Kibbutzim and Histadrut companies from financial

²¹Mr. Sharon had been in favour of the NUG in 1984 as after the Lebanon war his political credibility needed rebuilding and he benefited from sitting in the same Cabinet as the Labour Party which allowed him to regain his political legitimacy. In 1988 this had been achieved to such an extent that he would have expected to be made Minister of Defence or to hold one of the other major portfolios in any narrow based coalition. Mr Sharon's opposition to another NUG grew stronger and more public as the coalition dragged on and it became clear to him that Mr Shamir's preference was for an NUG. Mr. Sharon stated in an interview with the Jerusalem Post that another NUG would be a historic mistake:

Jerusalem Post 28th November 1988.

Also at a meeting of Likud's Central Committee in Tel Aviv he argued that the consequence of the formation of another NUG would be the inevitable establishment of a PLO run state in the territories.

Speech to Likud Central Committee, Tel Aviv, 20th December 1988.

Mr. Levy was eventually persuaded to support another NUG with membership in the newly enlarged Inner Cabinet and a series of promises of support from Mr. Shamir.

²² In interviews with senior members of the Likud it is clear that there was widespread support for Mr. Shamir's decisions.

Interview with Mr. Meridor, Minister of Justice 1988-92, The Knesset, Jerusalem, 8th November 1994

Interview with Dr. Begin, The Knesset, Jerusalem, 8th November 1994.

²³ See Appendix 3(b) NUG agreement 1988.

collapse²⁴. The pressure applied on Mr. Peres to accept this portfolio was a further illustration of the continuing problems for the Labour Party originating from its past dominant position. The Histadrut and the Kibbutzim had in the past been examples of the Labour Party's dominant position in both the pre-state Yishuv and in the state of Israel (see 1.1 and 1.2). However, by 1988 these vestiges of labour dominance were becoming more of a burden to the party. The financial failings of these institutions therefore further eroded the power and influence of the Labour Party.

The election and coalition building process had exposed the failings of the Labour Party to attract sufficient support from the Sephardim and Arab sectors to occupy the pivotal position in the coalition bargaining process. The simple election mathematics for the Labour Party were that in order to return to power it had to significantly increase the strength of its own representation at inter-party and inter-block level and attract one or more of the religious parties away from the Likud block. Clearly in 1988 the party had failed to achieve either of these. An additional option was to call for electoral reform such as the raising of the threshold which parties must cross in order to gain Knesset representation. The implementation of such a reform would in theory increase the strength of the larger parties and lead to a smaller number of parties gaining representation in the Knesset.

Mr. Peres in seeking the support of the party Central Committee for joining the NUG stated:

Our country knows the answer to all questions, except two: who is a Jew and who won the elections. After each election there are negotiations to ascertain who won them. Only by terminating the dependence on small parties will there

²⁴ Interview with Dr. Nathanson, Director of the Institute of Economic and Social Research, the Histadrut, Tel Aviv, 30th July 1994.

Mr. Martziano, political advisor to Mr. Peres agrees that Mr. Peres only interest at the time was in the peace process.

Interview Mr. Martziano, The Foreign Ministry, Jerusalem, 8th September 1994.

be any chance of effecting an electoral system that will enable Jewish democracy to exist, run affairs and select a political way²⁵.

Likud was to a lesser degree in favour of some type of electoral reform. The present situation suited Mr. Shamir in that it provided him with a clear majority to block any Labour Party government through Likud's links with the religious parties. However, Mr. Shamir was aware of the price of turning this in to a narrow based government and had indicated his lack of willingness to meet the demands of the smaller parties²⁶

The Labour Party was also aware of the growing populist appeal of electoral reform within Israeli society. On November 12th 1988, 100,000 people attended a rally in Tel Aviv calling for a change in the electoral system which would ensure a clear cut victory for one of the parties allowing them to govern the country more effectively²⁷. By March 1989 a joint-partisan Knesset committee had been set up chaired by the veteran Labour election reformer Mr. Gad Yaacobi to examine electoral reforms²⁸. Public support for reform was furthered by the attempts of Mr. Peres and Mr. Shamir to form narrow based coalitions after the collapse of the NUG in 1990.

²⁵ Mr. Peres speech to the Labour Party Central Committee at Beit Berl Campus, near Tel Aviv, 21st December 1988.

²⁶ Mr. Shamir saw the need for the Likud to remain a party at the centre of Israeli politics and this together with his preference for unity among the Jewish people made him reluctant to pay the price to the smaller parties. He argues that the history of the Jewish people is of long internal confrontations and that important lessons need to be learnt from this in to the modern context. Mr. Shamir clearly believed that giving in to the extreme demands of some of the smaller parties would have led to increasing divisions within Israeli society.

Interview with Mr. Shamir, Tel Aviv, 17th August 1994.

Mr. Shamir first publicly called for changes to the electoral system on 28th December 1989 during an interview on Israel Radio arguing that it was impossible to continue for long with the present system. He indicated some preference for some type of constituency based proportional representation.

²⁷ T. Hermann, "The Rise of Instrumental Voting: The Campaign for Political Reform", In Arian and Shamir (ed), The Elections in Israel 1992, State University of New York, USA. 1994.

²⁸ Ibid.

7.4: The NUG: Organisation, Performance and Consequences for the Labour Party.

The Labour Party's decision to join the NUG was a further illustration of the continuing effects of its past dominant position. The fact that the party chose to remain as junior partner in the NUG rather than return to the opposition indicated that its desire for power was above and beyond any ideological considerations. As Mr. Nissim Zvilli confirmed:

The Labour Party's participation in the 1988 NUG was a silly thing to do. There was nothing special on the agenda. Nothing similar to 1984 with the Lebanon War and Economic crisis. It was simple power politics. Our leadership felt bad in opposition²⁹.

In addition it again confirmed the importance of intra-party politics in the elite over inter-party politics and the importance of the Arab-Israeli conflict. Put another way if the party had been operating solely on inter-party conflict then it would have chosen to return to opposition and prepared a strategy to win an election free from the complexity of involvement in the government.

Mr. Peres intra-party motivations for joining the NUG played a significant role in the Labour Party's participation but as will be revealed Mr. Peres paid a high price for this. After the election failure the leadership of Mr. Peres was in the short-term not threatened as he was involved in delicate coalition negotiations the party was relatively united behind him. When it eventually became clear that the choice for the party was between opposition and junior partnership in the NUG there was a debate within the party on which course of action to follow. A substantial number of people believed that Mr. Peres had missed an opportunity to leave the government after the Inner-Cabinet had rejected the London Agreement. Such a move then would

²⁹ Interview with Mr. Nissim Zvilli, Secretary General of the Labour Party, The Knesset Jerusalem, 5th September 1994.

have allowed the party to go in to opposition for positive reasons and appeal directly for support to the Israeli public³⁰. As Beilin argued:

Unfortunately people are conservative. They didn't want to leave the government and they always had the pretext that without us they (the Likud) would settle widely. There was no real debate in the party about this issue and it was only discussed in the meeting of the Labour Party Cabinet members and only a few members supported the idea of leaving. Their main argument as to why we (the Labour Party) should always be in power was the idea of putting the foot on the breaks on Likud's idea and not to initiate resolutions³¹.

Beilin was not alone in such beliefs. Several other members of the younger generation viewed the failure to leave the government at this time as a missed opportunity³². The fact that Labour's two senior leaders Mr. Peres and Mr. Rabin, did not support leaving the government at this time meant that real debate within the party organs was muted.

As previously described Mr. Peres had successfully engineered a motion not to join an NUG in 1988 under the Likud. However, in the time between this vote in the party Bureau and the meeting of the Central Committee to ratify the agreement with the Likud it had become apparent that Mr. Peres's hopes of forming a narrow based government had evaporated. Therefore, both he and Mr. Rabin addressed the meeting urging ratification of the agreement. In his speech, as well as discussing the need for electoral reform, Mr. Peres employed all the rationale outlined by Dr. Beilin concerning the decision not to leave the previous NUG. He cited five reasons for the participation. 1)The fear of a Likud-led coalition driven by the extreme right wing into annexing the territories. 2)The fear of such a coalition

³⁰ Interview with Dr. Beilin, The Foreign Ministry, Jerusalem, 29th August 1994.

³¹ Ibid.

³² For example, Mr. Zvilli (Secretary General of the Labour Party 1994) argues that the party should have left the NUG at this time. By not doing so all that was achieved was the preservation of the generation of leaders who were in their mid-50's and who held Cabinet portfolios.

Interview with Mr. Zvilli, 5th September 1994.

attempting to crush the Intifada within two or three weeks and the measures that would be employed to achieve this. 3)The increase in polarisation of Israeli society which a coalition driven by the right and religious parties would create. 4)The need for the Labour Party to deal with the economic problems of the country and finally 5) as already discussed to push for a change in the electoral system³³.

Mr. Peres's intra-party motivations were to preserve his leadership in light of his failure to form a Labour-led coalition. Had the Labour Party chosen to go into opposition then Mr. Peres would have almost certainly faced a leadership challenge from Mr. Rabin and one or two of the second tier elite ex-Ministers such as Mr. Moshe Shahal or Mrs. Ora Namir. By joining another NUG Mr. Peres was able to secure the Defence portfolio for Mr. Rabin and key Ministries for the other possible challengers to his leadership³⁴. Mr. Peres was forced to accept the Portfolio of Finance Minister after it became clear that Mr. Shamir wanted total control over Israel's Foreign policy. With Mr. Rabin as Defence Minister for the duration of the government he had become in effect the central Labour Party leader in the government and therefore the unofficial leader of the party³⁵. Mr. Peres aimed at

³³ Mr. Peres speech to Labour Party Central Committee, Beit Berl campus, Near Tel Aviv, 21st December 1988.

³⁴ Mr. Rabin has described the Defence portfolio as his favoured position over any other. There were times in both NUG's that Mr. Rabin's desire to remain Defence Minister prevented him from challenging Mr. Peres notably after the 1984 election. Of the Peres appointed Ministers to the NUG in 1988 all represented the generation who were in their mid to late-fifties or older, and had been loyal servants of either Mr. Peres or Mr. Rabin. The Young Guard was greatly under represented because of this patron-client division of portfolios. Only Mrs. Namir, of the possible leadership contestants was omitted from the Cabinet and she was regard as being relatively close to Mr. Rabin.

Interestingly Mr. Shamir took this opportunity to introduce some new young talent in to Cabinet from the Likud. The appointment of Mr. Dan Meridor, Mr. Ehud Olmert and Mr. Ronni Milo as Ministers and Mr. Bibi Netanyahu as a deputy Foreign Minister created a favourable impression with the electorate with this group being termed the "Likud Princes".

³⁵ The portfolio of Minister of Defence in the Israeli Cabinet, unlike most countries, is the second highest office after Prime Minister and before Foreign Minister.

the Finance Ministry to deal with the economic crisis in Israel. In addition he hoped that he could use the control over the distribution of economic funds to help win the support of one or more of the religious parties he needed in order to form a new Labour-led government³⁶.

Despite these set-backs Mr. Peres still remained in a strong position within the party institutions where his representation was much larger than that of Mr. Rabin. Such a majority still provided him with large powers of patronage to his clients in terms of selection to Committees and to the party institutions. In short, in spite of failing to secure either a Labour Party victory at the polls or succeeding in forming a Labour led coalition Mr. Peres still remained the official head of party and in control of the party machine.

Many of the features and problems of the NUG 1984-88 were carried over to the new NUG. There was again no broad consensus on the peace issue which made it difficult for peace initiatives to stand a realistic chance of success³⁷. The most damaging problem for the success and maintenance of the new NUG was that its formula was unacceptable to key elements of both the Labour Party and the Likud. In the Labour Party Mr. Peres after his initial acceptance privately opposed the deal as there was no rotation of the position of Prime Minister and consequently his arch rival Mr. Rabin had become the dominant Labour Party figure in the government. Within the Likud Mr. Sharon and the ex Finance Minister Mr. Moda'i were soon joined by Mr. Levy in opposing the NUG for both policy reasons and intra-party considerations. Therefore the crucial relationship in the NUG was again

³⁶ Likud charge Mr. Peres with attempting to break up the NUG of 1988 from day one. Mr. Peres was clearly unhappy with a government where the two pivotal figures were Mr. Rabin and Mr. Shamir.

Interview with Dr. Begin, 8th November 1994.

³⁷ Arian. A. , "Israel's National Unity Governments", p215, in Arian and Shamir (ed) The Elections in Israel 1988, Westview, USA, 1989.

between Mr. Shamir and Mr. Rabin and the success of the government depended primarily on the continuation of this relationship³⁸.

During the 15 months of the NUG's existence the peace process, being the central divisive issue, was used by the anti-government groupings in both parties to destabilise the government. The consequence of such actions was that no major decisions with the exception of approving the Rabin-Shamir Peace Plan (May 1989) were made during the life of the NUG. This inertia was compounded by the lack of any dominant issue such as was present in 1984 with the Lebanon war and hyper inflation. Mr. Peres as Finance Minister worked at salvaging the labour sector of the economy and from time to time there were clashes with the Likud on specific proposals such as the restructuring of the Kibbutzim debt. Consequently it became clear that the continuation of the government depended on the Rabin-Shamir Peace Plan which was based on the holding of Palestinian elections in the Occupied Territories leading to a degree of autonomy for the inhabitants of these areas. The importance of this plan in understanding developments in the Labour Party was simply that it prevented the party from leaving the NUG at a much earlier stage than it eventually did. A detailed examination of the intra-party and inter-party conflicts surrounding the plan reveals the failure of the NUG and the limitations for the Labour Party of trying to operate within its government's framework.

³⁸ The chemistry between Mr. Shamir and Mr. Rabin was much better than for example that of Mr. Shamir and Mr. Peres or Mr. Rabin and Mr. Peres. Mr. Shamir's describes Mr. Rabin as more honest than Mr. Peres, more sincere and more soldier like, but he qualifies this by stating that he is still not a man of principle. Mr. Shamir defines the major problem of working with the Labour Party in terms of personalities rather than ideologies or organisational problems. Interview with Mr. Shamir, 17th August 1994.

7.4.1: The Rabin-Shamir Peace Plan.

The four point plan was put forward amid two key related events, a worsening of the Palestinian Uprising and the election of President Bush in the United States. Both events had a profound effect on Mr. Rabin and Mr. Shamir. Mr. Rabin had become aware that force was not the sole weapon needed for ending the Intifada and that there was a need for a negotiated solution from within the framework of the NUG. This position was radically different than that of the previous year when interviewed on Israeli television he had stated:

They (the Palestinians) are leading it (the Intifada) in an incorrect manner, in a manner of violence, but we will suppress this violence... We prefer to establish order using a minimum of force, but one thing is clear; we shall prove to them that nothing can be achieved through violence. It is preferable indeed that the period of violence be shortened, since those who will mainly suffer from this are the residents of the territories³⁹.

By the following January the emphasis in Mr. Rabin's public statements had moved towards dialogue:

I am telling them (the residents of the territories) that I want you to know that we are ready to talk to you. You are the partners to negotiations. The time for you has come to want more than to throw stones. Abandon that path and sit down and negotiate with us⁴⁰.

Mr. Rabin always included in such statements some degree of threat concerning the continued use of force if there was no ending of the uprising. His concern over the new administration in the United States was illustrated in his opening remarks aimed at justifying his position:

The setting up of a government in Israel is now over and today a new administration is entering office in the United States. I have always believed

³⁹ Interview with Mr. Rabin on Israeli Television News, by Ehud Ya'ari, Moshe Shlonsky and Yoram Ronen, 13th January 1988.

⁴⁰ Interview with Mr. Rabin on Israeli Television News, by Ehud Ya'ari, 20th January 1989.

that on the one hand Israel must extend its hand in a peaceful gesture although not at all costs and only under certain circumstances⁴¹

Mr. Shamir was extremely concerned about Israel's deteriorating image abroad and particularly in the United States. After eight years of warm relations between the Reagan administration and Israel there was concern over whether Mr. Bush would prove to be such a strong supporter of Israel. Mr. Shamir's staff had monitored Mr. Bush's statements during his time as Vice President and during the American Presidential campaign and foresaw more problems in dealing with him than with President Reagan⁴². Mr. Shamir therefore felt the need to act in order to attempt to improve Israel's image abroad and secondly to please the new American administration.

As previously stated both Mr. Rabin and Mr. Shamir had strong intra-party motivations for maintaining the NUG and especially for Mr. Rabin who was now the senior Labour Party leader in the government ahead of his rival Mr. Peres⁴³. The existence of a peace plan which was approved by the NUG cabinet prevented the Labour Party from leaving the NUG while the peace process was alive⁴⁴.

The plan which called for elections in the Occupied Territories leading to Palestinian autonomy was approved by the NUG Cabinet (14th May 1989) with three Likud Ministers voting against (Mr. Sharon, Mr. Levy and Mr. Moda'i) insisting

⁴¹ Ibid.

⁴² Interview with Dr. Yossi Ben Aharon, Director of Mr. Shamir's Prime Ministers Bureau, Jerusalem, 18th September 1984.

⁴³ Although Mr. Peres maintained and tightened his control over the party Mr. Rabin by virtue of being the senior Labour Party Minister meant that he was in essence the most important figure in the Labour Party. It needs to be understood that the Defence Minister's portfolio in Israel includes a large degree of control over the Occupied Territories, both in everyday life and longer term policy such as the settlements programme, control over the defence establishment and hence security policy of Israel, and therefore a large say in the conduct of the peace process. Hence Mr. Rabin was the most senior Labour Party figure on the dominant issue of peace and security and therefore the dominant figure in the party itself.

⁴⁴ The fact that there were intra-party and inter-party conflicts about the proposal tended to overshadow the fact that Palestinian groups were not impressed by its content.

the plan went too far and two Labour Ministers (Mr. Weizman and Mr. Edri) doing likewise claiming that the plan did not go far enough⁴⁵. However, it was from the Likud that the strongest opposition emerged. The three Ministers who opposed the plan claimed that it would lead to a Palestinian state in the Occupied territories. Such assertions were based not only on the plan itself but calls from within some elements of the Labour Party to open a dialogue with the PLO⁴⁶. The group of Likud Ministers now dubbed the "constraints faction" or "Shackle Ministers" demanded that four constraints or amendments be inserted in to the plan as follows: 1) No participation of East Jerusalem Arabs in the elections, 2) An end to the Intifada before negotiations take place, 3) No to talking with the PLO and no to a Palestinian state and 4) The continuation of the Jewish settlement programme in the West Bank⁴⁷.

The emergence of this loose alliance of Ministers was a major threat to Mr. Shamir. Had he ignored these intra-party considerations and pressed ahead with the plan he would have faced increasing opposition from within his own party⁴⁸. It was also clear that the views of the "Shackle Ministers" reflected those of the vast majority of Likud members. Consequently Mr. Shamir was faced with a difficult choice between the NUG and his own intra-party considerations. At a crucial meeting of the Likud Central Committee (5th July 1989) Mr. Shamir was forced by the "Shackle Ministers" in a series of tactical votes led by Mr. Sharon (the Chairman

⁴⁵ For the complete text of the Rabin-Shamir Peace Plan see Appendix 6.

⁴⁶ Within the Labour Party there were growing calls to talk to the PLO, notably from the younger generation members such as Mr. Ramon and Mr. Burg, but also a Labour Party Minister Mr. Weizman attempting to start such a dialogue.

⁴⁷ D. Korn, op.cit. , p345.

⁴⁸ Ibid.

of the Central Committee) to not only accept their constraints but to make them binding to Likud members of the NUG⁴⁹.

The Labour Party's response to these events was swift. Mr. Peres rejected Likud's position and again stated that the NUG was bound by the original vote of the cabinet⁵⁰. However Mr. Shamir's decision marked the beginning of the end of the NUG with relations between himself and Mr. Rabin deteriorating from this point on. The NUG was from here on was dominated by the two key personalities who for ideological and personal reasons wished to see the demise of the government namely, Mr. Peres and Mr. Sharon.

Mr. Peres's position within the Labour Party itself had been weakened by the disastrous performance of the party in the Municipal elections which were held in February and March 1989. The Likud made nation-wide gains winning 6 out of the biggest 10 cities as well as many medium sized towns. Overall the Likud now controlled 44 Municipalities to Labour's 32 compared with 54 to 26 in Labour's favour in 1984⁵¹. Mr. Shamir was quick to exploit such gains as support for Likud's foreign policy. Taken together with opinion polls which put the Likud well ahead of the Labour Party under Mr. Peres this placed Mr. Shamir in a strong inter-party position⁵².

⁴⁹ The Central Committee meeting which was televised live on Israeli television was seen as a major triumph for Mr. Sharon who had manoeuvred a series of separate votes to ensure that Mr. Shamir's plans were not directly voted on. Had there been a direct choice for the members between supporting their leader and their principles than they would have almost certainly backed Mr. Shamir's proposals. The meeting was not one of Likud's finest moments with the threat of physical violence against Mr. Shamir. Eventually Mr. Shamir agreed to include the four restraints in his speech in order to avoid the further humiliation of them being passed in separate votes of the Committee.

⁵⁰ Interview with Mr. Peres on Israeli Television, 6th July 1989.

⁵¹ "Likud Gains leave Labour Floundering", Financial Times, 2nd March 1989.

"Likud Achieves fresh Poll Gains", Financial Times 16th March 1989.

⁵² All the major Israeli newspapers carried polls that indicated that if elections were held in 1989 the Labour Party's Knesset representation would fall to between 25 to 30 seats.

Article 1.22 of the coalition agreement (see appendix 3b) stated that in the event of the NUG collapsing then fresh elections would be called and no other government would replace it such as a narrow based Labour or Likud-led coalition. At this time it was clear to both Mr. Shamir and Mr. Peres that in the event of new Knesset elections it would be the Likud which stood to gain and the Labour Party to lose. Mr. Shamir's relative strength at inter-party level over the Labour Party therefore influenced his decision to put his intra-party conflicts with the "Shackle Ministers" before the maintenance of the NUG on the issue of the peace process, and in particular, the peace plan he had co-sponsored with Mr. Rabin. .

7.4.2: External Peace Initiatives and the Collapse of the NUG.

The emergence of two external peace initiatives put forward by President Mubarak (4th September 1989) and the United States Secretary of State Baker (14th October 1989), further destabilised the government⁵³. The addition of these two plans divided the NUG in to three groupings: the Labour Party who supported the NUG plan as well as the foreign proposals; Mr. Shamir who was against both the foreign initiatives but in favour of the NUG plan and finally the "Shackle Ministers" in the Likud who rejected all three. Mr. Shamir's own acceptance of the NUG was a reflection of the growing concern in the Likud over the Bush Administration and its views on the peace process. Mr. Baker, in addressing an AIPAC meeting in May 1989 had told Israel to forget about Greater Israel stating in clear and direct terms:

For Israel now is the time to lay aside, once and for all, the unrealistic vision of a Greater Israel. Israeli interests in the West Bank and Gaza, security and otherwise, can be accommodated in a settlement based on Resolution 242. Forswear annexation. Stop settlelement activity⁵⁴.

⁵³ See Appendix 7 and 8 for complete text of both plans.

⁵⁴ Address by Secretary of State Baker, AIPAC, 22nd May 1989.

The Likud was suspicious that the United States was trying to move the NUG too far from its agreed position.⁵⁵ However, the major achievement of both external plans was that they forced the actors to show their true colours. The NUG eventually collapsed in March 1990 when Mr. Shamir accepted the "Shackle Minister's" view that no Palestinian representatives from East Jerusalem or deportees be allowed to take part in the meeting in Cairo to discuss Palestinian elections. Once Mr. Rabin's attempted compromise that they could take part but not vote was rejected by Mr. Shamir it became clear to Mr. Rabin that there was no point in continuing with the government. Mr. Shamir's was unwilling to alter his position even after his heir apparent and Foreign Minister, Dr. Arens, had privately come to an arrangement with Secretary of State Baker. They agreed that Israel should consider the Palestinian participants on a name to name basis and accepting the criteria that the list would include people who had an additional address in Jerusalem or had been expelled at one time. The Likud's and subsequent Cabinet rejection of this plan proved to be the final nail in the coffin of the NUG⁵⁶.

It was Mr. Rabin's decision to leave the government which proved vital to the Labour Party withdrawal. In his speech to the Central Committee of the party (12th March 1990) he stated that:⁵⁷

⁵⁵ Interview with Dr. Dore Gold, JCSS, Tel Aviv University. Dr. Gold was an advisor to Mr. Shamir on the peace process specialising in US-Israeli relations.

⁵⁶ Interestingly, Dr. Arens views this failure to accept this plan as Likud's single biggest mistake of the time. Had the plan been accepted then the Labour Party and Rabin in particular would not have had the excuse to leave the NUG. He also views this as the start of Likud's decline which was to result in their electoral defeat in 1992 and stresses it was at this point that the American administration turned against Likud and Israel.

Interview with Dr. Arens, Tel Aviv, 26th September 1994.

⁵⁷ Speech to Central Committee, Beit Berl near Tel Aviv, 12th March 1990.

Despite my desire to continue the peace process within the NUG, without a peace process, a fact resulting from the objection to providing a positive reply to Baker's question, I see no point in the continued existence of a unity government that blocks the process instead of promoting it. This is the question we are faced with. This is the question that the Likud members should ask themselves today and tomorrow, as it is impossible to carry on. There is nothing over which to drag things out.⁵⁸

The result of this meeting and a similar one in the party Bureau was that the party Knesset members were given a green light to vote against the NUG in a vote of no confidence sponsored by the Ratz scheduled for March 15th. Mr. Shamir preempted the vote by first sacking Mr. Peres thus causing the Labour Party Ministers to resign *en masse* from the government (13th March 1990)⁵⁹. Despite, last minute attempts from Shas spiritual leader Rabbi Yossef to find a compromise formula on the issue of the composition of the Palestinian delegation to the proposed talks in Cairo, feelings were such that this proved impossible. The motion of no confidence was passed on March 15th by 60 votes to 55 with five of the Shas Knesset members abstaining. The five members of Shas who had not been in the chamber for the vote did so on the advice of Rabbi Yossef after Mr. Shamir had failed to give him a positive response to his compromise formula.

Shas had in recent months moved closer to the position of the Labour Party, on the issue of the peace process when Rabbi Yossef had said on a visit to Cairo that the saving of human life was more important than the issue of land. Mr. Peres had also been attempting to court Rabbi Deri, the parliamentary leader of the Shas party and Interior Minister with increased funding for the development towns where

⁵⁸ Ibid.

⁵⁹ Spectrum, April 1990, p7.

Mr. Shamir's main motivation for the sacking of Mr. Peres is that in the event of any caretaker government being set up he did not want to have the Labour Party ministers in office during the period of coalition negotiation. There was also concern that Mr. Peres in his role as Finance Minister could use his position to help buy the religious parties by allocating extra funds to them.

Shas' support was strongest⁶⁰. However, there was still surprise that Mr. Peres had been able to persuade Shas to bring down the NUG.

⁶⁰ Peres and the Labour Party understood that Shas occupied the pivotal position in the Knesset and Rabbi. Deri in interviews provided the Labour Party with some hope that Shas, at a price may be a willing partner.
Interview with Rabbi. Deri, Spectrum, October 1989, p15-17.

7.5: The Dirty (Unholy) Exercise 1990.

The fundamental aim of this Labour Party initiated parliamentary manoeuvre was to attempt to form a Labour-led government without having to resort to attempting to win a new mandate from the electorate. Such moves are not uncommon in countries which are ruled by coalition government. However, in Israel there was an added sense of importance attached to this manoeuvre because of the significance of its outcome to the future development of the peace process.

In examining the events surrounding the Labour Party's attempt to form a new government it is necessary to stress the desperate nature of this action. The party had failed to secure a return to power after four consecutive elections and had seen its dominant status be transformed into a non-dominant party which at best had secured a share of power in 1984 and 1988. By 1990 there was a feeling within key parts of the party that the only way to return to power was to alter the strength of blocks by attracting the religious parties away from the Likud-block.

The Dirty Exercise (a phrase coined by Mr. Rabin) represented the master plan of Mr. Peres to end the NUG and then replace it with a coalition based on the Labour Party and one or more of the religious parties with himself as Prime Minister. The key personalities in this new coalition were to be Rabbi Deri of Shas and Mr. Peres. However, such a coalition was problematic from the outset and eventually proved to be impossible to create. Shas with its Sephardim, poor, and religious constituencies could not be seen to do anything publicly to support the formation of a Labour-led government. Had it done so then its supporters would have severely punished it at the next opportunity. Therefore, Rabbi Deri and Shas could only join a Labour-led coalition when one seemed inevitable and not before. This difficulty

meant that Mr. Peres needed to secure enough support from one of the other religious parties in order to have a winning coalition.⁶¹

Before attempting to build such a coalition Mr. Peres had two difficult obstacles to clear. He had to avoid the call for new elections by renegeing on the coalition agreement of 1988 which called for new elections in the event of the collapse of the NUG. Following this he needed to secure a mandate from the President to try to form a government. The avoidance of elections was easier in that Mr. Peres simply broke the electoral agreement with the Likud arguing that progress in the peace process was above and beyond everything⁶². This obstacle proved more difficult when after consultations with members of the Knesset the President found that the relative strength of the blocks was now 60:60. Shas now had publicly rejoined the Likud block for fear of being seen to actively bring about the advent of a Labour-led government. However on 21st March 1990 President Herzog awarded the 21 day mandate for Mr. Peres to form a government for the following reasons. The Labour Party was now the single largest party in the Knesset (on the day of the vote of confidence Mr. Moda'i and his four Liberal colleagues had been accepted as an independent parliamentary faction thus leaving the Likud with only 35 seats). Also the Labour Party had been successful in the vote of confidence and finally that Mr. Peres had the best prospects of forming a new government.

⁶¹ Shas' constituency was contained the very people that the Labour Party had been trying to court since it lost power in 1977, the Sephardim and the poor. Therefore the strategy of Mr. Peres was to build a coalition with Shas similar to that the Labour Party had with the NRP in the first 26 years of the state. This would have meant a long-term electoral alliance backed with generous distributions of portfolios to Shas in a Labour led government and to a degree the exclusion of other religious parties from the government. Such a strategy was persuaded by Mr. Rabin in the coalition bargaining process after the party's victory in the 1992 election. The period of Mr. Rabin's government from 1992 onwards reveals the extent to which Mr. Rabin saw the need to maintain Shas in the government at almost all cost.

⁶² Interestingly, the Likud had foreseen this the previous year and had tried unsuccessfully to make the NUG agreement state law.

The key to Mr. Peres's immediate prospects proved to be not Shas but Agudat Israel, the ultra orthodox religious party with whom Mr. Peres had originally attempted to form his narrow based coalition with in 1988. Since then Agudat Israel had undergone significant changes and had withdrawn from the NUG in November 1989 after a period of deteriorating relations with Mr. Shamir. At the same time Mr. Peres in his role of Finance Minister had increased the allocation of state funds to Agudat in order to attract it to the Labour Party block. Agudat did vote with the Labour Party in the vote of confidence in the NUG but for the negative reason of teaching Mr. Shamir a lesson for what they saw as his failure to keep promises he had made with it⁶³.

However, when Mr. Peres was about to present his winning (61 member) coalition to the Knesset it became clear that two members of Agudat would refuse to support a Labour led coalition This despite having publicly signed a deal that they would do so live on Israeli television at the Dan Hotel in Tel Aviv. Clearly, Mr. Peres had not calculated for the intervention of non-parliamentary Rabbi's in influencing religious parties Knesset members. Both Shas and Degal Hatora parties were prevented from helping form any Labour-led coalition by the intervention of their supreme mentor Rabbi Schach(even Rabbi Yossef the spiritual leader of Shas deferred to him). The extent of Mr. Peres desperation was illustrated by the unprecedented offers he made to Agudat and various so-called rebels whom he approached to support the coalition⁶⁴. Such offers led to a heated debate about the very nature of the Israeli electoral and political systems as well as widespread public condemnation and protest.

⁶³ Spectrum, March 1990, p9.

⁶⁴ For complete details of the deals see Appendix 9 which contains previously unpublished material. Mr. Peres tried in vain to convince many different groups including members of the new Liberal faction led by the "shackle minister" Mr. Moda'i.

After Mr. Peres's failure, Mr. Shamir was given a mandate to form a government by President Herzog 27th April 1990 and on 11th June Mr. Shamir's narrow-based government took office. The delay in forming the government was caused by the reluctance of Mr. Shamir to form such a government and pay the price to the smaller parties that Mr. Peres had previously offered them. Again Mr. Shamir's intra-party considerations influenced his motivations in making another attempt at an NUG but eventually he agreed to form a narrow based government in which his intra-party rivals received leading portfolios.

At this stage neither Mr. Peres or Mr. Rabin had ruled out the formation of a new NUG. Mr. Rabin was keen to return to the Defence Ministry and Mr. Peres once more feared a challenge to his leadership if the Labour Party returned to the opposition benches. At a meeting of the ex-Labour Ministers (3rd May 1990), Mr. Rabin, Mr Gur and Mr. Tsur all supported the party joining a new NUG along with Mr. Peres (who insisted on the Likud giving a positive response to the Baker compromise). The leading dove Mr. Weizman along with Mr. Ramon (participating in his role as leader of the Knesset faction) opposed the idea of a new NUG in any form⁶⁵. Mr. Rabin in an interview on Israeli television (3rd May 1990) spelt out his terms for participation in a new NUG. These included the same division of portfolios as before. The possibility of progress on the peace process and legislation to prevent a repeat of the "Dirty Exercise" by introducing a bill to clearly make the holding of new elections mandatory if the proposed NUG collapsed⁶⁶.

For Mr. Shamir it was clear that there was little support from within the Likud for such a government and the risk to his own position from the "Shackle Ministers" would have been greater had he formed another NUG . With regard to the demands

⁶⁵ Party Protocols, Meeting of ex-Labour Ministers, 3rd May 1990, Beit Berl Archives.

⁶⁶ Interview with Mr. Rabin, Israeli Education Television, 3rd May 1990.

of the religious parties Mr. Shamir decided to lie by agreeing to their demands and having little intention of keeping his promise to them⁶⁷. Mr. Shamir's decision meant that after six years of participating in the NUG the Labour Party returned to the status of a non-dominant party without power operating in a competitive party system. In addition Mr. Peres's reputation and authority had been severely damaged by the exercise. Moreover Israeli commentators agree that the public's confidence in Israeli democracy was damaged. Subsequently the "Dirty exercise" increased public support for constitutional reforms such as a change in the electoral system.

Conclusion.

The Labour Party's non-dominant position with a share of power in the competitive party system underwent two modifications between 1988-1990. After the 1988 election defeat the party saw its share of power decrease from the previous NUG and in 1990 after the party left the NUG its status changed once more to a non-dominant party without power.

The election defeat for the Labour Party in 1988 was particularly damaging in that even after the successful Labour-led period of the NUG 1984-86 the party lost its position as the single largest party and with it any realistic chance of forming a Labour-led coalition. Consequently, the party joined the NUG from a position of weakness with the Likud holding both the position of Prime Minister and Foreign Minister thus ensuring their control over the peace process. The formation of the NUG illustrated once more the importance of intra-party politics not only in the Labour Party but within the Likud as well, with Mr. Shamir opting for the NUG when

⁶⁷ Interview with Dr. Yossi Ben Aharon, Director of Mr. Shamir's Prime Ministers Bureau, Jerusalem, 18th September 1994. He adds that Mr. Shamir stated that when the religious parties came for their cheques Mr. Shamir simply said that he could not deliver in the national interest.

he had the clear possibility of forming a Likud-led coalition with the religious parties. The NUG survived for two years for similar intra-party reasons in that its continuation suited Mr. Rabin and Mr. Shamir. The NUG only collapsed when it became clear to Mr. Rabin that Mr. Shamir was more interested in maintaining unity in the Likud over making progress in the peace process with Rabin-Shamir Peace Plan. The attempt of the Labour Party to form a government in 1990 with the religious parties illustrated the continuing weakness of the party at inter-block level and the strength of the Likud. However, it represented the first attempt by the party to alter the inter-block situation and this was developed further in the 1992 election.

CHAPTER 8

INTERNAL DEVELOPMENT OF THE LABOUR PARTY DURING THE NUG 1988-1990.

The party's election defeat in the 1988 election had a number of important consequences for the internal development of the party. Mr. Peres's position, after four consecutive elections defeats, came under greater threat. There was an increase in generational conflict within the party which this time was directly linked to calls for ideological change and a shift to a more dovish position on the peace process and security issues. In addition, the process of internal democratisation, after the success of the 1988 Central Committee primaries, was developed further to include the party membership in selecting candidates for the party positions. Such changes did in part represent an attempt by elements in the party (notably the young reformers) to move more towards setting the agenda on the peace process and not merely responding to external developments. However, they were primarily motivated by what the party perceived it needed to do in order to return to power as a non-dominant party in a competitive party (block) system.

8.1: The Lass Report into the 1988 Knesset Election and 1989 Municipal Election Failings.

The decision to commission a report into the problems of the Labour Party organisation, membership and election failures marked an important shift in the thinking of the party. It illustrated the maturing of the Labour Party as a non-dominant party which realised that it needed to learn from past mistakes and devise a clear electoral strategy to return to power. The Lass Report was the first formal major investigation into the failings of the party (there was no formal investigation

into the party's performance in the 1977, 1981 or 1984 elections). Its findings proved be extremely significant in determining internal developments within the Labour Party and in particular the position of Mr. Peres.

Mr. Peres's declining intra-party standing after the failure of the "dirty exercise" was further damaged by the publication of the Lass Report which dealt specifically with the party's poor showing in the 1988 Knesset and 1989 Municipal elections. The Committee, chaired by Professor Yoram Lass, had interviewed some 250 senior party figures and party members at all levels and its conclusions marked the start of the end of Mr. Peres's leadership of the party. The background in which the report was published was as important as the report itself. Mr. Peres, as the instigator of the "dirty exercise", was still at the centre of public attention and criticism at the time of publication of the report. Mr. Moshe Shahal, a former close ally of Mr. Peres and member of the NUG Cabinet, had stated his intention to run for the leadership on 14th April 1990¹. More importantly Mr. Rabin, on the day President Herzog awarded the coalition mandate to Mr. Shamir, announced that he would contest the party leadership (27th April 1990). In addition, at meeting of the party Bureau (14th May 1990) he stated that such a contest should be based on primaries using the existing party census as its basis²

¹ Interview with Mr. Shahal, Jerusalem Post, 14th April 1990.

In the interview Mr. Shahal describes his platform which was remarkably similar to that of Mr. Peres with the exception of Mr. Shahal's call for direct elections for Prime Minister. One of Mr. Shahal's strongest selling points was his Sephardim origin and his ability to attract voters from this group.

² Party protocols, Labour Party Archives, Beit Berl near Tel Aviv, 14th May 1990. Mr. Rabin's call for the present party census to be used as the basis for primaries was itself contentious. The last party census had been held in 1986 and therefore no members who had registered since then would be entitled to vote in the contest. Secretary General Harish also pointed out that there was also the problem that the census was considered partially fictitious. This was illustrated in the 1988 Knesset elections where in certain locations the registered membership exceeded the number of votes the party received in the elections.

Interview with Mr. Harish, Spectrum, June 1990.

The content of the report therefore came into an already hostile environment for Mr. Peres. There was a growing awareness among senior party figures that Mr. Peres would need to be replaced as party leader if the Labour Party was to have a chance of victory at the next Knesset elections³. The report, published on 27th May 1990, had two major findings: Mr. Peres was personally blamed for the failings of the 1988 Knesset election campaign and regular party members could not identify with the party due the lack of opportunity for them to participate in the selection of candidates⁴. The report's two conclusions were that Mr. Peres, despite his popularity within the party was unelectable in the country as a whole and that there was a need to rejuvenate the party through having open primaries where each party member had a vote⁵.

The report claimed that the major failing of the 1988 campaign had been the decision to put Mr. Peres forward as the major electoral asset of the party. This had been done on evidence from the internal party pollster company, Decimal, that Mr. Peres was extremely popular with the electorate. However, the report challenged such findings arguing that there was a methodological weakness in the whole polling area. This had been caused by the party's use of the same company, Decimal, to write, collect, conduct the analysis and report on the results to Mr.

Interestingly the figure of approximately 300,000 members in the 1986 census was reduced to 120,000 in the 1991 census even after a strong party membership drive. However, this issue became politicised with Mr. Rabin preferring a contest sooner rather than later and Mr. Peres favouring a later contest when perhaps the political climate would prove more supportive to him.

³ Kreimerman, "Peres Accepts Blame, But Won't Step Down", Jerusalem Post, 28th May 1990.

⁴ Interview with Professor Lass, The Knesset, Jerusalem, 17th October 1994.

⁵ Members had complained during interviews for the report that their membership was nothing more than symbolic and that they had no power, no participation in policy formation and felt abandoned by the party.

Professor Lass, Report in to the 1988 Knesset and 1989 Municipal Elections, Labour Party Headquarters, Tel Aviv (in Hebrew).

Peres's election team. Clearly there was some vested interest for the company to concentrate on the good news and ignore the bad. ⁶ Mr. Peres, the report charged, should have used separate companies to set and assess the data. Had he done so it would have become apparent that his relationship with the electorate was not so favourable and that it was a major error to base the campaign around his personal image⁷.

The report was discussed at a frantic meeting of Labour's Central Committee on 27th May 1990 in which Mr. Peres's control of the Central Committee manifested itself in the Central Committee's hostility towards the report in general and Professor Lass in particular⁸. The proposal for primaries was welcomed by Mr. Rabin who saw it as his best opportunity to replace Mr. Peres at the head of the party⁹. Mr. Peres,

⁶ The Labour Party and Mr. Peres in particular had not learnt their lesson from the 1984 campaign when the Campaign Manager Mr. Gur would take a pair of scissors and remove the bad news from the internal polls before Mr. Peres could view it. This distorted the picture of the last week of the campaign when things started going against the party.

Interview with Professor Diskin, Director of Labour Party polling 1984 election, Hebrew University Jerusalem, 14th November 1994.

⁷ Ibid.

⁸ Professor Lass had in fact resigned as Chairman of the Committee the previous week after mistakenly leaking details of the report to the press before the publication date. At the end of his speech to the Central Committee he stated that: "I have made a mistake and have resigned. Perhaps others should do likewise, Mr. Peres!". At this point the meeting ended in uproar with Mr. Peres's supporters vocally backing their leader. In another twist to the report three of the original authors of the report refused to sign the report stating that it did not go far enough and that Mr. Peres's supporters had interfered to water down its findings. They published a document which proved to be more critical of Mr. Peres.

Interviews with Chaim Asa, Mr. Rabin's Senior Election Strategist and co-author of the Report, Hertzila, 16th October 1994.

Professor Lass, 18th October 1994.

⁹ Mr. Rabin knew that Mr. Peres's control of the Central Committee was such that even with Mr. Peres's reputation tarnished by the failure of the "dirty exercise", that his best chance of regaining the leadership lay with the party members. They were not reliant on Mr. Peres's patronage and were likely to vote for the candidate with the best chance of winning the next Knesset election. Mr. Rabin was by the middle of 1990 not only the favourite Labour leader but the most popular national leader with the Israeli electorate. Mr. Peres popularity rating had consistently been lower than Mr. Rabin's or the leading Likud candidates.

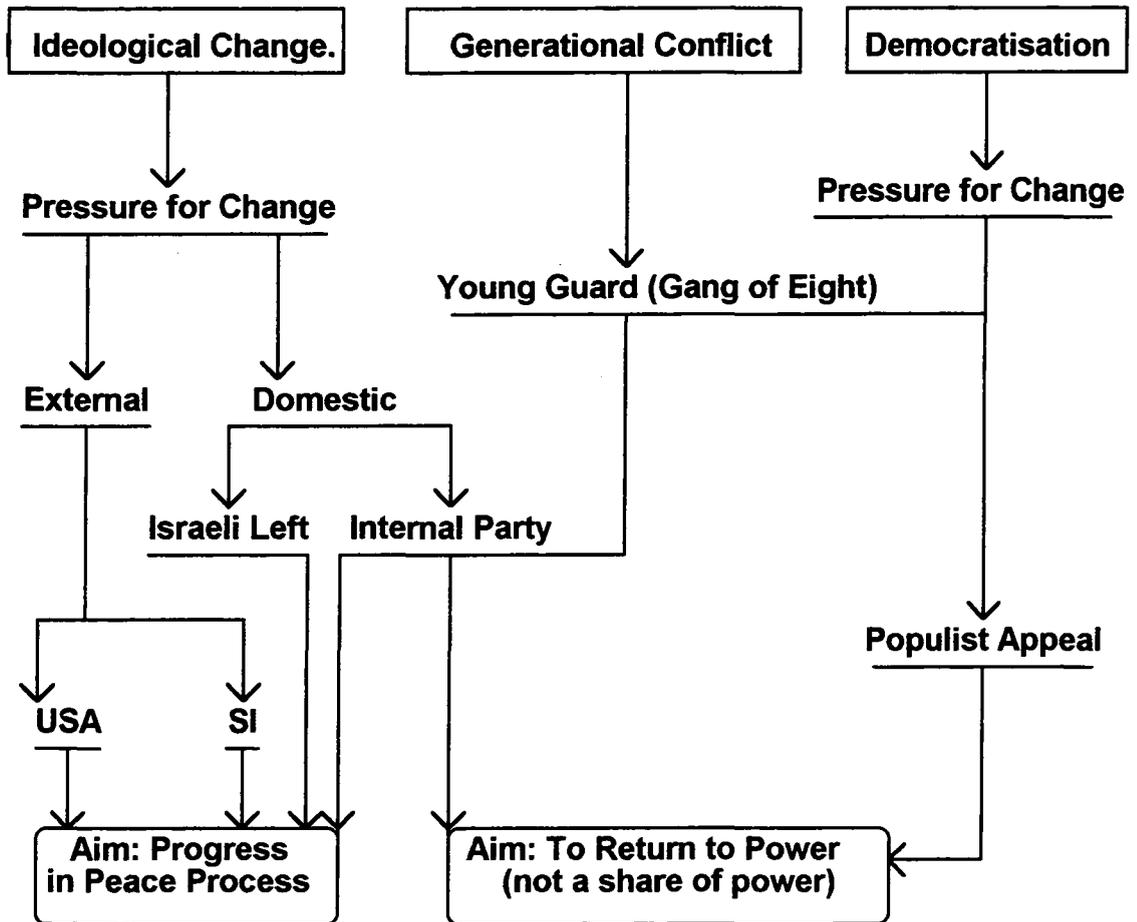
whose position was based on his control of the party organs, was more ambivalent towards the proposition. However, the seeming logic of it together with his relative weakened position meant that he had little choice but to accept what had now become an extremely popular move both within the party and the Israeli electorate. Mr. Peres's control over the Central Committee was again illustrated by the decision on 12th July to postpone any leadership contest until the party's 5th Congress in November 1991¹⁰. This success presented Mr. Peres with a breathing space but it did not alter his substantially weakened intra-party position.

8.2: Ideological Change, Generational Challenge and Internal Democratisation within the Labour Party 1988-90.

The changes which started to take place within the Labour Party from 1988 onwards concerned ideological change, generational challenge and internal democratisation. These changes were inter-related and motivated by the principle aim of returning the party to power. This process, which started while the party was still in the NUG, gathered momentum in the period following its return to opposition in 1990. Illustration 5 summarises the related nature of these changes.

¹⁰ The result was viewed as a major surprise. Mr. Rabin had proposed holding a leadership election using the existing constitution on 29th July 1990. Such a strategy represented a gamble by Mr. Rabin given Mr. Peres's still apparent strong position within the party organs. Mr. Rabin's in accepting the contest be decided in the Central Committee was clearly confident that Mr. Peres's standing was so low that enough members of the Committee would transfer their allegiance from Mr. Peres to himself. Mr. Rabin won a 60-40 percent majority in the party Bureau meeting of 12th July 1990 to bring forward the contest. This together with the opinion polls showing him to be the most popular Labour Party leader with the electorate led commentators to believe that the Central Committee would approve the Bureau's decision. However, Mr. Peres at the Central Committee meeting on 22nd July 1990 appealed directly to the members that he did not oppose such a contest but that the timing of it made it appear like impeachment. In the subsequent vote Mr. Peres won a 54 to 46 percent victory on the issue of postponement. Party Protocols, Labour Party Archives, Beit Berl, Near Tel Aviv.

5: Internal Dynamics of the Labour Party 1988 Onwards.



Lines indicate the links between the various dynamics and pressures for change. The centrality of the Young Guard and in particular the "Gang of Eight" should be noted.

In assessing the ideological shift in the Labour Party's position on the peace process towards a more dovish position which was made apparent in the decisions taken at the 5th Party Congress in November 1991 it is necessary to examine the transformation within a framework of internal and external pressures for change. Naturally these are inter-related and inter-dependent with the evidence indicating that the change did not originate from the top-tier or second-tier leadership but rather from the bottom up. Both Mr. Peres and Mr. Rabin are viewed as being highly pragmatic in terms of ideology and thus they adapted to changing conditions rather

than setting the agenda¹¹. However, it is important to remember the manipulative tools available to the leadership before asserting that it was not to some degree involved in the development of the party ideology. In addition, Mr. Peres was himself closely associated with many of the party members calling for an ideological shift. From within the party the "reformers" tended to be the young guard of the party, many of whom were first time Knesset members (having been elected in the party's 1988 Central Committee primaries).

The external factors can be divided into national and international pressures. From within the Israeli political system the presence after the 1988 Knesset elections of two Zionist parties, Mapam and Ratz who accepted the idea of negotiating with the PLO as well as the right of the Palestinians to full self-determination gave legitimacy to this central debate on the need for Israel to negotiate with the PLO¹². International pressure came in two directions: the continued efforts of the new American administration to move Israel towards a solution to the Palestinian problem and in particular Mr. Rabin and Mr. Peres. Also the increasingly active role of the Socialist International (of which both the Labour Party and Mapam were members) in the peace process through both its General Forum and Middle East Committee.

¹¹ Interview with Mr. Eliav, Tel Aviv, 25th July 1994.

It is important to stress that both Mr. Rabin and Mr. Peres did become more dovish during this period. Mr. Rabin with the continuation of the Intifada saw the need to find a partner for negotiations and Mr. Peres was forced with the failure of the Jordanian option to look for suitable Palestinian partners. However, both these central figures and Mr. Rabin in particular were extremely cautious about ideological change because of concern over the electoral positioning strategy of the Labour Party.

¹² Ratz won 5 seats and Mapam 3 seats in the 1988 election. Neither of these parties were new but for Mapam in particular this was the first campaign after their decision that the PLO represented a legitimate partner for negotiations. At the time, contacts with the PLO were still illegal, but despite this Mapam and Ratz had held semi-formal meetings with PLO representatives. Mapam had been a partner in the Labour Alignment from 1969 to 1984.

8.2.1: Internal Pressure and Generational challenge - The Role of the NUG.

The degree to which these changes and challenges were related to the leaderships participation in the NUG of 1988-90 is difficult to measure. Mr. Lova Eliav maintains that there was a direct linkage between the shift to a more dovish platform and the challenge of the young guard of the party to the older leadership and the party's participation in the NUG¹³. The NUG, as the 1984-88 NUG had done before it, presented the Knesset faction with the opportunity to air its views without damaging the party in such a way that a narrow based coalition would not have permitted¹⁴. The 1988 new intake to the Knesset included such figures as Mr. Burg, Mr. Merom, and Dr. Beilin who joined Mr. Ramon in an extremely capable and ambitious young grouping all of whom opposed the Labour Party's participation in the NUG¹⁵. It was this generational group which, in contrast to the challenge of Rafi in the early 1960's, sought not only political power but ideological change in all areas of the party platform¹⁶. Many of them were close to Mr. Peres with the exception of Mr. Ramon who was viewed as being closer to Mr. Rabin. Despite their attachment to one or other of the party patrons they were more independently

¹³ Interview with Mr. Eliav, 25th July 1994. Mr. Eliav is a former Secretary General of the Labour Party and a leading dove. He is viewed as "the Godfather" of the young guard who are now in their mid-40's.

¹⁴ Dr. Beilin adds that both NUG's had a positive side for individuals in that they (Labour Party Knesset members) could do what they wanted as there was such a large majority. This led to a break down of party discipline as Labour Party MK's didn't support the party in all the votes in the Knesset.

Interview with Dr. Beilin, The Foreign Ministry, Jerusalem, 29th August 1994.

¹⁵ Mr. Merom describes one of the groups biggest attributes at the time was their ability to deal with the media and particularly the television. With the Likud Princes being much more telegenic than their Labour cabinet colleagues such skills were greatly needed in the Labour Party.

Interview with Mr. Merom MK, United Kibbutz Movement Headquarters, Tel Aviv, 20th October 1994.

¹⁶ The challenge of Rafi is seen as more generational rather than ideological. For a detailed account of the Rafi challenge see Chapter 1.

minded than the generation above them who at the time were in their mid 50's and many of whom served in the NUG Cabinet. The group soon became formally organised and expanded to 8 members adopting the name in English of the "Gang of Eight".

The group started to articulate their views in a series of interviews, articles and television appearances. Mr. Burg for example, publicly stated (September 1989) that Israel had nothing to fear from a Palestinian state in whatever finalised form it took. Such comments varied greatly from the leadership's position and the party platform which stated clearly, "no" to a Palestinian state¹⁷. Dr. Beilin despite being the Deputy Finance Minister constantly pushed forward a dovish agenda with regard to the peace process. Mr. Ramon sought reform of the Histadrut and Mr. Merom dealt with internal party organisation issues such as further internal democratisation. This group was joined at times by Mr. Uzi Baram who resigned his post as Secretary General of the party in January 1989 in protest at the party's participation in the NUG¹⁸.

In seeking power this generational group viewed the generation above them in the hierarchy as failures who had not challenged the leadership, merely accepting their patronage in the form of cabinet portfolios and other senior positions within the party¹⁹. They compared themselves to the Likud "Princes", four of whom occupied important Government positions in contrast to only Dr. Beilin holding a Deputy

¹⁷ Article by Mr. Burg, *Spectrum*, September 1989, p10-12.

¹⁸ Mr. Baram resigned in January 1989 and was replaced by Mr. Harish, the candidate he had originally defeated for the post. Mr. Harish was Mr. Peres's favoured candidate. Mr. Baram was of the generation who were in their mid-50's and his socialist ideology had not always made relations easy with the more pragmatic Mr. Peres.

Financial Times, 17th January 1989.

¹⁹ Mr. Burg asserts that the Labour Party has only two effective generations, the mid 70's one of Mr. Peres and Mr. Rabin and the mid-40's age group and nothing else.

Interview with Mr. Burg, The Knesset, Jerusalem, 13th September 1994.

Minister's jobs in the NUG²⁰. Clearly, therefore in this case it is impossible to separate the issues of generational challenge and ideological change from each other with regard to this group (see Illustration 5).

This struggle within the Labour Party needs also to be viewed in part as the start of the battle to succeed Mr. Peres and Mr. Rabin. Between 1988-90 it was still apparent that the leadership of the party rested between these two veterans with their control over the Central Committee and other party organs. Mr. Shahal, Mrs Namir and after an impressive showing in the Histadrut elections of 1990 the Histadrut Secretary General Mr. Kessar, emerged as the challengers from the mid-50's generational group. However, none of the three had sufficient support within the party to mount a serious challenge to the leadership. Although, had both Mr. Peres and Mr. Rabin agreed to step down at this time then it would have been likely that the new leader would have come from this trio. Consequently, the longer that one of the generation in their early-70's retained the leadership the more likely it became that the eventual successor would come from the younger generation who were in their mid-40's²¹.

²⁰ Mr. Ramon held the position of head of the party faction in the Knesset which is viewed as a stepping stone to a Cabinet portfolio.

²¹ The Likud example provides evidence for such a scenario. When Mr. Shamir stood down after defeat in the Knesset elections of 1992 then the generation below him was ignored as the party opted for Mr. Netanyahu who at the time was in his mid-forties. Although, had the Defence Minister Dr. Arens who was in his 60's not retired from politics then he would have been the likely candidate. Of the three main candidates in the Likud leadership two were in their mid-forties.

8.2.2: External Pressures for Ideological Change: The Transformation of the Left in Israel.

The 1988 Knesset elections results, in strengthening the position of the parties to the left of the Labour Party, had two major consequences for the Labour Party. They represented a vehicle for the ideologists who felt that the Labour Party with its participation in the NUG of 1984-88 had become no more than a reflection of the Likud. In addition they offered an alternative opportunity to the generation of the Labour Party who were seeking ideological change and political power²².

In influencing the internal ideological debate the developments in the Israeli left presented two alternatives to the Labour Party leadership. They could have used and encouraged the left wing parties to illustrate the fact that Labour represented the a centre party which could appeal to the more moderate elements of the Sephardi constituency. Second, and more problematic was the growing need to give the young guard what they wanted (a change to a more dovish platform) in order to prevent them from defecting to the one of these left wing parties²³.

Even before the 1988 election there had been clear signs that Ratz, Mapam and the liberal Shinui party were planning some form of closer co-operation or merger into one party²⁴. Such moves were between 1988-90 already a reality in the Knesset with Ms. Aloni of Ratz, Mr. Rubenstein of Shinui and Mr. Tzaban of Mapam

²² Although Mapam's number of mandates actually fell to 3 in the 1988 election this was considered a victory. In the months leading up to the election opinion polls had indicated that the party would not pass the electoral threshold. This was the first time that the party had run as an independent party for 15 years and because of its participation in the Alignment with the Labour Party.

²³ Professor. Doron, Mr. Rabin's Electoral Positioning Strategist, adopted the first of these in the 1992 Campaign. He was critical of the left for not attacking the Labour Party more and had asked them in the during the campaign to do so.

Interview with Professor. Doron, Tel Aviv, 12th October 1994.

In response Mr. Temkin Mk (Secretary General of Ratz in 1992) said that it was difficult to co-ordinate such electoral positioning activities with the Labour Party as in places the parties were competing for the same vote.

Interview with Mr. Temkin, Tel Aviv, 24th November 1994.

²⁴ Interview with Mr. Gazit, Mapam Spokesman 1994, Tel Aviv 17th August 1994.

as party leaders co-ordinating their actions²⁵. These moves were in part prompted by the expectation that the electoral threshold would be raised at the next election. The resultant co-ordination of the activities of the three parties further increased their influence in the Knesset as together they became the third largest list²⁶. As a group they also attempted to court the left of the Labour Party and in particular the "Gang of Eight" Labour MK's whose ideological views on the peace process were closer to theirs than to the leadership of the Labour Party's.

This period marked the beginning of the debate within the Labour Party as to its future ideological direction after the failures of the 1988 election. This discussion became indivisible from the future participation of the mid-forties generational leaders inside or outside the party. Those on the right of the party called for them to accept party policy or leave. However, the left wing of the party saw them as vital to affecting the ideological and structural changes to the party that were essential if it was to regain power. The tone of the debate within the party organs became more bitter as the ideological gap between the groups became more apparent. This was also due to its indivisibility from intra-party power politics and generational replacement. The differences were clearly shown at the meeting of the Central Committee (17th April 1989) in which Mr. Ramon, Dr. Beilin, Mr. Baram and Mr.

²⁵ Shinui in the traditional sense of the meaning cannot be described as a left wing party. It's socio-economic programme is based on privatisation and economic liberalisation. However, on the peace process it was extremely dovish and gave this priority thus positioning itself in the camp of the left on the dominant issue of the era.

Interview with Mr. Poraz, Shinui MK, Tel Aviv, 24th August 1994.

²⁶ It had also become apparent that Mapam and Ratz were competing for the same constituency mainly in the large urban areas such as Tel Aviv and that such competition was causing votes to be wasted as remainders in the party list electoral system. Mr. Temkin views this electoral competition as the main reason that relations between the two parties had been so poor previously. This had made co-operation difficult, despite their similar ideological outlooks.

Interview with Mr. Temkin MK. Tel Aviv, 24th November 1994.

Weizman called on the party to remove the taboo on talks with the PLO. Mr. Ramon argued:

Not one of the party leaders believes that we can make progress towards peace without negotiations, direct or indirect, with the PLO, but they never declare this out in the open. And we wonder why the public rejects our message; we don't fight for it²⁷.

At the same meeting prominent hawks such as Mr. Tsur and Mr. Gur strongly opposed such ideas and Mr. Tsur was also critical of the leadership's American influences stating:

Since Jordan is not a partner anymore and with the PLO we can only discuss an independent Palestinian state, which we cannot accept, we have to look for local Palestinian interlocutors. The party is mistaken in devoting exclusive attention to the peace process at the expense of the social message. There are two streams now in the party, one is truly associated with the workers and the other that breathes from America²⁸.

The development of a united left wing party added to the polarisation of the ideological debate within the Labour Party itself by providing a viable alternative political party to which disillusioned doves could transfer their allegiance.

Supplemented by Mapam, Ratz and Shinui this group would have represented a considerable challenge to the Labour Party's left-of-centre vote. This issue also became unavoidably linked to the leadership struggle between Mr. Peres and Mr. Rabin. Mr. Peres worked hard at preventing the above scenario for if this group left the party then his intra-party standing would have suffered as many members of the group were personally close to him and required for the struggle against Mr. Rabin²⁹. Conversely, Mr. Rabin's supporters in the party, with their traditionally more

²⁷ Mr. Ramon, Address to Labour Party Central Committee, 17th April 1989. Labour Party protocols, Labour Party Archives, Beit Berl.

²⁸ Mr. Tsur, Address to Labour Party Central Committee, 17th April 1989. Ibid.

²⁹ Mr. Peres agreed privately with most of the ideological platform of this group, including the need to talk to the PLO which he had stated in private since 1980. However, he also said that the first Israeli leader to do so would pay a heavy political price.

hawkish views, were the natural adversaries of the group and the most vocal in calling for the group to leave the party.

8.2.3: Pressures from the International Arena.

The period between 1988-90 was marked by a deterioration in relations between the Israel Labour Party and the Socialist International. Both annual conferences of the SI, Stockholm (1989) and Cairo (1990) attempted to put pressure on the Labour Party to talk to the PLO and to accept the right of the Palestinians to full self-determination. In Stockholm the PLO had been invited to attend and given observer status which led to the Labour Party boycotting the main forum but still participating in the Middle East Committee. Mr. Gat argues that the fundamental problem was that the SI sided with the underdog. It did not make the PLO pay the political price for the status it was awarded by way of changing the parts of their charter which referred to the destruction of Israel³⁰. Palestinians had previously attended SI meetings but as journalists in the mid 1980's and Mr. Gat, through this channel, had held meetings with senior figures in the PLO. The aim of such unofficial contacts was to air ideas and build up some kind of trust between the participants³¹.

In 1989 the SI wanted the Israel Labour Party to meet the PLO Chairman Mr. Arafat in Tunis. An elaborate research trip was planned for members of the SI

Interview with Dr. Beilin, 29th August 1994.

After the election failures of 1988 and 1989 Mr. Peres's probably felt that his political position was not strong enough to pay such a price.

³⁰ Interview with Mr. Gat, Labour Party Headquarters, Tel Aviv, 11th August 1994.

Mr. Gat is Chairman of the International Department of the Labour Party and the party delegate to SI meetings. He was sometimes joined by the party leader Mr. Peres (Stockholm 1989 and Cairo 1990).

³¹ Ibid.

(including both the Israel Labour Party and Mapam) to visit Syria, Jordan, Tunis, Egypt and then Israel. Mr. Peres at first gave his approval to Mr. Gat to participate, the latter subsequently attending the preparatory meetings in Bonn along with Mr. Jaffee, the representative from Mapam. However, at the last minute Mr. Peres telephoned Mr. Gat in the middle of the night and instructed him not to go. Mr. Peres had become concerned that such an historical change in Labour Party policy at this time and in this way would have damaged his intra-party standing. In addition there was concern over Mr. Shamir's reaction and the damage to the party and the NUG that such attacks from Likud would have caused. At the time the Rabin-Shamir plan was still alive and Mr. Rabin would not have wanted to further jeopardise its already difficult path. In short, Mr. Peres did not feel confident enough of his own position or the party's to make such a gesture with no guarantee of some reciprocal measure from the PLO. Mr. Gat suggested a compromise formula in which he would have carried on with his trip but stated publicly that there had been a communication breakdown with Mr. Peres who had not given his support. Mr. Peres rejected such a formula and therefore the trip was postponed and eventually abandoned³².

The Middle East resolutions of the Stockholm and Cairo meetings illustrated the growing pressure that the SI was putting on the Labour Party. The 1989 resolution states:

There must be a peaceful political solution. This solution must be based on the right of Israel to exist within secure and recognised boundaries and the right to

³² The events surrounding the proposed meeting were explained to the author by the following:

Interview with Mr. Gat, Ibid.

Interview with Mr. Jaffee, Former Leader of Mapam and Delegate to SI., Kibbutz Hakum, 28th August 1994.

Interview with Ms. Pollak, Director of the International Department Mapam 1994, Mapam Party headquarters, Tel Aviv, 4th July 1994.

self determination of the Palestinians. The obvious goal should be the mutual recognition of each other by Israelis and Palestinians³³.

However, the resolution of 1990 was the first to mention a Palestinian state, a concept which was directly at odds with Labour Party policy:

The Socialist International will not falter in its efforts to assist peace in the Middle East. In doing so it is guided by the following principles: A political solution on the basis of UN Resolutions 242 and 338 which excludes the use of force. The secure existence of the state of Israel and the right to self determination of the Palestinian people, the outcome being whatever constitutional form they choose, not excluding a state or other possible arrangements³⁴.

Such statements from the SI led the Labour Party to debate its continued participation in the organisation at a joint meeting of the party Bureau and leadership where there were calls from the right of the party for the Labour Party to leave the SI. Secretary General Harish argued that the SI needed to be viewed as an organisation which was basically friendly to Israel and one with which the Labour Party had enjoyed a long and productive relationship. He cited the crisis as having origins in the meeting between Mr. Brandt, Mr. Kreisky and Mr. Arafat (July 1979) which was held without Israel's knowledge and which the Israelis claimed broke the rules of the membership³⁵. It was at this meeting that the SI had their first contact with what then was a much more radical organisation. At the end of the debate the Bureau decided not to take a decision on whether to leave the SI but its concern was illustrated in Article (c) of the resolution adopted:

The Political Council (leadership) and Party Bureau, in their joint meeting, express their concern over the fact that at a meeting of the SI held in Cairo in May 1990, a resolution was passed which was not co-ordinated in advance with the Israel Labour Party, contrary to the custom regarding resolutions adapted in

³³ Extract from, Middle East Resolution of the Socialist International, Stockholm, June 1989.

³⁴ Extract from, Middle East Resolution of the Socialist International, Cairo, May 1990.

³⁵ Mr. Harish, Speech to Party Bureau, Party Protocols, Labour Party Archives, Beit Berl, near Tel Aviv.

the SI, and which included elements which were contrary to the original proposal sent out, thus damaging the status of the party and the principles of solidarity which are the basis of membership in the SI³⁶.

One of the causes of the growing alienation between the Israel Labour Party and the SI was the participation in the SI of Mapam³⁷. Mapam's position being much closer to that of the SI regarding the issue of Palestinian self-determination meant that their position was often used as the opening Israeli position in negotiations. This was in preference to the generally more rigid Labour Party position. In recent years both Mapam and the Labour Party had learnt to co-ordinate their positions on issues before attending SI Congress's in an attempt to present a united Israeli front. However, on the fundamental issue of a Palestinian state this proved impossible with the Labour Party objecting to such a solution.

8.3: Democratisation in the Labour Party 1988 Onwards.

The decision of the Central Committee (18th October 1990) to accept the idea of paid membership to the Labour Party and the introduction of American style primaries for selection to the Knesset list marked the next logical step in the process of democratisation within the party. In accordance with the Central Committee decision the paid up members would be able to be elected to party institutions, vote in all party elections and participate in referenda on the party's platform and ideology³⁸. The rationale behind the introduction of a paid membership was that it would provide the party with an accurate census of membership which could

³⁶ Extract from the Resolution from the Party Bureau and Council Meeting of the Labour Party concerning relations with the SI.
Party Protocols.

³⁷ Israel is the only country which has two separate parties in the SI. Many senior figures in the Labour Party suspect that Mapam was allowed to join (against the wishes of the Labour Party) in order to punish the Labour Party over its support of the initial stages of the Lebanon war in 1982.

Interview with Mr. Gat, Ibid.

³⁸ Party Protocols, Central Committee Meeting, 18th October 1990.

subsequently be used as the basis for internal party primaries. In short, it aimed to give something more than the previously symbolic meaning to party membership by way of the granting of voting rights in exchange for a membership fee. However, it is impossible to divorce the introduction and timing of these party reforms from either the intra-party conflict involving the contest for the leadership or the ideological debate and the inter-party conflict with the Likud³⁹.

There were four related motivations for the introduction of primaries: the populist appeal of such a move, the response to the introduction of primaries in the Likud, the fact that many in the party viewed them as the best chance of replacing Mr. Peres with Mr. Rabin and the notion that their introduction represented the culmination of the process to open up the process of selection. These reasons were related by their aim that of winning the next Knesset elections in 1992. Support for the introduction of primaries was almost unanimous. However, this unanimity obscured the lack of any real debate within the party on the long-term consequences of primaries to the party and the Israeli political system⁴⁰.

It is clear that after the "dirty exercise"(1990) the Labour Party needed to purify itself and attempt to gain the confidence of the electorate. Primaries provided the party with the opportunity to introduce reforms which in theory made the party more accountable to its membership⁴¹. This populist appeal tended to overshadow all other rationale in a party which was becoming increasingly driven by the sole goal of returning to power (in its own right) for the first time since it had lost its dominant party status. Such arguments were illustrated by the comments of Mr. Sneh, one of the rising stars of the party:

³⁹ The idea of paid membership was not supported by Mr. Peres who stated that it could result in a closing of the party to the masses. In reality, Mr. Peres's initial opposition was more motivated by intra-party considerations of trying to postpone a vital decision which would pave the way to the primaries which he did not want.

⁴⁰ Interview with Mr. Zvilli, 5th September 1994.

⁴¹ Interview with Dr. Beilin, 29th August 1994.

The party's only chance to regain its hegemony in the country is if a broader strata of the population identifies with the party, and if the party will have a large group of activists with influence over their surroundings. The current system does not allow this to happen, and does not necessarily raise the right people to leadership positions. The only way this can be changed is by means of the party being opened up and democratised⁴².

The popularity of primaries with the electorate had been shown by the success of the Likud's primaries for the Histadrut elections (1990). The Likud decided to introduce American style primaries to select their candidates for the Histadrut's workers committees (1st August 1989)⁴³. In all 200 candidates stood in 30 voting districts utilising some 150 polling stations in which some 40,000 people voted. Although the number of voters was inflated by the Likud, the system was viewed as a major success by people across the political spectrum. Many people in the Labour Party accept that the party only introduced primaries in response to the success of Likud's primaries and the fear that Likud would subsequently use this method of selection for their next Knesset list⁴⁴.

The additional requirement that many people in the party viewed as necessary for returning the party to power was the replacement of Mr Peres with Mr. Rabin. Mr. Peres was highly popular with the party but unpopular with the electorate while Mr. Rabin was not as popular within the party but consistently enjoyed a higher popularity rating in opinion polls than any leader from either Labour or the Likud. Because of this situation some of Mr. Rabin supporters preferred "open primaries" in which everyone who signed a pledge of support would have the right to vote. However, "closed primaries" were chosen as the method of selection to establish a

⁴² Mr. Sneh, Address to a meeting of pro-democratisation supporters, December 1989.

⁴³ Likud Central Committee Meeting, 1st August 1989, Party Protocols.

⁴⁴ Interview with Dr. Beilin, 29th August 1994.

Mr. Burg describes Labour's decision as the squash court effect with the Labour Party simply reacting to Likud's previous shot.

Interview with Mr. Burg, 13th September 1994.

direct relationship between membership and voting rights. In addition there was also the fear that in "open primaries" supporters from the Likud and other parties would vote thus distorting the result. This could have taken the form of Likud voters voting for Mr. Peres knowing that he would not present such a threat as Mr. Rabin to the Likud in national elections.

The Labour Party's motivations were apparent in the lack of any real debate within the party on the adoption of primaries⁴⁵. As previously stated it is impossible to separate the internal democratisation issue from the debate surrounding the leadership and the strategy needed to win elections. As a result of this there was little discussion on the longer term consequences of primaries for the party. Mr. Libai, the Head of the party Constitutional Committee, was a notable exception summarising the changes as follows:

Primaries will reduce the dependence of the elected official on Central Committee members and diminish the control of party bureaucrats, who get their people on to the Central Committee. The larger the electing body, the harder to bribe or control the individual votes. Instead of a restricted body, thousands will elect their representatives for the Knesset, local authority and labour councils. You cannot bribe that many people. Only the political stance and efforts of the candidate will determine his or her success, not how many weddings or bar mitzvahs attended⁴⁶.

However, such statements do not reveal the extent of the changes to all aspects of the party that the primaries caused. These can be divided into the following, the quality and background of the elected candidates, party discipline, the changing role of the party organs and branches, the role of the media, the

⁴⁵ In all interviews with Labour Party leaders conducted by the researcher every interviewee confirmed this assumption of the lack of debate. The majority of them did not view this as a serious problem, arguing that at the time the populist appeal of the party was the priority. For example, Interview with Mr. Saguy, Mk, Head of the Tel Aviv Party Branch, The Knesset, Jerusalem, 25th July 1994.

⁴⁶ Interview with Mr. Libai, Minister of Justice 1992, Jerusalem Post, 27th July 1990.

importance of finance and the patron-client relationship between the leadership and the party.

In terms of background and quality of the elected candidates primaries were perceived of as increasing the quality and the number of candidates from the periphery. In a Knesset where the Labour Party MK's had been selected by the primary system there was clearly going to be a problem with asserting parliamentary party discipline. There would be a increased tendency for the individual member to vote against the party whip at some time safe in the knowledge that party members and not the leadership now had the power of re-selection. The power of the party organs and branches power decreases as the central focus moves from the Central Committee and party branches to the party membership as the body of reference. Connected to this is the heightened role of the media, and in particular television, in providing the candidates with access to the membership. In 1989, Israel had only one TV channel but by 1992 it had 2 domestic channels and cable TV which included another home channel⁴⁷. Such an increase in the potential air time available for politicians meant greater opportunities for the candidates to address the party membership not through party organs but rather from the mass media⁴⁸. The Israeli press, with its 6 serious daily newspapers, offered the opportunity to prospective candidates to write articles and at the time of the primary elections use such space for what in reality was their personal manifesto. In the Labour Party the "Gang of Eight" in particular used this medium to articulate their positions.

The question of ensuring a financial level playing field proved problematic. The party did try to deal with this issue by awarding each candidate an equal budget

⁴⁷ The domestic cable channel became the first Israeli channel to broadcast live and full coverage of the Knesset proceedings.

⁴⁸ Mr. Avraham Burg, while accepting that the advent of new television channels gave more opportunities to MK's, also stresses that people have more choice to turn off the channel when there is a greater number of channels available. Interview with Mr. Burg, 13th September 1994.

and attempting to exclude private contributions. As the party rules decreed that each candidate:

will not receive any contribution and / or participation in financing, whether in the form of cash or cash equivalent, either directly or indirectly by any person or body... Candidates will not spend on their campaign more than the ceiling limit determined by the elections committee for each type of candidate. Candidates will sign a declaration regarding their commitment to a fair contest, and will undertake to enable examination of his or her sources of finance if asked to do by the elections supervision institution⁴⁹.

Unfortunately, despite the good intentions the primaries were not viewed as equally fair with candidates spending vastly different amounts in their effort to get elected to a realistic place on the list⁵⁰.

The issue of patron-client ties tended to be overshadowed by the contest for the leadership in which it was in the interest on one of the two major patrons to adopt the primary system. Put simply Mr. Rabin's initial reluctance and fear of the unknown were soon replaced by a more positive attitude when it became clear that the primary system represented his best opportunity to defeat Mr. Peres. Such strong intra-party motivations for Mr. Rabin overshadowed any longer term fear of damage to his power base. The eventual practical implications of these changes are dealt with in the conclusion, but these at the time theoretical implications of primaries were not debated within the party in any detail. The dual pressure of the need to introduce populist measures and the role of primaries in settling the leadership struggle proved too seductive over real political debate on the issue and its longer term consequences.

⁴⁹ Extract from, Labour's System of Primaries: The Rules, Party Headquarters, Tel Aviv.

⁵⁰ Based on interviews with Labour MK's serving in the 13th Knesset.

Conclusion.

The Labour party between 1988-90 witnessed the start of a programme of change both in terms of internal organisation and to a degree ideology with the principle aim of both being to return the party to power in its own right at the next Knesset elections in 1992. The debate within the party organs on these issues was dominated by continuing intra-party tensions and divisions, not only between the hawks and doves but also now between generations. The young guard and in particular the "Gang of Eight" started mounting a serious campaign for both increased power for themselves, but also importantly to change the organisation and ideology of the party. This was in direct contrast to the problems the "Tse'irim" had in the early 1960's with the party machine (Gush) when the generational conflict had been based on power. The "Gang of Eight" were an ambitious group which did not stray from the patron-client means of political advancement. However, they were of a far more independent nature than the generation directly below Mr. Peres and Mr. Rabin many of whom had served in the NUG. Their arrival on the national stage coincided with the media revolution in Israeli politics where their sharp media skills were quickly employed by the party which did not have many media friendly stars in contrast to the highly effective "Likud Princes" such as Mr. Netanyahu, Mr. Meridor and Dr. Begin.

By 1990 it was clear that the balance of power within the leadership was shifting away from Mr. Peres and towards Mr. Rabin as Mr. Peres was being seen by an increasing number of people as unelectable in a Knesset election. However, Mr. Peres's control of the party organs made it extremely difficult to replace him especially as Mr. Rabin was still very much an outsider in the Mr. Peres controlled party machine. Consequently, Mr. Peres had been able to postpone the leadership election when it appeared likely that his leadership would not survive his failure to form a Labour led government in 1990 (the "Dirty Exercise"). However, it was clear

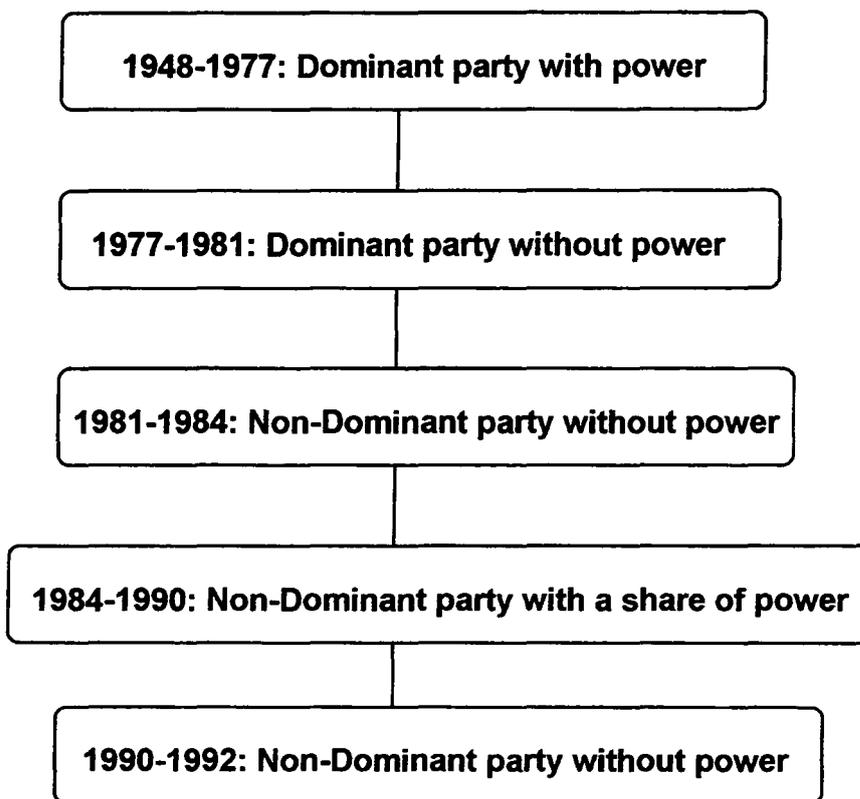
that there would be a contest for the position of leader before the 1992 election and that the importance of Mr. Peres's control of the party organs would be substantially reduced as the contest was to be opened up to include all party members.

CHAPTER 9

THE ROAD FROM OPPOSITION TO GOVERNMENT, THE ISRAEL LABOUR PARTY 1990-92.

Between the collapse of the NUG (1990) and the Knesset election in 1992, the Labour Party acted mainly as a non-dominant party without power operating in a competitive party (block) system. The changes in the party's position up to 1992 are summarised in Illustration Six.

6: Development of the Labour Party 1948-1990.



However, the actions of the leadership were at times directly linked to the party's past dominant position within the Israeli political system and specifically the continued "conditioning effects" of this dominance. This was most apparent in intra-party relationships and the need of Mr. Peres to achieve at least a share in power

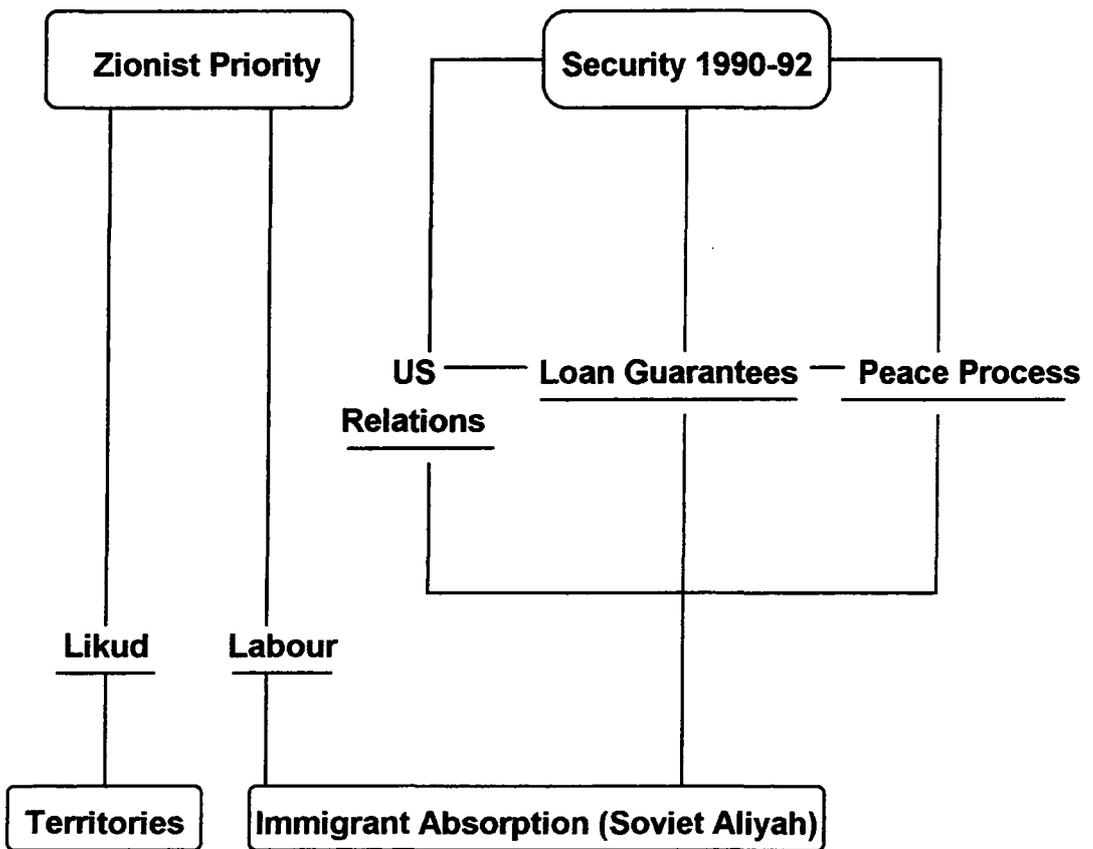
so as to be able to deliver on patronage promises to his clients and to leadership rivals.

As with any political party not in power within a competitive party system, the Labour Party experienced a great deal of frustration during this period as Mr. Shamir's Likud-led government and events in the Middle East at times appeared to hijack the on-going debate on the key security and peace issue within the Labour Party. Put simply, the failure of the "Dirty Exercise" gave the Likud and Mr. Shamir in particular along with his extreme right wing and religious coalition partners, the opportunity to set the Israeli political agenda and to formulate the national response to international and regional events. During this period the inter-related concerns were the security issue incorporating the peace process, and in particular the Madrid Peace Conference, the settlements issue and the future status of the territories, the worsening of relations with the United States and the arrival of the Aliyah of ex-Soviet Jews.

However, the return to opposition presented the Labour Party with two opportunities: to conduct an internal debate on the peace and security issue, and to implement internal party reforms, free from the constraints of a NUG. In addition, it provided the party with an opportunity to charge the Likud with the cost of its settlement policies, free from the complexity of the Labour Party's involvement in approving such programmes within the framework of the NUG's (1984-90). More specifically the party hoped to illustrate the cost of these settlement policies to both the Israeli economy, especially to the traditional Likud constituency of the lower income groups (predominantly Sephardim) and newly arriving Aliyah from the Soviet Union, as well as to Israel's standing in the international community. These factors became further intertwined with the decision of the American administration to directly link the granting of \$10 billion of loan guarantees to Israel (1992), needed for the successful absorption of the Soviet Aliyah, to progress in the peace process

and specifically the freezing of the settlement programme in the West Bank. Such actions helped focus the distinctive Zionist priorities of both the Labour Party which favoured people over land and the Likud which gave priority to land (Greater Israel) over immigrants (the Soviet Aliyah). Illustration 7 shows the inter-related nature of the above.

7: The Likud and Labour's Zionist Priorities and the Consequences.



Lines indicate the related nature of the major issues of the day. In simple terms the Labour party aimed to show that the Likud's settlement drive in the territories was damaging the prospects for the Soviet Aliyah.

Before examining the internal dynamics of the Labour Party between 1990 and 1992 it is necessary to first examine the effects of Mr. Shamir's government had in redefining the political agenda. Despite being the most radical government in

Israel's history the Likud-led government in effect legitimised the Labour Party's peace agenda with the decision of the Mr. Shamir to attend the Madrid Peace Conference in 1991. In addition to this, the responses of the Likud to the Persian Gulf war, the government's difficult relationship with the American administration and the arrival of the Soviet Aliyah, combined to shift the 'political goal posts' in Israel. Consequently, it is necessary to understand the significance of these changes and where they left the Labour Party.

9.1: The Composition, Performance and Consequences of Mr. Shamir's Ultra-Right Wing Government 1988-90.

The collapse of the NUG was not only a defeat for Mr. Peres and the Labour Party but also marked the decline of the pragmatic right. Mr. Shamir was forced to rely on the seven votes of the radical right wing parties, Tsomet (Crossroad), Tehiya (Renaissance), and Moledet (Homeland)¹, as well as the religious parties, to secure

¹ Tehiya received 3 seats in the 1988 Knesset elections after a split with a faction which went on to become Tsomet. Tehiya's Chairman Mr. Ne'eman assumed the post of Energy and Infrastructure and founder Mrs. Cohen was made deputy Minister of Science and Technology. Mrs Cohen resigned from the government in November 1991 and Mr. Ne'eman in February 1992 over the peace process. The party refused to join a joint list with Moledet in 1992 and failed to cross the electoral threshold of 1.5 percent.

Tsomet was formed in 1987 by the ex Chief of Staff Mr. Eitan and won two seats in the 1988 Knesset Elections. Tsomet unlike the other two extreme right wing parties concentrated at the time on constitutional reform and the campaign for a change in the electoral system to a direct election for Prime Minister and also against religious coercion. Its attachment to Greater Israel was based on security reasons and not biblical or emotional ties which characterised the other right wing parties including the Likud. Tsomet joined Mr. Shamir's government in June 1990 with Mr. Eitan serving as Minister of Agriculture. However, the party left in December 1991 because of Mr. Shamir's opposition to direct elections for the post of Prime Minister. Moledet was founded on the eve of the 1988 Knesset elections by Mr. Ze'evi and ran on the single issue of the voluntary transfer of Arabs from the territories. It won two seats in the subsequent election and joined the government in February 1991 leaving together with Tehiya in January 1992 in protest over the autonomy plan for the Palestinians which came out of the peace talks following the Madrid Peace Conference. Its leader, Mr. Ze'evi served as Mr. Rabin's advisor on terrorism from 1974-77. Both his military and political careers have been surrounded by

a 61 seat winning coalition and, moreover, to give key Cabinet portfolios to his radical intra-party rivals, Mr. Sharon (Construction and Immigration), Mr. Levy (Foreign Affairs) and Mr. Moda'i (Finance)². The consequence of this was that the new government was dominated by the radical right's ultra nationalistic policies of increased settlement leading to a de facto annexation of the West Bank. Mr. Shamir's intra-party standing was weakened by Mr. Sharon, who served as the "King maker", persuading the radical right parties to join the coalition as well as enjoying the support of the growing number of Likud radicals. Within the Cabinet itself Mr. Sharon, together with the "Shackle Ministers" and / or the leaders of the three radical right parties, created a powerful alliance³. Despite this, had Mr. Shamir in alliance with Defence Minister Arens decided to challenge this new powerful axis then they would have probably prevailed at intra-party level but subsequently would have been unable at inter party level to form a new administration without the support of the Labour Party⁴.

controversy and his participation in the government was initially opposed by Dr. Arens, David Levy and many of the Likud Princes. However, only Dr. Begin voted against his appointment in the Knesset debate.

² Sprinzak, "The Radical Right", in Kyle and Peters (ed), Wither Israel: The Domestic Challenges, I.B. Tauris, London 1993, p117.

³ The fundamental difference in defining the radical and moderate or pragmatic right was in simplistic terms over Greater Israel. The pragmatic right accepted the constraints of political reality and understood that Israel must take into account external influences while the radical right tended to ignore this political reality and the nations ability to take on the outside world. While the moderates concentrate on diplomacy the radicals view the territories as the single most important issue.

⁴ Dr. Ben Aharon argues that Mr. Shamir and Dr. Arens should have taken on the "Shackle Ministers" at this time instead of trying to humour them. He believes that they would have undoubtedly emerged victorious within the Likud. However, by this stage it was apparent that Mr. Shamir was grooming Dr. Arens as his successor and this intra party conflict marked the start of the battle to succeed Mr. Shamir.

Interview with Dr. Ben Aharon, Director of Mr. Shamir's Prime Ministers Bureau, Jerusalem, 18th September 1994.

9.1.1: The Persian Gulf War and the Consequences for the Likud and the Labour Party.

The inevitable clash between Mr. Shamir's government and the international community, in particular the United States, was postponed by the Iraqi invasion of Kuwait (2nd August 1990), an event which diverted world attention away from the Palestinian issue. Even two such divisive events as the killing of 19 Palestinians by Israeli Border Guards at Mount Temple in Jerusalem (8th October 1990) and the assassination of the Kach leader Rabbi Kahane (November 1990) did little to divert the attention of the world away from the impending war in the Persian Gulf. Thus when, on the second night of the war, Israel was attacked by Iraqi Scud missiles, the differences between the American Administration and the Israeli government were pushed aside as the Americans attempted to keep Israel out of the war. Mr. Shamir's decision not to retaliate to the 39 Scud missile attacks on Israel during the war proved to be vital to the American administration's attempts at keeping the Arab-Western war coalition together⁵. Consequently Mr. Shamir, for the duration and in the immediate aftermath of the war, was in a strong position to dictate to the Americans such items as the maintenance of Israel's qualitative edge over the Arabs in the military sphere as well as compensation for the estimated \$3 billion the war cost Israel in damage to property and loss of earnings due to economic close-down⁶.

⁵ Mr. Shamir's decision not to retaliate also proved extremely popular with the Israeli electorate of which 74 percent supported the policy of non retaliation. This figure did not reflect Israeli fears that the IDF could not defeat Iraq as 92 percent stated that the IDF would win such a conflict.

Source; Peretz, "The Impact of the Gulf War on Israeli and Palestinian Political Attitudes", Journal of Palestine Studies, Autumn 1991, p21.

⁶ This figure is based on official government estimates but Peretz, *Ibid.*, argues that the figure is somewhat of an over estimation and that the Gulf war did not do any major damage to the Israeli economy.

The war had important consequences for both the Labour Party and the left in general. The Lebanon war (1982) had proved to be an extremely divisive war for Israeli society, with the far left and eventually the Labour Party itself opposing the conflict, whereas there was almost total support in Israel for the war against Iraq. The most vocal key peaceniks of the left and critics of the Lebanon war, such as Mr. Yossi Sarid and the writer Mr. Amos Oz, supported the Persian Gulf war as did the vast majority of Peace Now which viewed the conflict as a just struggle against a tyrant⁷. Mapam was more cautious, issuing a statement condemning the Iraqi aggression but at the same time criticising the intransigence of the Israeli government in not accepting the right of the Palestinians to full self-determination and refusing to talk to the PLO⁸. The major concern of both the Labour Party and the Likud was to ensure that the outcome of the Gulf crisis was not linked to the Arab-Israeli conflict, by the international community, and in particular the Israeli occupation of the West Bank and Gaza Strip. Mr. Rabin summed up the Labour Party strategy at a forum for Foreign Diplomats in Tel Aviv (6th December 1990):

At the moment one of the greatest dangers from Israel's point of view is the inclination in certain circles to link the solution to the Gulf Crisis to the Arab-Israeli and Israeli-Palestinian conflict, to pay Saddam Hussein with Israeli currency.⁹

Mr. Rabin repeated the position in the Knesset debate, some 36 hours before the first missile was fired at Israel and also articulated the Labour Party policy of first allowing the Americans the opportunity of dealing with the Iraqis. Mr. Peres made similar suggestions, but surprised some party members by stressing his vision of the future Middle East based on a regional common market at the above meeting as

⁷ Peace Now actually became known as War Now, a phrase used by Labour MK, Ms. Dayan during the first week of the war.

⁸ Mapam, "The War in the Gulf", Party Position Paper, Tel Aviv, 1991.

⁹ Mr. Rabin, Address to Foreign Diplomats, Tel Aviv, 6th December 1990. Party Protocols, Beit Berl, near Tel Aviv.

well as in the Israeli media¹⁰. Consequently, unlike the Lebanon war, the Labour Party remained relatively homogeneous on the need to first remain out of the conflict as long as possible and second, on the need for Iraqi military power to be destroyed. This unity was a reflection of the unity of Israeli society as a whole, with the only conflict originating from the right wing parties over whether and how the IDF should respond to the missile attacks¹¹.

There were two major consequences of the war for the Labour Party and the left in general: the credibility problem of the doves who wanted to deal with the PLO, and a decline in its opinion poll ratings. The first was caused by the Palestinian support for Iraq during the conflict, by Mr. Arafat and the PLO leadership and by the Palestinian inhabitants of the Occupied Territories. Second, the popularity of Mr. Shamir increased with the Israeli electorate, due to his handling of the crisis¹². Both of these proved to be extremely damaging to the Labour Party, in the short run.

Internally, at the time of the outbreak of the war, the party was divided on the issue of a negotiating partner for the Palestinian question into three groupings: those who still favoured some form of the Jordanian option, those who preferred direct negotiations with the inhabitants of the Occupied Territories and the "Gang of Eight", and their allies who favoured direct talks with the PLO. Within the leadership Mr. Peres still favoured some kind of resurrection of the Jordanian formula, whereas Mr. Rabin preferred the second option, but both remained publicly against direct talks with the PLO¹³.

¹⁰ Spectrum, January, February 1991.

¹¹ Both the Defence Minister Dr. Arens and the ex-Defence Minister Mr. Sharon favoured an IDF response to the attacks.

¹² Mr Shamir's restraint during the war was highly praised by members of the Labour Party including Secretary General Harish who stated that Mr. Shamir's passive temperament was an asset.

Interview with Mr. Harish, Spectrum, February 1991.

¹³ Mr. Peres favoured a Jordanian-Palestinian federation worked out under the auspices of an International Peace Conference. The doves in the Labour Party (the third category) criticised the proposal because it did not accept the notion of full

It is clear that the position of those, within the party, who favoured direct talks with the PLO was weakened by the Palestinian support for Iraq. Arian (1991) puts the level of Israeli public support for entering into talks with the PLO, under certain conditions, at 29 percent, compared with 58 percent in March 1989¹⁴. An additional reason for this decline was the continuing Intifada which, after a brief reduction in its intensity, had taken on a more brutal form with the highly published killing of Palestinian "collaborators"¹⁵. Such actions, when combined with the arrival of the Soviet immigrants, led to a modified national consensus summarised as follows: the Arabs had not really changed, and major territorial concessions in the peace process were not possible in the immediate future. The arrival of the Soviet immigrants and their successful absorption was presently the priority on the political agenda. The polarisation of opinion on the final status of the territories remained, but there was now a consensus that the time was not right because of the arrival of the Soviet Aliyah to take major steps in the peace process¹⁶.

Consequently, just at the time that the Labour Party was showing signs, through its internal party debate, of making profound changes to its platform on the peace issue, and especially concerning Palestinian self-determination, events hijacked the national consensus and moved it in the opposite direction. Undoubtedly the war and the change in the Intifada damaged not only the position

Palestinian self determination. The hawks in the party argued that an international Conference was not in Israel's best interest.

Source; Katz, "New Battles on the Horizon, Cracks in the National Government", Israel Scene, April 1991, p3.

¹⁴ Arian, "National Security and Political Attitudes: The Impact of the Gulf War", JCSS Memorandum, Tel Aviv University, 1991.

¹⁵ Dr. Arens, Likud's Minister of Defence had achieved some success with his policy of disengagement of the IDF from certain situations. However, this made such executions easier to carry out. Arens argues that his methods in dealing with the Intifada proved more successful than Mr. Rabin's and saved lives.

Interview with Dr. Arens, 26th September 1994.

¹⁶ Sprinzak, The Israeli Right, op.cit. , p133.

of the doves within the Labour Party but the standing of the left wing parties who had already accepted the right of the Palestinians to full self-determination¹⁷. Conversely, Mr. Shamir and the Likud were in electoral terms unbeatable after the ending of the war. In personal popularity Mr. Shamir led Mr. Rabin by 13 percent and Mr. Peres by 14 percent, and Likud candidates for Prime Minister led their Labour counterparts by 23 percent¹⁸. On the international arena Mr. Shamir saw, in the short term, his popularity rise as his self-restraint during the war was praised by world leaders.

9.1.2: The Madrid Peace Conference 1991.

Mr. Shamir's popularity with the Israeli electorate peaked at the start of the Madrid Peace Conference (October 1991). He was perceived as having successfully neutralised the Conference before agreeing to attend¹⁹. Mr. Shamir had removed the East Jerusalem representation (one of the reasons for the break up of the NUG in 1990) and had effectively sidelined the PLO, only allowing Palestinian participation as part of a joint Palestinian-Jordanian delegation. Crucially, the results of the conference were not binding and it was only to serve as a preamble to bilateral talks to take place in Washington some five weeks later. Mr. Shamir unsurprisingly, described the Conference as an historic achievement, arguing that:

It was the first time that Israel met together with representatives of all its neighbours without any pre-conditions. This was an achievement in itself even if

¹⁷ One prominent dove from Ratz, Mr. Sarid, accepted the damage and told the Palestinians, "don't call us we will call you", after Palestinian support for Iraq became clear.

¹⁸ The complete results were as follows for choice for Prime Minister: From the Likud, Mr. Shamir 28%, Mr. Arens 11%, Mr. Sharon, 11%, Mr. Levy 5%. From the Labour Party, Mr. Rabin 15%, Mr. Peres 14%, Mr. Gur 2%, Mr. Shahal 1%.

¹⁹ Interview with Dr. Gold, Advisor to Mr. Shamir in Madrid and Director of the Israel-America study Group, JCSS, Tel Aviv University, Tel Aviv, 2nd October 1994.

you do not take into account the results of it. It was important for us (Israel), it gave us more standing and prestige. It was clear that we would have to get peace with negotiations one day, also it was very clear according to the Camp David agreements that we would have to find a solution for the unresolved questions²⁰

The Labour leadership was placed in a difficult situation for two reasons. First, traditionally at such crucial moments in Israeli history the opposition and government adopt some form of consensus so as not to weaken Israel's negotiating hand. Had the Labour leadership attacked Mr. Shamir at this time, Likud would have charged them with near-treason. Second, Mr. Shamir was widely perceived to have conducted the negotiations which led to the Conference extremely prudently. There could be no repeat of the charge made against Mr. Begin after he agreed to return the entire Sinai to Egypt²¹. According to opinion polls conducted in November 1991, Mr. Shamir and the Likud would have won 44 seats compared to only 29 for the Labour Party. At block level the Likud-block led the Labour-block by 70 to 50 Knesset seats if an election had been called²².

The fact that the Madrid Conference did not produce the major breakthrough that its sponsors had hoped for did not detract from the fact that for the first time Israel had sat down with all the Arab states (except Iraq) and that a process of negotiation had begun. Mr. Shamir's speech at the opening session, although not popular with his hosts, reflected the Israeli national consensus of steady unspectacular progress in the peace process. The Labour Party's one consolation was that by attending Mr. Shamir had given legitimacy to their peace policies and

²⁰ Interview with Mr. Shamir, Tel Aviv, 17th August 1994.

²¹ Mr. Shamir defined the major reasons for the timing of the Peace Conference as the fact that Israel's position was relatively good, the demise of the Soviet Union and the ending of the Cold War, assurances of continuing good relations with the United States as well as the immigration from the former Soviet Union which would help the demographic process. The major aim of the process was to solve the conflict and get international legitimacy.

Interview with Mr. Shamir, 17th August 1994.

²² Source, Mabbat, 19th November 1991.

had seemingly rejected the extreme right's call for immediate annexation of the West Bank. The sad irony for Mr. Peres and the Labour Party was that the International Conference, in both its organisation and role, resembled that of the one agreed jointly by King Hussein and Mr. Peres in the London agreement (December 1987), and which Mr. Shamir's objections had prevented from happening.

9.2: The Confrontation between the Likud and the United States. The Role of the Soviet Aliyah and the Decline of the Likud.

Much has been written about the demise of the Likud and the rise of the Labour Party from this point up to and including the Knesset elections (June 1992). Writers such as Hadar, Smoocha and Peretz correctly place the blame on a number of issues ranging from cases of internal corruption becoming public, the settlements issue, the lack of progress in the post Madrid peace process, the deteriorating relationship with the United States and the problem of the Soviet Aliyah²³. However, the central issue, around which all others revolved, was the last the failure of the Likud to deal successfully with the absorption of the new immigrants from the Soviet Union.

The request of the Israeli government for the loan guarantees from the Bush administration, which became vital for the successful absorption of the new immigrants, gave the Americans an extremely large stick with which to beat the Likud²⁴. Had there not been the need for the \$10 billion guarantees, then Secretary

²³ See for example, Hadar, "The 1992 Electoral Earthquake and the Fall of the Second Israeli Public", Middle East Journal, 4-46, Autumn 1992.

Smoocha and Peretz, "Israel's 1992 Knesset Elections; Are they Critical ?", Middle East Journal, 3-47, Summer 1993.

²⁴ As it transpired the loan guarantees when granted to the Labour administration from June 1992 onwards proved extremely expensive and Mr. Shochat, the Finance Minister questioned the rationale behind using them for his reason.

of State Baker and President Bush would not have been able to give Mr. Rabin and the Labour Party a financial carrot to hold out to the Israeli public at the Knesset election in 1992²⁵. Mr. Shamir was aware that the political risks he took with America were large, but he felt that had the Likud won the election, then America would have given in and granted the loan guarantees²⁶. In terms of the deteriorating relationship with America, he saw it as the first serious violation of the special relationship between the two countries but considered it a temporary dispute, believing that the Americans would soon return to the status quo of non-interference in Israeli internal politics²⁷. Traditionally such interference had annoyed the Israeli electorate, which had subsequently supported and closed ranks around the Israeli government. However, this instance was different because again the Americans had forced the Likud to show its true ideological colours and make in simplistic terms a choice between their ideology and the immigrants.

The American administration was clearly concerned about the Likud government's 2010 plan which aimed at increasing the Jewish population in the Occupied Territories by 2.6 million, involving the construction of some 700,000

²⁵ With regards to the Loan guarantees the timing was vital as elections in Israel were originally scheduled for October 1992 it would have been difficult for President Bush not to give them with Mr. Clinton saying he would do so if he were elected in November in America. The power of the Jewish lobby groups, although in decline was still such that both candidates in the American Presidential race had to be careful not to alienate the American Jewish vote. With the retiming of the Israeli election to June 1992 President Bush was able to give Mr. Rabin and the Labour Party a financial bonus to hold out to the Israeli electorate in exchange for the freezing of the settlement programme in the West Bank. The Labour Party had already indicated its willingness to make such a concession by stopping all settlements that were not vital to Israeli security needs. As the Americans were to discover in the period following the 1992 Labour victory Mr. Rabin and the Labour Party seemed to be somewhat vague in the definition of security settlements. The events surrounding the loan guarantees debate were relayed to the author in interviews with;

Mr. Shamir, Dr. Gold, Dr. Ben Aharon and key Labour Party leaders.

²⁶ Interview with Mr. Shamir, 17th August 1994.

²⁷ Ibid.

building units and 170 settlements at a cost of between \$140 to \$195 billion (at 1992 rates). Such a scheme, if fully implemented, would have altered the demographic balance in the territories so that the population of the West Bank would have been 40 percent Jewish and the Gaza Strip 5 percent Jewish²⁸. However, such grandiose plans put forward by Mr. Sharon and accepted by Mr. Shamir and the Cabinet did not reflect the reality of the situation. It is true that between 1990 and 1992 seven new settlements were built and that the Jewish population increased from 91,000 in 1990 to 107,000 in 1992, but such increases had also taken place during the period of the NUG (1984-1990). Table 9.1 reveals the true extent of the increase in the Jewish population and numbers of settlements under the respective governments between 1977-92. It is clear from the table that a large proportion of the settlement programme took place either under a Labour government or an NUG (53%) and similarly 52 Settlements were constructed with Labour Party involvement.

²⁸ Statistics from Jewish Settlement in the West Bank and Gaza Strip: Profile 1992, p29, The International Centre for Peace in the Middle East, Tel Aviv.

Table 9.1: Jewish Population Growth in the Occupied Territories by Israeli Governments in Power 1967-1992.

<u>Government</u>	<u>% of Population Growth</u>
Labour-Alignment until 1977	4 (20)
Likud 1977-1981	9 (35)
Likud 1981-1984	14 (43)
NUG 1984-1988	38 (27)
NUG 1988-1990	11 (5)
Likud 1990-1992	24 (7)

The figures in brackets represent the increase in number of settlements in absolute terms.

Source: Jewish Settlement in the West Bank and Gaza, Profile 1992, The International Centre For Peace in the Middle East.

The increase in 1990-92, while in part reflecting the drive of Mr. Sharon, was also a result of the slowing down between 1988-90 due to the uncertainty caused by the outbreak of the Intifada. The reality of the situation was that the Likud were investing heavily in the territories but not at a rate which matched the level of Mr. Sharon's 2010 plans²⁹. The charge from the Labour Party, that the Likud was putting investment in Greater Israel over the absorption of the Aliyah (immigrants), was therefore correct, and struck a nerve over a period of time with the Israeli electorate, in particular the new immigrants themselves. However, the extent of the

²⁹ The Statistics for the West Bank, Benvenisti, West Bank Atlas and for the Gaza Strip, The Central Bureau of Statistics. The figures for Jewish population also come from the Central Bureau of Statistics, Statistical Abstract of Israel, Various Editions.

investment in the territories was only problematical because of the presence of the new immigrants. Consequently, had there been no Soviet Aliyah, the level of investment in the West Bank would not have proved so divisive an issue. The Labour Party would therefore have found it more difficult to convince the Israeli electorate of the cost to Israel as a whole of the Likud's political priorities in the Territories.

The Israeli economy as a whole was not growing at a level that could sustain both the settlement policy and the absorption of the Soviet immigrants.

Unemployment was running nationally at around 11.5 percent, but immigrant unemployment was considerably higher. Economic liberalisation, vital for attracting foreign investment in to Israel, was being implemented too slowly, and the anticipated financial windfall following the Gulf War did not materialise to cushion the absorption of the immigrants. Importantly the economic problems were particularly bad for the traditional Likud constituencies in the development towns in the periphery. The process of the Sephardim moving away from the Likud had started with the 1988 election, but it was clear that the Likud government was not delivering to its key constituency group as well as to the ex-Soviet immigrants and would consequently suffer at the next election.

It was into this background that the Likud suffered two self-inflicted wounds namely the battle over the Knesset selection list and the corruption which was highlighted by the report of the State Comptroller, Mrs. Ben-Porat, in 1992. From the summer of 1992, when Mr. Shamir supported Mr. Sharon's Settlement plans, it became clear that Mr. Shamir, for intra-party motivations, was building a powerful axis with Mr. Sharon in order to defeat the Foreign Minister Mr. Levy. Mr. Levy, in his time at the Foreign Ministry had surprised some with his flexibility in negotiations, although on matters of substance there was little difference between himself and

either Mr. Shamir or Mr. Sharon³⁰. The culmination of this new alliance was in the selection of the Likud Knesset list by the party's 3300 member Central Committee in which Mr. Sharon and Mr. Shamir effectively sewed up the list for their supporters with their alliance.³¹ Many of Mr. Levy's supporters were either demoted or failed to obtain a realistic place on the list. Unsurprisingly, a bloody public battle followed which culminated in Mr. Levy's threat to resign and an eventual compromise between himself and Mr. Shamir³². Mr. Levy was viewed as the leading Sephardim politician, the dispute was perceived of as an attack by the Ashkenazi elite in Likud on the Sephardim which consequently further alienated this key traditional Likud constituency.

The State Comptroller's report charged Mr. Sharon's Ministry of Housing with the misuse of funds which at the time appeared much more serious than the ones which afflicted the Labour Party in 1977³³. The Labour Party, by not being in the government was able to exploit such scandals before and during the 1992 election campaign. As important as the wounds themselves was their timing, coming just prior to the elections which had been brought forward after Mr. Shamir, with the resignation of the ultra-right wing parties, had lost his overall majority in the

³⁰ Of particular interest were the appointments Mr. Levy made to the Foreign Ministry staff which included Mr. Uri Savir who was considered to be closer to the Labour Party. When Mr. Peres became Foreign Minister in 1992 he promoted Mr. Savir to Director General of the Foreign Ministry, and Mr. Savir subsequently became one of the principle players in the Oslo channels with the PLO.

³¹ Sprinzak, *The Israeli Right*, op. cit., p136.

³² Mr. Shamir stresses that the intra-party disputes were conducted at a time that everyone in the Likud was convinced that they were going to win the election. In short, everyone was trying to strengthen their own personal positions rather than fight the Labour Party. He blames the public battle on Mr. Levy and accepts that it was one of the major reasons that the Likud support declined in the election. Interview with Mr. Shamir, 17th August 1994.

³³ At the time the corruption appeared to be much worse than in 1977, but presently (1995) there have only been a few prosecutions. Dr. Asa (Director of Mr. Rabin's election team) argues that the cases of corruption were not very dramatic but were exploited by the Labour Party at the time of the election. Interview with Dr. Chaim Asa, Hertzila, 16th October 1994.

Knesset. Consequently, the date of the election was moved from October to June 1992 which in terms of the key issue of the loan guarantees gave a substantial advantage to the Labour Party.

9.3: Continuity and Change: The Internal Dynamics of the Labour Party 1990-92.

The period of opposition from 1990-92 was crucial to a Labour Party which needed to introduce wide-ranging reforms to both its socio-economic and security platforms, its party organs and methods of selection, in a relatively short period of time and against a rapidly changing international and domestic agenda. Its fundamental criteria was to make itself electable in 1992 and these populist motivations, to a large extent, dictated the decisions taken³⁴. The party's thirst for power, its past dominance and belief that it was the natural party of government meant that it would never be an effective opposition party. However after four election failures it was clear that, at the very least, these two years would have to be used at intra-party level to introduce the substantial reform which was required if the party was to expand its increasingly narrow political base. The fact that the changes which did take place during this time reflected the Labour Party traditions of pragmatic compromise and the priority of party unity, meant that the changes in many aspects were in reality little more than cosmetic.

Within the leadership of the party this period was marked by a strong sense of frustration at the acclaim given to Mr. Shamir's decision to attend a Middle East Peace Conference. This was something that many people in the Labour Party, and especially Mr. Peres, had worked hard for, and had come close to achieving with

³⁴ Confirmation of the fundamental aim of the changes was to make the party electable in 1992 was given to the researcher in interviews for example, Interview with Nissim Zvilli MK, Secretary General of the Labour Party 1994, The Knesset, Jerusalem, 5th September 1994.

the London Agreement (December 1987), which Mr. Shamir had personally vetoed³⁵. There were obvious comparisons with the visit of President Sadat (1977) when Mr. Begin accepted the praise for the culmination of a process started by the Labour government of Mr. Rabin. This frustration was compounded by the lack of a breakthrough at Madrid and the realisation that Mr. Shamir was more intent on keeping a dialogue going, while attempting to construct demographic realities in the Territories, rather than achieving any substantial breakthrough in the peace process. For the second consecutive time the Labour Party was out of office during a time of national crisis (the Persian Gulf war) and was relegated to complementing the Likud and particularly Mr. Shamir on his handling of the war. This was especially hard to take for a party which during its period of dominance had led Israel through its war of independence and three subsequent wars. The outcome of this war, unlike the Lebanon war (1982-85), enhanced Mr. Shamir's reputation and political standing and in the short term awarded him a considerable political advantage over the Labour Party.

As a result of such feelings of frustration, Mr. Peres sought to bring down the government in the Knesset and bring the elections forward³⁶. However, by April 1991 it was clear that there were divisions within the leadership between Mr Peres and Secretary General Mr. Harish over this strategy. Mr. Harish, in addressing the Party Bureau, summarised the rationale behind this strategy:

Peres's approach as well as that of the Chairman of the party's Knesset faction, Chaim Ramon, who also favours early elections, seems a little schematic. They say, the government is no good, so we must fight it in order to bring it down and go to elections. My approach is a little more strategic on this issue. I believe that one must take a look at the process which could break the political draw

³⁵ This feeling of frustration over Mr. Shamir's rejection of the London Agreement is still apparent today even after a peace treaty with Jordan has been concluded. Interview with Dr. Beilin, 29th August 1994.

³⁶ Mr. Peres stated that he preferred early elections in an interview on Israeli Television News, 24th April 1991.

between us and the Likud, which at the last elections was tipped slightly in favour of the Likud. At least three things are necessary for this. First of all, since the Gulf War ended only two months ago, we must give the public some time to readjust and grasp that the political processes are as we perceive them, in the way the government does. Secondly, the public is slowly realising that the Likud is a catastrophe from the economic point of view. And thirdly changes are taking place within the Labour Party, and they too need time to ripen³⁷.

Mr. Harish's remarks indicated an acceptance that the party's previous strategies since 1977 had failed to bring about the desired result of a Labour-led government. In addition it reflected an acceptance of the Likud's relatively strong position in the short-term but in the long-term the Likud he felt was sitting on a time bomb. Mr. Harish went on to warn the party about concentrating exclusively on the peace and security issues which had cost the party dearly in the 1988 elections, and the need for the party to provide answers to the everyday problems of unemployment, housing etc. In reality, the debate was superseded by the coalition problems of Mr. Shamir who was eventually forced to bring forward the election when the ultra right wing parties left the government. However, it reveals the level of frustration and the emphasis on power politics of Mr. Peres and the longer term view of Mr. Harish. Put another way, Mr. Peres's priority was to return to government while Mr. Harish wanted to break the electoral stalemate which had existed between the Likud and Labour since 1984.

Mr. Peres's motives were twofold; a genuine fear that the peace process would collapse with Mr. Shamir and his ultra-right wing coalition in power, and his pressing intra-party need to return to government and thus be in a position to deliver key positions to both his supporters and to his rival Mr. Rabin³⁸. Mr. Rabin, now his party was in opposition concentrated on his challenge to Mr. Peres's leadership and

³⁷ Mr. Harish, An open letter to Mr. Peres, Presented at the meeting of the Labour Party Bureau, 25th April 1991.

³⁸ Supporters of Mr. Peres emphasises the first of these motivations: the fear of the peace process breaking down.

Interview with Mr. Yoram Martizano, Political advisor to Mr. Peres, The Foreign Ministry, Jerusalem, 8th September 1994.

made it publicly known that he was bitter at having lost his Cabinet job with the failure of the "Dirty Exercise". Hence Mr. Peres desperately needed to be in a position to offer Mr. Rabin the Defence Ministry once more in the hope that he would accept the post and withdraw his challenge³⁹. The importance of these motivations were illustrated by Mr. Peres's willingness to take a major risk by adopting the parliamentary strategy of attempting to bring down the government and force new elections at a time when the Labour Party's position was comparatively weak to that of the Likud. This in turn indicates a fundamental divergence from the traditional behaviour of an opposition party by Mr. Peres, whose actions were not primarily governed by attempting to force new elections at an optimum time for the Labour Party, but predominantly by his intra-party needs. Mr. Harish's behaviour in arguing that the party should adopt a more patient approach and wait for better times represented a more typical response of a non-dominant party without power.

9.3.1: The 5th Labour Party Congress, 19th November and 26th December 1991.

The Congress took place amidst the threat by the Gang of Eight leading doves to leave the party and join what eventually became the new united left wing party Meretz⁴⁰. The group saw three possibilities for the future direction of the party and themselves. The first option was for the Labour Party to join the emerging block of left wing parties in a new Alignment which would have its common goal the exchange of land for peace. The second option was that the centre left should run two lists, the Labour Party list and a more radical left wing list. The third option was similar to the second but with the Gang of Eight remaining as part of the Labour

³⁹ Interview with Dr. Korn, Tel Aviv, 13th September 1994.

⁴⁰ The threat was real before the Congress the group had debated the issue and were split 50:50 on future participation in the party.
Interview with Mr. Merom, Tel Aviv, 20th October 1994.

Party. Despite some discussion in the Party Bureau (June 91), after a formal approach by Mapam these radical alternatives were never seriously considered by the party as a whole.

Mr. Peres did not wish to see the group leave for intra-party considerations, in that most of the group were associated with himself and in interviews at the time he applied pressure on the group to remain within the party⁴¹. In his opening address to the Congress Mr. Peres concentrated on the theme of party unity amid the fears of the impending break up of the Labour Party. However, the Congress, was dominated by the "Gang of Eight" who, realising the significance of it, had prepared to act as one group in a concentrated methodological way in which each of the group dealt with a particular area. Although the decisions of the Congress reflected the need to balance their aspirations with those of the more hawkish elements within the party they were seen as the "stars of the Congress"⁴². The party platform which emerged naturally reflected these compromises but overall the Foreign Affairs and Security Platform was more dovish without accepting a Palestinian state:

Israel will promote negotiations towards a peace agreement based on compromise with Jordan and the Palestinians. The agreement must be based on the assurance of Israel's security needs, Security Council resolutions 242 and 338, and on the recognition of the rights of Palestinians, including their national rights, and on the basis of their participation in determining their future... In these negotiations the permanent borders, the political and security agreements in the territories which Israel will vacate, and the extent of the co-operation with Israel, will be determined. The political reality in the region, the need to resolve the refugee problem and the security needs of Israel necessitate an agreement on a Jordanian-Palestinian political framework, which will be willing to engage in extensive co-operation with Israel, and not a separate Palestinian state west of the River Jordan⁴³.

⁴¹ Interview with Mr. Peres, Spectrum, September 1991, p9.

⁴² This feeling was confirmed by the performance of the individuals in the party primaries in 1992.

⁴³ Extract from the Labour Party Platform on Foreign Affairs and Security, adopted by the Fifth Congress of the party in 1991, Labour Party Headquarters, Tel Aviv.

The above declares a land-for-peace formula and mentions Palestinian national rights but is distinctive from the platform of Meretz which accepted full Palestinian self-determination and the right to statehood.

A second example of the compromise formula employed by the leadership was the apparent contradiction with regards to peace with Syria. Article 2 states:

The peace agreement with Syria will be based on Security resolutions 242 and 338, whose meaning is the principle of territorial compromise within the framework of full and viable peace, in which the security needs of Israel will be provided⁴⁴.

However, after pressure from the Golan settlers an amendment was added after the Congress by the leadership stating:

Israel views the Golan Heights as an area of great importance to its security, its welfare and to secure its water resources in peacetime as well. In any agreement with Syria and in the security arrangements, Israel's presence and control, both settlement and military, in the Golan Heights, to which Israeli law, jurisdiction and administration have been applied, will continue... The efforts will continue to strengthen the existing Israeli settlements in the Golan Heights⁴⁵.

As well as the settlers there were many senior figures in the party who opposed any withdrawal from the Golan Heights and thus such a formula as above, although clearly unworkable, achieved two aims, the maintenance of party unity and some appeal to the more hawkish elements of the electorate.

On socio-economic issues there were contradictions apparent in the party's desire to speed up the implementation of programmes of economic liberalisation, and in particular the deregulation of the capital markets and the privatisation of government-owned companies, and the need to, in the short term, increase the level of state intervention in the economy to facilitate the successful absorption of the Soviet Aliyah. The heavily overburdened Labour economy and the Histadrut was the target of Mr. Ramon's programme of reforms unveiled at the congress.

⁴⁴ Ibid.

⁴⁵ Ibid.

However, the collective power of the Histadrut and Mr. Peres prevented the reforms from being passed. This was, however, only the opening shot in what was to become an extremely bitter personal and ideological dispute.

Mr. Avraham Burg, the son of the former leader of the NRP, initiated a change in the party's platform regarding religious rights in which politics and religion were to be separated⁴⁶. His proposal was passed on the last day of the Congress when many of the delegates had already left. The leadership, afraid of the potential damage such a proposal might do to the Labour Party's relations with the religious parties, nullified it at a second Congress. Although not winning a total victory, Mr. Burg and his colleagues had won significant changes to the platform and thus the question of their leaving the party was, for the time being, placed in the background. The impressive performance of the "Gang of Eight" in the Labour Party primaries in which they were all elected to realistic places on the list further diminished their desire to break their links with the party.

9.3.2: The Continuing Leadership Struggle and the Labour Party

Primaries.

One of the decisions taken at the Party Congress was the confirmation that the leadership contest and the Knesset list would be based on primaries involving the 160,000 due-paying members of the party. Unlike the previous contests between Mr. Rabin and Mr. Peres in 1992 there were two additional candidates, Mr. Kessar (Secretary General of the Histadrut) and Mrs. Namir (the only female candidate)⁴⁷.

⁴⁶ His initial proposal had been to separate the state and church but Mr. Ramon had persuaded him to withdraw this as it went too far to question the Jewish nature of the state of Israel.

Interview with Mr. Burg. The Knesset, Jerusalem, 13th September 1994.

⁴⁷ Four candidates who had previously declared their intention to contest the election withdrew and declared their support for either Mr. Rabin or Mr. Peres. Mr. Gur, Mr. Yaacobi and Mr. Baram supported Mr. Rabin while Mr. Shahal endorsed Mr. Peres.

There were no ideological differences between the four candidates with the only differences being in the emphasis placed on issues, personality and style⁴⁸. The key to the campaign was the answer to the question, "who had the best chance of winning the election on 23rd June 1992 and of becoming the next Labour Prime Minister of Israel ?". From an early stage in the campaign it became clear that although there were four candidates only Mr. Peres and Mr. Rabin had a realistic chance of winning with the other two candidates relegated to the role of spoilers.

Mr. Rabin's winning strategy was to argue that he was the most likely candidate to attract disillusioned Likud voters and win the Knesset election. Mr. Pères argued that Mr. Rabin was popular among Likud voters who would not transfer their votes to the Labour Party even with Mr. Rabin as its leader. Mr. Peres's supporters published polls which claimed he was more popular than Mr. Rabin among the new immigrants, the first younger generation and the Arabs. The Peres team emphasised that he had been one of the best Israeli Prime Ministers and stressed the issue of party loyalty to its leader. Mr Rabin's supporters stated that Mr. Peres was the only Labour leader to lose an election and he had now lost four consecutive times, as well as the failure of the "Dirty Exercise" (1990) and therefore it was time for a change. The campaign, given its historical bitterness and its nature as a simple struggle for power, was relatively undivisive and clear⁴⁹.

On 19th February 1992, 108,347 votes out of a possible 152,000 were cast and the result was as follows;

Mr. Rabin.....	40.59 percent.
Mr. Peres.....	34.80 percent.
Mr. Kessar.....	18.77 percent.
Mrs. Namir.....	5.44 percent. ⁵⁰

⁴⁸ Spectrum, March 1992, p5.

⁴⁹ Mr. Gutmann describes the Peres-Rabin struggle as a personal vendetta over the struggle for power.

Gutmann, "The Israeli Left", in Kyle and Peters (ed), Wither Israel: The Domestic Challenges, I.B. Tauris, London, 1993.

⁵⁰ Results from Labour Party Headquarters, Tel Aviv.

Mr. Rabin crossed the 40 percent threshold needed for victory by some 400 votes and was thus elected as the Labour Party candidate for Prime Minister. The narrowness of the result was compounded by the fact that had Mr. Rabin been forced into a second ballot play off with Mr. Peres it is unlikely he would have won⁵¹. Mr. Kessar's surprising good performance had taken votes away from Mr. Peres's constituencies, notably from the Histadrut and Arab sectors, which would have gone directly to Mr. Peres in a second ballot. Two conclusions can be drawn from the result: Mr. Peres was still extremely popular within the party, and that many of his supporters had crossed to Mr. Rabin, not because they thought that Mr. Rabin was a better leader, but that he presented the party with the best opportunity of defeating the Likud. In interviews conducted with former supporters of Mr. Peres who had supported Mr. Rabin in 1992, it was made clear that this was the sole motive for their change⁵². Mr. Peres the following day resigned his post as Chairman of the party, thus allowing Mr. Rabin to become the party's candidate for Prime Minister and the formal head of the party⁵³.

Confirmation of Mr. Peres's continued strength within the party came with the results of the Labour Party primaries on March 31st. Some 106,000 members of the party or around 70 percent voted in the poll to elect the Knesset list for the election in June 1992 in which the clear winners were Mr. Peres and his supporters⁵⁴. Nearly

⁵¹ Interview with Dr. Asa, Director of Mr. Rabin's Election Team, 16th October 1994.

⁵² Mr Lova. Eliav was one such example, a leading dove in the party he was viewed as closer to Mr. Peres but supported Mr. Rabin in 1992.

Interview with Mr. Eliav, 25th July 1994.

⁵³ There was no formal constitutional obligation for Mr. Peres to do this. The election concerned the selection of the party candidate for Prime Minister and thus Mr. Peres could have caused a constitutional problem had he decided not to resign. Labour Party Constitution, Labour Party Headquarters, Tel Aviv.

⁵⁴ The party adopted the following method to conduct the primaries: the first position was elected in a separate ballot (the leadership contest) which Mr. Rabin had already won. The remaining realistic positions on the list 2 to 45 were filled by two electorates: at national level (all paying members of the party voting) and secondly, at district level. The latter was sub-divided in to five territorial areas: three urban,

all Mr. Peres's close supporters were selected to relatively high places on the list. The major surprise was the selection of Mr. Burg at number three on the list, a sign that his policies on the relationship between state, politics and religion were popular with the party as a whole. All the members of the younger generation of the "Gang of Eight" did well, confirming their status as the next generation of leaders. Concerns were expressed that Dr. Yossi Beilin, because of his close association with Mr. Peres and his outspoken dovish views, would not be selected, but he easily achieved a relatively high position in the national poll. Mr. Rabin did not fare so well, many of his close supporters were not selected, including a leading hawk Mr. Tsur, but this can be viewed in part as a generational change in that many of Mr. Rabin's supporters in the party tended to come from the older generations⁵⁵. Part of this generational turnover was confirmed by the poor performance of many of the Labour Party Ministers from the NUG's (1984-90). With the exception of Mr. Peres and Mr. Rabin there were no-ex Ministers in the first 20 places, three failed to be selected and another three did not run⁵⁶. The primaries were not free from controversy. There were claims that some candidates had enrolled people into the

the Kibbutzim, Moshavim and the Minorities. Positions 1 to 11 on the list were selected from the national poll. Positions from 11 onwards were based on two candidates from the district poll and one candidate from the national poll until parity between the two lists was reached. After that point the candidates were selected alternately from each of the lists. The only reserved places were at number 20 for an Arab and at number 30 for a Druze.

Interview with Mr. Merom, Head of the Labour Party's Primaries Committee, Tel Aviv, 20th October 1994.

⁵⁵ Interestingly, Mr. Rabin still included Mr. Tsur in his Cabinet despite not being a member of the Knesset.

⁵⁶ Spectrum, April 1992, p2.

The three who effectively retired were the ex President Mr. Navon, Mr Weizman, (Israel's current President, 1994) and Mr. Bar-Lev (who became Israel's Ambassador to Russia in 1992 and died in 1994). All three had been senior figures within the party and of the same generation of Mr. Peres and Mr. Rabin who therefore remained the sole representatives of their generation in the leadership.

party simply in order to vote for them in the primary elections. Also there were deals struck but not to same degree as in the Central Committee Primaries of 1988 (see 6.6). However, overall the process was viewed as extremely successful, especially in contrast to the Likud's Central Committee primaries, and produced a list which was slightly more dovish than in 1988, but also contained six former senior commanders in the IDF⁵⁷. The primaries confirmed that the relative balance of power within the party, in favour of Mr. Peres, had not been radically altered by his defeat in the leadership contest. Mr. Peres's graceful acceptance of his defeat did much to maintain the relative public facade of unity and this contrasted favourably with the aftermath of Likud's leadership struggle between Mr. Shamir and Mr. Levy.

9.4: Pre-Election Campaign Strategy and Electoral Reforms.

The Labour Party under Mr. Rabin was relatively unchanged in its strategy, which concentrated on the socio-economic failings of the Likud government and in particular the problems of the absorption of the Soviet Aliyah. The claim that the Likud was investing in the territories at the expense of Israel as a whole served the dual purpose of appealing to the Soviet Aliyah and to the poor in the development towns. Mr. Rabin importantly made the distinction between what he termed as security settlements and political settlements, the first of which the Labour Party supported, but the latter of which the party charged the Likud with diverting the limited national resources in to.⁵⁸ Mr. Rabin, with his reputation as "Mr. Security"

⁵⁷ The list contained 17 new candidates, around 50 percent were of non Ashkenazi origin, more than 50 percent were in their 30's and 40's and 4 were women.

⁵⁸ Mr. Rabin remained deliberately vague on the exact definitions of these categories and which settlements fell in to each one. However, it struck an extremely popular accord with the Israeli public and especially the Labour target groups of the poor and the Sephardim. At around the same time the result of a ground breaking poll by Katz were released which seemed to break the myth that a vote for the Likud was automatically a vote for Greater Israel. The results revealed that 35 percent of Likud supporters were termed as security hawks and did not therefore support the greater Israel ideology. The central plank of the Labour Party

with the Israeli electorate, was able to deal far more successfully with the Likud counterattacks on this question than Mr. Peres who had a security image problem with the Israeli electorate⁵⁹. Put simply, Mr. Rabin's "trust me" argument was successful in both convincing key target areas of the electorate and in allowing the definitions of security and political settlements to be somewhat vague. Mr. Rabin was assisted in this message by such notable ex-generals on the Knesset list as Mr. Or, Mr. Ben Eliser, Mr Sneh and Mr. Khalini.

The process of electoral reform reached the point of stalemate with the refusal of the Likud to implement direct elections for Prime Minister until the 1996 election⁶⁰. Eventually it was agreed that there would be only one significant change to the electoral system, the raising of the electoral threshold from 1 percent to 1.5 percent. Such a change, although small, was important within the highly fragmented Israeli party system with its high number of small parties. The formation of Meretz, consisting of the Ratz, Shinui and Mapam was taken in direct response to this change. From the Likud led block Moledet, Tsomet and Tehiya failed to reach a similar deal which proved to vital to the outcome of the 1992 election.

strategy was therefore to convince the public that many of the settlements served no useful security purpose.

⁵⁹ Interview with Dr. Joseph Alpher, Director of the Jaffee Centre for Strategic Studies, Tel Aviv University, 4th December 1994.

⁶⁰ Mr. Shamir clearly did not want a direct contest with the popular Mr. Rabin but the Likud in principle supported the change in the system.

Conclusion.

Overall the changes which took place within the Labour Party from 1990-92 were fundamentally motivated by the need for the party to win power in 1992. The party in general understood that it was operating as a non-dominant party within a competitive block system in which there was a state of near parity between the Labour and Likud-led blocks. Consequently, in understanding this reality the party was motivated to make changes to both its platform and to the position of leader in order to try to achieve a clear cut inter-party victory over the Likud. In addition there was a realisation that such a victory would be the only way to secure a Labour-led government as it was apparent to the party that the religious parties preferred to join a Likud-led coalition. This allowed the Likud-block a near certain blocking majority if the two major parties continued to win approximately the same number of Knesset seats.

The Labour Party platform, while including to a certain degree the changes that the "Gang of Eight" in particular had called for, still reflected a self-perceived need to unite the shifting wide spectrum of factions within the party. These various factions had been incorporated into the party during the 1960's in order to help maintain Mapai's hegemony within the labour movement and thus maintain its dominant position within the Israeli political system. However, at that time the full impact of the occupation of the West Bank and Gaza Strip had not opened up the divisive debates on the future of Zionism (see 3.3.3). By 1991 the maintenance of party unity was far more difficult as the future status of the Occupied Territories came to be more divisive with the threat of the "Gang of Eight" to leave the party.

The replacement of Mr. Peres with Mr. Rabin by such a narrow margin illustrated the conservative tendencies of the party and the still strong support that Mr. Peres enjoyed within the party organs. However, it also indicated an acceptance by the party membership that if the party was to break the electoral deadlock then it

had to go into the election with its most popular leader with the electorate as a whole as the party's candidate for Prime Minister. The decision to put Mr. Rabin forward marked a change in the behaviour of the party from previous elections, and thus an indication that it was acting more as a non-dominant party seeking to win back power. Mr. Rabin had at the time of the 1984 and 1988 elections also been the more popular than Mr. Peres with the electorate, and yet the party on those occasions had not turned to him.

The primaries, although very popular with the Israeli electorate, did little else other than confirm the generational replacement of the mid-50's upwards with those who were then in their 30 and 40's without necessarily encouraging a better quality of candidate. It also marked the confirmation of the failure of the mid-50's upwards generation to challenge the leadership of Mr. Peres and Mr. Rabin. The younger generation were too inexperienced to mount a serious challenge to the leadership in 1992, many of them were either new to the Knesset in 1988 or in the case of Ms. Dayan had just been selected for the first Knesset list. Such inexperience was compounded by their attachment to one or other of the patrons of the party thus indicating that in spite of the new primary system the patron-client ties which had characterised past intra-party relationships had not completely been cut. However, such changes within the party did reflect the start of the process of making the party and its leadership more accountable and appealing to a wider section of Israeli society.

By the start of the 1992 campaign the political agenda which had worked against the Labour Party from 1990 to the end of 1991 was now damaging the Likud with the growing economic hardship of the Soviet Aliyah and the lower income groups dominating the agenda. The Labour Party had made it clear that they accepted the terms of Mr. Baker's conditions for the granting of the Loan

Guarantees and were thus able to stress the contrast between its Zionist priorities and subsequent policies with the Likud's on the peace and security issue.

CHAPTER 10

THE 1992 KNESSET ELECTION AND THE LABOUR PARTY'S RETURN TO POWER

The 1992 election and the Labour Party's narrow victory marked the return of the party to power for the first time since it lost its dominant party status in 1977.

8: Development of the Labour Party 1948-1988.

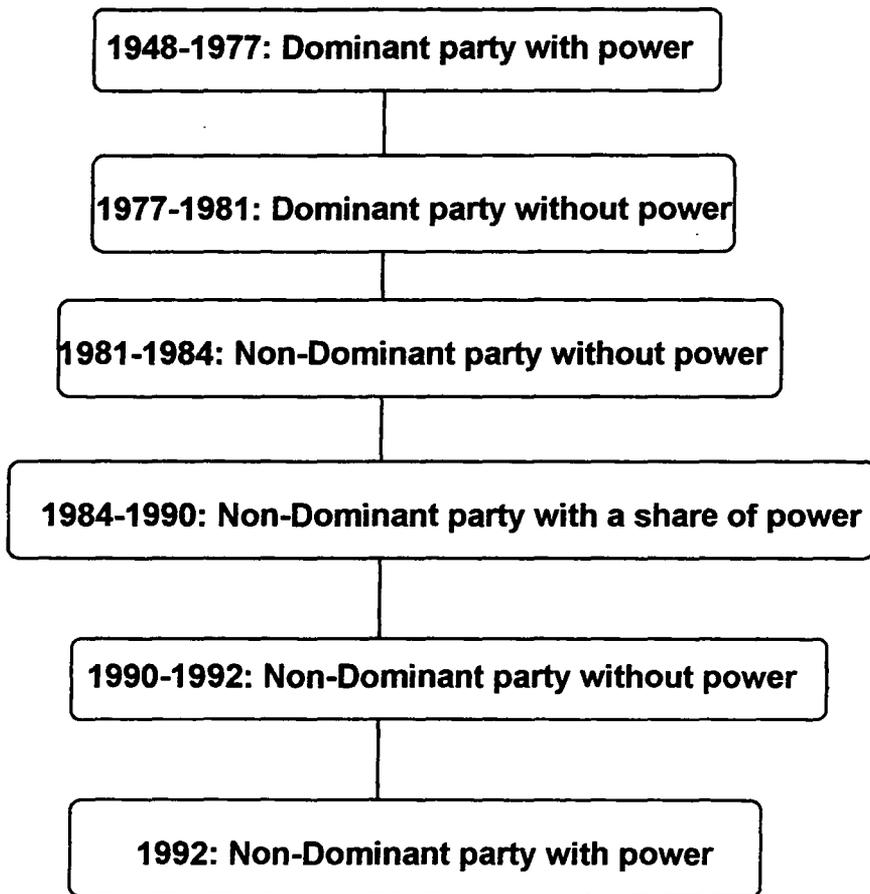


Illustration Eight summarises the development of the Labour Party up to and including 1992. This Chapter will attempt to illustrate that this victory did not signify a return to its pre-1977 dominant position, but rather confirmed the maturing of the

Israeli post-1977 competitive party system. In arguing that the status of the Labour Party following the election became that of a non-dominant party with power it is necessary to illustrate why the party could not be considered to have returned to its pre-1977 status as a dominant party with power. In arguing this case use has been made of the following factors: the closeness of the result, the near total concentration on Mr. Rabin at the expense of the Labour Party itself during the campaign and the increasing importance of inter-block politics in determining the outcome of elections, all of which indicated that the Labour Party scored only a technical victory in 1992.

In addition to these factors it should be remembered that in 1992, in contrast to 1977 (see 4.1), the Labour Party no longer controlled many of the areas which had, in part, allowed the party to be previously perceived as a dominant party (prior to 1977 with power and between 1977 and 1981 without power). The party no longer controlled the majority of municipal governments, the civil service (after 15 years of predominantly Likud appointees) or exercised indirect control of the media. Regarding the latter, the development of both television and newspapers made it more difficult in 1992 for any single agent to exercise control over them. As previously discussed, the number of television channels increased from only one in 1977 to three domestic channels in 1992 as well as a number of private cable channels. Newspapers which had once been strong supporters of the labour movement diversified as some of them were taken over by international companies whose views did not correspond with the Labour Party (e.g.; The Jerusalem Post in 1989). Finally, the Histadrut which was once the flagship of the labour movement had seen its influence decline due to its financial difficulties, and thus its use to the Labour Party was much less in 1992 than in 1977.

Consequently, the election cannot be seen as having transformed the party's non-dominant party position, but rather it allowed it to win power for the first time

within the existing competitive party system. This chapter concentrates on the electoral evidence which suggested that the Labour Party still remained a non-dominant party.

10.1: Background and Campaign For the 1992 Knesset Election.

In spite of the Likud's rejection of direct elections for the post of Prime Minister, Mr. Rabin treated the 1992 elections as if such a system had already been introduced. Much of the still Peres controlled Labour Party was deliberately hidden from the public during the campaign, which was centred around and controlled by Mr. Rabin and his strategic election team (which had control over all areas of the campaign). Mr. Rabin's team was recruited from outside the Labour Party with the exception of Mr. Ramon and the party Campaign Manager Mr. Ben Eliezer¹. Such a team was a radical departure from the previous campaign of 1988, which as the Lass Report (1990) had chronicled was riddled with mistakes². Mr. Rabin's team charged Mr. Peres 1988 team with having made the fundamental mistake of concentrating on the issue over which the Labour Party had a relative disadvantage compared with the Likud (the future of the territories) and not enough on other issues over which the Labour Party enjoyed a relative advantage (e.g.; management of the economy). In short, the need to develop the latter and not concentrate on responding to attacks on the first³.

¹ Both Mr. Ramon and Mr. Ben Eliezer were close to Mr. Rabin. Mr. Ben Eliezer born in Iraq was, like Mr. Rabin, a military man who had gone in to politics after a successful career in the IDF. Importantly he was a founder member of the predominantly Sephardim party Tami (1984) and was well respected by the Sephardim community. Mr. Ramon, of all the young guard was the closest to Mr. Rabin.

² Mr. Rabin's reasoning for recruiting from outside the party was that he felt the Labour Party bureaucrats were simply not up to the job of competing against the highly effective Likud team.

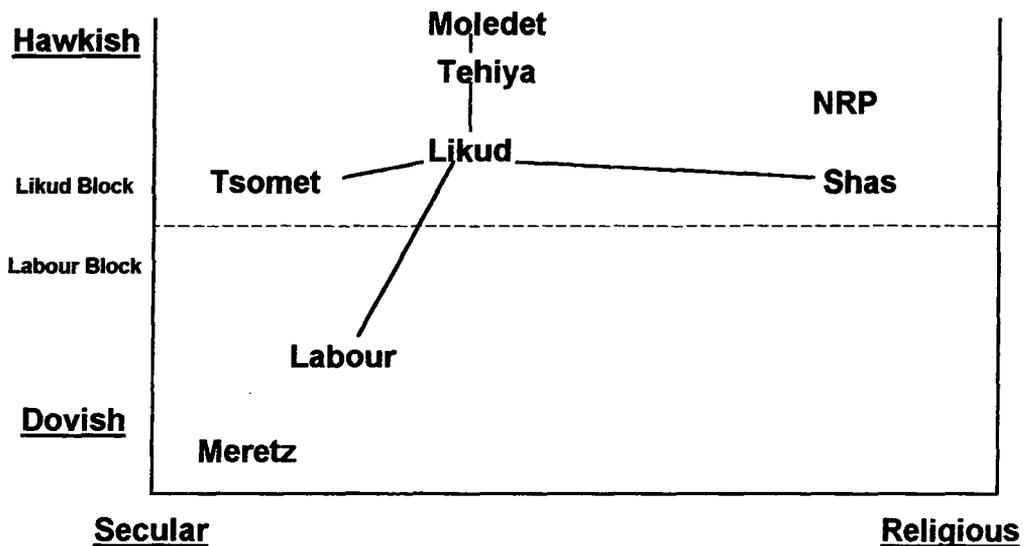
Interview with Dr. Chaim Asa, Director of Mr. Rabin's Strategic Election Team, Hertzila, 16th October 1994.

³ Interviews with Dr. Asa and Professor Doron.

Unlike the Labour Party's previous "catch all tactics" the strategy in 1992 was to attract specific key target groups of the new immigrants and the group of approximately 100,000 "soft" Likud voters. Of the latter some 60 percent were of Sephardim origin and were generally considered to be conservative. Mr. Rabin and the Labour Party's strategy was based on winning an extra 3 seats from the Likud, and fragmenting the rest of the disillusioned Likud voters towards other smaller right wing parties. This strategy was crucial in the decision to concentrate on the issue of corruption after the publication of the State Comptroller's report and thus help build a campaign for Tsomet and its leader Mr. Eitan (who had a reputation as being politically clean, and therefore stood to directly gain from corruption charges against the Likud)⁴. The tactic of moving votes to the right of the Likud proved vital to the Labour Party in that not all the right wing parties crossed the electoral threshold (1.5%). In pure statistical terms this shift gave the Labour Party its victory in the election, with a far higher number of wasted votes from the Likud-led-block in contrast to the Labour left block with its united Meretz party. Illustration Nine indicates the aims of the Labour Party positioning strategy on the two key issues of the day: the peace process (including security) and secular versus religious rights.

⁴ Mr. Rabin's team involvement in the planning of Tsomet's campaign is difficult to measure but there is evidence to suggest that members of Mr. Rabin's team in the very least were involved in the positioning strategy of Tsomet. In interviews with key members of both teams it is clear that the building up of Tsomet was an essential part in Mr. Rabin's election planning.

9: The Labour Party's Positioning Strategy for the 1992 Election.



Based on interviews with Dr. Asa and Professor Doron from Mr. Rabin's Election Team.

The Lines indicate how the Labour party aimed to win votes from the Likud and fragment the Likud vote to other parties in the Likud-led block.

Of Key importance was the position of Tsomet which had shifted from a position near Tehiya in 1988 to a new more secular position.

The relatively new positions of Tsomet and Shas at inter-block level also made them the most likely parties from Likud's block to join a Labour-led coalition.

The decision to concentrate on Mr. Rabin was based on the attempt to make the election a direct election between Mr. Rabin and Mr. Shamir and bypass the secondary leadership of both parties. The Likud was seen to have a far more attractive second tier leadership with the Likud "young princes" being far more experienced and popular with the target constituencies than their Labour counterparts. Mr. Rabin's team also took the decision to hide Mr. Peres during the national campaign with the more hawkish Mr. Ben Eliezer acting as Mr. Rabin's deputy during the campaign. In positioning strategy, Mr. Rabin aimed to blur the differences between Mr. Shamir and himself on the peace and security issue and concentrate on what he termed as a "reordering of national priorities". During the

campaign he was careful to remain vague on what exactly this reordering involved, but it is clear that in basic terms it meant redistributing resources from the settlements to within the Green Line. Mr. Rabin portrayed himself as tough on security but pragmatic in terms of the peace negotiations while Mr. Shamir, ignoring the advice of his campaign Manager Mr. Ronni Milo to offer something approaching the Gaza option, portrayed himself as the ideological keeper of Greater Israel⁵. On social and economic issues Mr. Rabin made full use of the cost of Likud's Zionist priority of Greater Israel to Israel and in particular the new Soviet Aliyah and the lower income groups as well as charging the Likud for the failure to modernise the economy.

While Mr. Rabin's team prepared a strategy relatively free from intra-party constraints, Mr. Shamir and the Likud experienced a series of organisational problems which were related to the battle to succeed Mr. Shamir. Mr. Milo, the Campaign Manager (with his own future leadership ambitions), did not wish to see Mr. Netanyahu star in the campaign as he had done in 1988⁶. Consequently, after an initial appearance on the opening night of the television campaign Mr, Netanyahu disappeared from the campaign. The Likud decided to use Dr. Ze'ev (Benni) Begin as their central personality along with Mr. Shamir, a move which appeared to confirm their hawkish intents (Dr. Begin being considered a strong hawk in contrast to some of the other Likud princes).

⁵ The Gaza option was the return of the Gaza strip to Palestinian control which had some support within the Likud in 1992.

⁶ Mr. Netanyahu was regarded by Mr. Rabin's team as the Likud's strongest weapon, particularly during the television campaign. Interview with Dr. Asa, 16th October 1994.

10.2: The 1992 Knesset Campaign.

There were two crucial points in the campaign for Mr. Rabin and the Labour Party: three months before the election, and at the start of the television election campaign three weeks before polling. The State Comptroller's report, although not published until the last week of April 1992, was clearly going to be bad for the Likud so the Labour Party started the campaign early with two simple messages that Israel was waiting for Mr. Rabin and that the Likud was rotten⁷. Each day they played on a variation on this theme with great success since internal polling suggested that the party in this period was between 10 and 15 seats ahead of the Likud⁸. The aim of Mr. Rabin's strategists at this time was to build a large lead early enough in the campaign which, if the Likud succeeded in closing as they had in the previous four elections, would still leave time for the Labour Party to respond. In previous campaigns, and especially in 1988, the Likud had closed the gap on the Labour Party very late in the campaign without allowing any chance for the Labour Party to reassert itself. Because of this fear of a Likud revival the Labour Party launched its national campaign well in advance of the Likud's. The latter started on 5th May 1992⁹. The intra-party problems within the Likud were carried over in to the campaign with Dr. Moshe Arens refusing to appear on the same stage as Mr. David

⁷ The Likud had tried unsuccessfully to prevent the State Comptroller's report becoming public before the date of the election hence the delay until the end of April.

⁸ The term "Israel is waiting on Rabin" was a deliberate play on the term which became famous in Israel on the eve of the Six Day War that Nasser is waiting for Rabin. The use of such a term had two meanings firstly that Mr. Rabin was a the in charge of the IDF during its success and second the idea of Mr. Rabin being a father of the nation, much in the same way as Mr. Begin had been portrayed during the 1981 campaign.

⁹ The start of the Likud campaign was postponed from 27th April 1992 publicly because Dr. Arens was out of the country at this time but interestingly on the new date 5th May Mr. Levy was out of the country.

Israel Yearbook 1992, Government Publishing House, Israel, 1993.

Levy and with many of the Likud local branches not functioning properly because of the personal rivalries within the leadership¹⁰.

The second crucial point for Mr. Rabin was the television campaign during the first two days of which the Likud closed the gap to near parity¹¹. Mr. Rabin, never at his best in set piece television parts, performed badly against highly effective Likud productions attacking the Labour Party on its security policy and the role of the Histadrut as well as the problems of health funds from the labour sector of the economy. In organisational terms a decision was taken at this point to use Mr. Ben Eliezer to front a large degree of the television campaign and to put forward simple messages in easy rather unsophisticated ways. Mr. Ben Eliezer had a reputation for straight talking which appealed to the predominantly Sephardim target group and his role became vital at this stage of the campaign in reasserting the Labour Party's messages and responding to the attacks from the Likud.

At local level the Labour Party itself played the dominant role throughout the campaign, but the Labour Party machine still sold the party as Labour under Rabin and achieved some success in previous Likud strongholds. Such an improvement was illustrated by a visit by Mr. Rabin himself to the northern development town of Kiryat Shemona (16th June 1992) where he was greeted as a hero and in his speech stated that they (the residents) hadn't left the Likud but that the Likud had left them¹². In his speech Mr. Rabin mentioned the name of Mr. Begin three times, a clear indication of his attempt to portray himself as the father of the nation¹³. The Labour Party used its more hawkish members to tour the Likud strongholds such as

¹⁰ Ibid.

¹¹ Source, Labour Party internal party polling which suggested that after the first two days of the campaign that the Likud had regained nearly all the ground that it had lost in the previous two months.

¹² Mr. Rabin, Address to Election Rally, Kiryat Shemona, 16th June 1992.

¹³ Ibid.

Mr. Avigdor Khalani and Mr. Shimon Shitreet to attempt to combat the Likud's charges that the Labour Party was soft on the security issue.

The murder during the campaign in Bat Yam (South of Tel Aviv) of 15 year old Helena Rapp (24th May 1992) by a Palestinian from Gaza, did not benefit the right in the same way that the attack in Jerico during the 1988 campaign had. The rioting which followed the killing in Bat Yam was characterised by three chants, "Kahane, Kahane"; "Death to the Arabs" and "Rabin Rabin"¹⁴. Such chants illustrated the failure of the Likud to deal with the internal security situation and the effect such failings had on its standing in one of its traditional strong holds. The Labour Party charged the Likud with not dealing effectively with the security situation and in addition, that their policies actively contributed to such attacks. The effect of this was that the 1992 campaign saw the neutralisation of one of the central planks of Likud's appeal, namely their perceived ability to deal with internal or personal security better than the Labour Party under Mr. Rabin.

The Likud adopted two lines of attack against the Labour Party during the campaign, both of which were aimed at personalities, seeming to confirm the lack of real ideological debate which took place during the campaign between the parties. In the first place the Likud asserted that Mr. Rabin would be controlled by the dovish majority in the Labour Party and the left in general. As Mr. Milo put it:

Behind Rabin is Peres, behind Peres is Beilin, behind Beilin is Sarid (Meretz), behind Sarid is Miari (PLP), and behind Miari is Arafat¹⁵.

The Likud strategy here was to charge the Labour Party of attempting a grand deception of using Mr. Rabin as a figurehead in order to mask its true dovish colours and intentions in the peace process¹⁶. Second, when it became clear that

¹⁴ Israel Yearbook 1992.

¹⁵ Mr. Milo, Likud Election Press Release June 1992.

¹⁶ Interview with Ms. Sarah Honig, Political Correspondent of the Jerusalem Post, 13th November 1994.

the first strategy was not wholly successful, the Likud turned to personal attacks on Mr. Rabin. This proved difficult as Mr. Rabin had largely been built up by the Likud in the eighties to help neutralise the threat of Mr. Peres¹⁷. The Likud attacked Mr. Rabin on two accounts, his so called nervous breakdown on the eve of the Six Day War and his failure to return home from Washington at the outbreak of the Intifada¹⁸. Such attacks, especially the first (which was somewhat more emotive) proved extremely unpopular with both the Israeli electorate and within the Likud itself, to the extent that Dr. Arens, Dr. Begin, Mr. Netanyahu and Mr. Levy refused to have anything to do with such statements. As well as the Likud Mr. Eitan and Mr. Ze'evi both former comrades of Mr. Rabin in the IDF (now leaders of the ultra-right wing parties Tsomet and Moledet) refused to use such methods.

After an initial reluctance from the Likud team, a television debate took place between Mr. Rabin and Mr. Shamir on 16th June 1992¹⁹. Mr. Rabin used the term "political settlements" three times in the debate, the loan guarantees twice as well as being the only one to mention the recently deceased Mr. Begin²⁰. Overall the debate did not play a significant role in the campaign with neither of the candidates making any major mistakes but M. Rabin again took the opportunity to reject a Palestinian state, and rule out the possibility of the Arab parties joining a future led Rabin coalition as well as the non-negotiable position of Jerusalem in future peace talks. As he concluded at the end of the debate:

¹⁷ Ibid.

¹⁸ The story of Mr. Rabin's so called breakdown is well chronicled see for example, Rabin, The Rabin Memoirs, Steimatzky, Bnei Brak, 1994.

¹⁹ The Likud were concerned that such a debate would enhance Mr. Rabin more than Mr. Shamir but after several attempts to postpone the debate the Likud eventually concluded that the damage done would be more if the Likud did not agree to such a debate than any damage the non telegenic Mr. Rabin could inflict on Mr. Shamir.

²⁰ Transcript of the Rabin - Shamir Television Debate, Israeli Television Channel One, 16th June 1992.

Labour has a more appropriate scale of national priorities. The Likud has made a mess in every area. Our first step will be to establish autonomy; we will mobilise financial resources from the Arab world and see fewer Gazans in our streets. The Syrians should be left to the end of the peace process. Eight years ago, the Likud government brought about 400% inflation, a budget deficit and a terrible situation. We established an NUG and wiped out inflation. I reject the idea of a Palestinian state between Israel and Jordan, but neither do I want 1.7 Million Palestinians to be citizens of Israel. There are three points upon which I stand firm: no to a Palestinian state, no return to 1967 borders and a united Jerusalem under Israeli sovereignty²¹.

In general, Mr. Rabin, his strategic election team and the Labour Party, conducted a highly effective campaign in which they avoided the problems which had befallen the 1988 campaign. They did not respond to the attacks the Likud made and in simple terms tried to develop the areas in which they felt they enjoyed an advantage over the Likud. The fact that the Labour Party was in opposition in 1992 prevented any serious electoral damage to the party during the campaign from security incidents. In 1992 such incidents actively harmed the Likud's chances.

²¹ Ibid.

10.3: Statistical Analysis of the 1992 Knesset Elections.

The elections were held on 23rd June 1992 and produced the following results:

Table 10.1: Number of Seats Each Party Won and Totals of the Respective Blocks in 1992.

<u>Labour Led Block</u>		<u>Likud Led Block.</u>	
Labour	44	Likud	32
Meretz	12	Tsomet	8
Rackach	3	NRP	6
ADL	2	Shas	6
		UTJ	4
		Moledet	3
<u>Total</u>	<u>61</u>	<u>Total</u>	<u>59</u>

Source; Central Bureau of Statistics, Results of the 13th Knesset Elections, Jerusalem.

Table 10.2: Voting by Geographical Districts in the 1992 Knesset Elections.

It is difficult to use the same voting districts as previously used because of the demographic changes in these areas caused by the arrival of the Soviet Aliyah and their distribution mainly into the development towns. This made for profound changes in the voting patterns in some of these districts. Therefore, the still predominantly Ashkenazi Givatayim, the mainly Sephardim Ramle and the religious area Bnei Brak have been supplemented with votes from the settlements in the Occupied Territories and in the Kibbutzim.

Alignment (ILP) percentage of Valid Votes.

Area	ILP vote 1988	ILP vote 1992	Difference
Givatayim	45	50	+5.0
Ramle	21	27	+6.0
Bnei Brak	10	11	+1.0
Settlements	15	15	0
Kibbutzim	55	54	-1.0

Likud percentage of Valid Votes.

Area	Likud vote 1988	Likud Vote 1992	Difference
Givatayim	27	19	- 8.0
Ramle	46	41	- 5.0
Bnei Brak	18	13	- 5.0
Settlements	32	28	- 4.0
Kibbutzim	2	3	+1.0

**Source: Adapted from Diskin, The Israeli General election of 1992 and
The results of the 13th Knesset Elections, Central Bureau of Statistics,
Jerusalem.**

Table 10.3: The Arab Vote in the 1992 Knesset Election for Zionist

Parties.

Percentage of Valid Arab Votes	1988	1992	Difference
Alignment (ILP)	17	21	+4
Meretz	11	10	-1
Likud	7	8	+1
NRP	3	5	+2
Shas	1	5	+4
Tsomet	0	1	+1

It should be noted that the percentages have been rounded up or down to the nearest percentage point. The Meretz vote for 1988 was calculated by adding together the total votes of Ratz, Mapam and Shinui in the Arab sector.

Table 10.4: The IDF Vote in the 1988 and 1992 Knesset Elections.

Party	% of Votes in 1988	% of Votes in 1992	Difference
<u>Labour Led Block.</u>			
Alignment (ILP)	29	31	+2
Meretz	11	15	+4
<u>Likud Led Block.</u>			
Likud	35	24	-11
Tsomet	5	16	+11
Moledet	2	4	+2
Tehiya	9	2	-7
Religious parties	7	7	0

Source; Results to the 13th Knesset Elections, Central Bureau of Statistics, Jerusalem.

Out of a possible 3,409,015 voters some 2,616,841 persons voted. The turnout, although the second lowest since 1951, was still high compared with other democracies. The new electoral threshold meant that 1.5 percent of the votes was needed by a party (in theory 39,253 votes) to win a seat in the Knesset. Two parties represented in the 12th Knesset, Tehiya and the Progressive List for Peace, failed to cross the threshold along with another 13 lists . In total only 10 out of the 25 lists crossed the threshold, down from 12 parties in the 1988 election (1 percent threshold)²². Of the 2,616,841 votes some 130,989 were lost because the respective list failed to cross the threshold. Crucial to the outcome of the election was that out of this figure four failed Labour-led-block lists received 37,447 and five pro-Likud-block lists wasted a total of 68,935 votes (the other 24,607 votes were wasted on lists which were not identified with either block)²³. The number of votes lost by pro-Likud block lists was twice that of the pro-Labour lists and it was this fact that as Table 10.1 reveals gave the Labour-led-block its one seat victory over the Likud-led-block.

The Labour Party scored a double victory in the election. First, it increased its number of seats from 39 in 1988 to 44 in 1992. Second, its respective block increased its number from 55 in 1988 to 61 in 1992 (See Table 10.1) . Consequently, the Labour block had secured a narrow blocking majority against the Likud and thus was in the dominant position in the post-election coalition bargaining. The 44 seats won by the Labour Party marked the return to its position in 1984 but it still held three seats less than in 1981. In both instances the party had failed to form a government from its block because the Likud-led-block was

²² Voting Numbers from Central Elections Committee, The Knesset Library, Jerusalem.

²³ Smootha and Peretz, "Israel's 1992 Knesset Elections: Are they Crucial ?", Middle East Journal, 47, 3, Summer 1993, p456.

stronger²⁴. Therefore what was importantly different in 1992 was not so much the performance of the Labour Party, but rather that its respective block had (for the first time since it lost power in 1977) provided the party with a blocking majority to prevent the Likud from forming a government.

Conversely, the major loser was the Likud which experienced a double defeat at party and block level with its number of seats declining from 40 in 1988 to 32 in 1992. Table 10.2 illustrates the scale of the Likud defeat with the party losing ground in all sectors of the electorate with the interesting exception of the Kibbutzim and the Arab sector (Table 10.3). The Likud losses in Ramle, with its predominantly Sephardim population were mirrored in other Sephardim areas with the voters either moving to the right (Tsomet) or continuing the trend towards Shas or switching blocks and voting for the Labour Party. Many of the disillusioned Likud voters simply did not bother to vote at all, contributing to the low turnout figure. The Likud's performance in the IDF vote was particularly bad (See Table 10.4) with its support dropping 11 percent from 1988 to 24 percent in 1992. Among the Soviet immigrants, who now accounted for around 9 percent of the total electorate, the Likud won only 18 percent of the vote compared to 47 percent for the Labour Party thus making a considerable contribution to Likud's double defeat²⁵.

The other major loser from the Likud block was Tehiya, which failed to pass the electoral threshold and gain a single seat in the Knesset. The major reason for this decline was not a rejection of their hawkish ideology but rather a failure to present a united coherent front prior to and during the campaign to its traditional constituencies in the settlements and the IDF, who switched their votes mainly to

²⁴ In 1981 the Likud led block won 66 seats compared to 54 for the Labour led block. In 1984 the Likud led block won 61 seats to 59 for the Labour led block.

²⁵ The figures are based on an exit poll conducted by the Israeli Broadcasting Authority on 23rd June 1992.

another ultra-right wing party Tsomet²⁶. The presence of two ultra-hawkish lists headed by Rabbis Levinger and Mizrahi further added to the fragmentation of the Likud-led-block and specifically to the failure of Tehiya to cross the threshold²⁷. Tehiya's loss was vital to the Labour Party as without it there would have been 60 - 60 parity between the two blocks, allowing the Likud a blocking majority against a narrow based Labour government. The consequence of such a result would have been to make another NUG a more likely prospect or at the very least it would have made the coalition bargaining process much more difficult for Mr. Rabin, allowing the smaller parties more influence and leverage in the negotiations²⁸.

The other major winners in the election were the two mainly secular parties, Tsomet and Meretz, which originate from opposite ends of the political spectrum but share a common thread in their opposition to religious coercion. Tsomet saw its number of seats rise from 2 to 8, the single biggest increase of all the parties and Meretz increased from 10 in 1988 to 12 in 1992. The increase in support for these parties can be viewed as a reflection of the rejection by parts of Israeli society of the power and influence that the religious parties had enjoyed, well beyond their numerical strength, in the 1980's which had culminated in their role in the "Dirty Exercise". Support for both these parties was strong among first time voters and within the IDF vote where their reputations of being "politically clean" were a dominant factor in their popularity (See Table 10.4). Tsomet's vote also increased in the settlements from 3 to 10 percent as well as picking up the disillusioned Likud voters in mainly the lower income urban areas. Meretz drew support from the

²⁶ Capitanichik, "The Stalemate is Broken: The 1992 Israeli General Election", Institute of Jewish Affairs Research Report, London, 1992, p10.

²⁷ The combined total votes of these two ultra hawkish parties was nearly 17,000 votes, clearly enough to have ensured a seat for Tehiya and the Likud led block.

²⁸ The likelihood of another NUG if the block result was 60:60 was confirmed to the author by many of the leaders of the Labour Party and the Likud.

traditional bases of its three component parties, in middle class urban areas, the Kibbutz Artzi movement as well as the increase in its share of the first time voters.

The religious parties lost 2 seats from their 1988 position and voting patterns took place along ethnic lines with Shas now seen as the party of the Sephardim. It retained 6 seats despite its detachment from its spiritual mentor Rabbi Shach. The NRP (Mafdal) now had become more hawkish, notably regarding the settlement movement, and consequently drew support from the settlements as well as its traditional religious base within the Green Line. The United Torah Jewry list, formed to compete with Shas by Rabbi Shach, won 4 seats despite the controversy surrounding Rabbi Shach's anti-Sephardim comments during the campaign²⁹

²⁹ For an account of these developments in Shas and the ultra orthodox see Willis, "Shas - The Sephardic Torah Guardians: Religious Movement and Political Power", in Arian and Shamir (ed), The Elections in Israel 1992, State University of New York, 1994.

10.3.1: Analysis of the Labour Performance in the Election.

In assessing the performance of the Labour Party it is necessary to first illustrate that this election, unlike the 1977 election, was not an "earthquake" but more probably marked a maturation in Israeli democracy and a natural development of a competitive party system. In short, the Labour Party, which prior to 1977 had been a dominant party, in 1992 came to power for the first time within the post 1977 competitive party system. This maturing of the Israeli party system meant that the Labour party had come full circle from being a dominant party in power (pre-1977), to a dominant party without power (1977-1981), then a non-dominant party without power, or at best only a share of power(1984-90), and finally after its election victory in 1992 a non-dominant party in power.

Some critics such as Hadar argued that this election did represent such an "earthquake" and that the Labour Party, in a new alliance of its traditional constituency of Ashkenazi liberal Jews and the secular Soviet immigrants, would come to be the dominant force in Israeli politics once more³⁰. Such arguments put forward by Hadar, although somewhat seductive with their neat division of Israel into three republics, the pre-1977 Labour dominated years, followed by the Likud - religious nationalist "Greater Israel" years (1977-92) and now the new more westernised-secular view of Zionism, are problematic. They ignore three difficult realities for the Labour Party, which when combined confirm that the Likud and its block lost the election rather than any profound constituency realignment behind the Labour Party.

First, the Labour Party scored only a technical victory, caused by the fragmentation of the Likud-led-block and the unity of the corresponding Labour-led-

³⁰ Hadar, "The 1992 Electoral Earthquake and the Fall of The Second Israeli Republic", Middle East Journal, 46-4 1992.

block³¹. The narrowness of victory for the Labour block is confirmed not only by the fact that it won by only one seat (61 to 59), but that when all the votes are added together the Likud block actually won more votes. Taking first the Jewish vote only, the Likud-led-block won 1,290,226 votes against the total for the Labour block of 1,157,447 votes³². Even when the Arab vote is added to the Labour-led-block, the total vote (1,284,962) is still less than the Likud-led-block. Thus it was the failure of the Likud-led-block to unite in the wake of changes to the electoral threshold which gave the Labour Party its actual victory.

Second, as Mr. Rabin confirmed during the campaign debate with Mr. Shamir the Arab parties would not be permitted to join a Labour-led coalition and therefore they could only play a blocking role preventing a Likud-led administration. This meant that in active coalition bargaining the Labour block had only 56 seats, five seats short of a majority, while the Likud block had 59 seats. Although, there was no chance of Meretz crossing to the Likud block this simple arithmetic meant that the Labour Party would always have to rely on attracting a party out of the Likud block to have a 61 seat winning coalition³³. The difficulties of such a move, and the

³¹ In interviews with the leaders of the Likud they all stress this fragmentation of the Likud led block vote as the principle reason for the electoral defeat along with the problem with Mr. Levy. Mr. Netanyahu stated that the voters rejected the Likud but not the Likud's position on the issues. Mr. Shamir argued that the Likud block received relatively the same number of votes as before, therefore it was a simple matter of arithmetic, and cited the arrogance of some members of the Likud who were convinced that they would win the election and concentrated on strengthening their intra party positions. He is particularly critical of Mr. Levy who he feels damaged him (Mr. Shamir) and the Likud prior to the election. Other Likud leaders such as Mr. Meridor and Dr. Begin offer more complex explanations centred around the corruption issue.

Interviews with the Above.

³² The Likud led block vote was calculated adding the votes of the Likud, Tsomet, Tehiya, Moledet, New Liberal, Geulat Israel, Torah and Land, Shas, NRP and United Torah Jewry.

The Labour led block equals the total vote of the Labour Party and Meretz.

³³ During the campaign Meretz had given a clear statement of intent to join a Labour led coalition and would under no circumstances join an administration which included the Likud.

maintenance of support for a Labour-led coalition from this third party, have been illustrated by the problems which Mr. Rabin has experienced with Shas in the coalition and its eventual resignation from the government (1994).

Third, the Labour Party won a plurality of the Soviet immigrant vote but this was a vote against the Likud for the failure of the government to successfully absorb them in to Israel. The probable short term nature of this support can be illustrated by two factors. First, that opinion polls indicated that in the period prior to the 1992 election a majority of Soviet immigrants supported either the Likud or a hypothetical Soviet ethnic list, and ideologically had hawkish tendencies regarding the Arabs and the future of the territories³⁴. Second, the vote was very much a protest vote against the way that the Likud had handled their absorption and not predominantly a vote in favour of the Labour. The Labour Party benefited by being in opposition and free from the complexity of direct involvement in their absorption, and were thus able to charge the Likud with putting investment in Greater Israel before the welfare of the new immigrants. However, in the long term, with the Labour Party returned to government and now perceived by this group as the party responsible for their probable continuing hardships , then it is difficult to see in future elections the Soviet immigrants supporting the Labour Party in such numbers³⁵.

Casting aside the numerical narrowness of its victory, the Labour Party under Mr. Rabin performed much better than previously among its key target groups. It benefited to a degree from the growing alienation of the Sephardim from the Likud

³⁴ See, Arian and Shamir (ed), The Elections in Israel 1992, for details of the polls and also Reich, Dropkin and Wurmser, "Soviet Jewish Immigration and the 1992 Israeli Knesset Elections", Middle East Journal, 47-3 1993, p467.

³⁵ The role of the Soviet vote in Labour's victory is universally accepted by the leadership. Most also accept that this vote is at best unstable as Dr. Beilin confirmed "they voted for us because we were in opposition not because they love us which is very dangerous for us in the future". Interview with Dr. Beilin, The Foreign Ministry, Jerusalem, 26th August 1994.

due to the Likud's failure over a period of time to economically deliver to this group and compounded by intra-party ethnic tensions involving Mr. Levy prior to and during the campaign³⁶.

Table 10.5 provides an analysis of which issues did or did not affect selected groups voting choices and in particular Likud voters (1988) who transferred their votes to Labour and to the right (1992). This reveals that the fact that Mr. Rabin was head of the list influenced the decision of 80 percent of the first voter group. Voters who moved to the right were more influenced by security-related matters such as the Intifada and less so by relations with the United States³⁷.

Table 10.5 Influence on the Vote For Selected Groups 1992 (in %).

Issue-	Total	Likud 1988	Likud 1988
related Influence	Population	Labour 1992	Right 1992
	1192	44	40
Intifada	86	96	94
Corruption	74	91	61
Likud	72	84	72
Settlement Policy			
Relations	62	63	39
with USA			
Shamir head	48	48	48
of Likud			
Rabin head	47	80	23
of Labour			

³⁶ For details of the move of the Sephardim away from Likud to the Labour Party or to other parties of the right see, Arian and Shamir, "Two Reversals in Israeli Politics: Why 1992 Was Not 1977", *Electoral Studies*, 12-4, 1993, p 326-329.

³⁷ Source for Table 10.5, Arian and Shamir, op. cit. , p41.

Table 10.6 helps confirm the success of Mr. Rabin's strategy of a reordering of national priorities away from the settlements to within the Green Line in attracting voters away from the Likud.

Table 10.6: Differences between Spend More and Spend Less For Voters

Who Moved From Likud to Labour in 1992.

Total Number = 1,192		44	227
Issue	Likud 88	Labour 92	Likud 88 Likud 92
New Jobs	96		88
Education	82		75
Health	84		76
Security	73		70
Immigrant absorption	34		21
Unemployment	36		41
Settlements	-59		16
Religious Institutions	-84		-44

Question; For each of the following, Should the state spend more or less of about the same as now?. The numbers listed above were calculated by subtracting the percent saying spend more from the percent saying spend less.

Source: Election Studies; Arian and Shamir, 1992, conducted by Dahaf Research Institute.

The key constituency for the Labour Party, Likud voters in 1988 who transferred to Labour in 1992, wanted to see more spending within the Green Line

in areas such as providing more jobs or improving the education and welfare systems at the expense of investment in the settlements. The Likud voters in 1988 who stayed with the Likud in 1992 also wanted increased spending on these areas but importantly the majority of them did not want such an increase in spending at the expense of investment in the settlements.

Overall, despite the close nature of the result at block level, the Labour Party did make some inroads into Likud strongholds notably in the development towns. However, there was a clear refusal by many disillusioned Likud voters to cross over to the Labour Party and this group either moved to another right wing party or did not bother to vote at all. Mr. Rabin's strategists were well aware of the reluctance of many of these voters to support the Labour Party, even under Mr. Rabin, so had planned and executed a relatively successful campaign at block level and not simply at inter-party level. Consequently, although the Labour Party scored a narrow double victory its longer term prospects remained uncertain as key constituencies voted for it in order to punish the Likud rather than out of strong preference for the Labour Party.

10.4: Internal Labour Party Response to the Election.

Even in the immediate aftermath of its election victory there were renewed signs of intra-party tensions between Mr. Rabin and Mr. Peres which were visible at the Labour Party post election party. Rumours of a coup by Mr. Peres and his supporters were quickly cut short by Mr. Rabin's victory speech in which he stressed that he alone would be responsible for conducting all coalition negotiations and appointing the Labour Party members of the cabinet³⁸. His speech contained two other important aspects: Mr. Rabin made a great deal of use of the first person

³⁸ Mr. Rabin, Address to Post Election party, Dan Hotel, Tel Aviv 23rd June 1994, Labour Party Headquarters, Ha'arkon Street, Tel Aviv.

pronoun, a clear indication that he felt he had won a direct election for the post of Prime Minister, and he attempted to avoid mentioning Mr. Peres by name³⁹. Such tensions receded when it became clear that Mr. Peres would serve as a relatively loyal number two to Mr. Rabin in the new cabinet thus avoiding the return to the problems of Mr. Rabin's first Cabinet (1974-77)⁴⁰. Mr. Peres in his memoirs stresses the point that his loyalty was first and foremost to the peace process and thus he accepted the post of Foreign Minister⁴¹.

The coalition bargaining process, although in theory the most straight forward in recent elections, had important ramifications for the longer term future of Mr. Rabin, the Labour Party and the peace process. With a blocking majority of 61 seats Mr. Rabin did not have the option of resorting to an NUG with the Likud which would have suited his intra-party position, in limiting the portfolios and influence of Mr. Peres and his supporters. Mr. Rabin's strategy was to quickly get Meretz to sign an agreement at a relatively low price, Meretz had stated during the campaign that their aim was to join a Labour-led government, and thus with this basic coalition in position, reduce the "pay-off" to a third party joining later. The need of this third party was caused by the reluctance of Mr. Rabin to allow the Arab parties to act as anything more than a blocking majority and therefore he had to attract one or more of the parties away from the Likud block. As in 1990 the key party was the ultra

³⁹ The Israeli daily newspaper Ha'aretz in its end of the year summary of the 100 most embarrassing moments of the previous year voted Mr. Rabin's non mentioning of Mr. Peres as the number one most embarrassing moment. Mr. Rabin has used this method many times on Mr. Peres not least at the signing of the Israel-Jordan peace agreement in 1994.

⁴⁰ One of the major reasons for the renewed tension between Mr. Rabin and Mr. Peres was the feeling of the latter that he had been under used during the election campaign. Mr. Peres appeared only once during the television campaign to talk about his vision for the new Middle East, in which he was flanked by two close associates of Mr. Rabin. As previously outlined this hiding of parts of the Labour Party was a key strategy of Mr. Rabin's team in their quest to win votes from the Likud.

⁴¹ Peres, Battling for Peace, Memoirs, Weidenfeld and Nicolson, London, 1994, p314.

orthodox Sephardim party, Shas, which during the campaign had promised to support a Likud-led government. However, the narrow Labour-led-block victory had meant that the Likud was not in a position to form a coalition so Shas joined a Labour-led government arguing that it was impossible to marry a dead body (the Likud)⁴². Therefore when the Knesset convened on 13th July 1993, Mr Rabin was able to present his new government comprising of 13 Ministers from the Labour Party, 3 from Meretz and 1 from Shas, and win a clear vote of confidence in his government(67 - 53).

In providing an understanding of the inter-party developments in the Labour Party at the time and subsequently, it is vital to understand why firstly, other religious parties did not join the coalition and secondly, why Tsomet, despite much speculation, was kept out of the coalition. Mr. Ramon who conducted the negotiations on Mr. Rabin's behalf maximised the "pay-off" to Shas at the expense of bringing in other religious parties to the coalition⁴³. This was in part caused by Mr. Rabin's rush to present his government but also by the desire of Mr. Ramon, who was friendly with the parliamentary leader of Shas, Rabbi Deri, to develop his own intra-party position for the battle to succeed Mr. Rabin. The evidence of such moves was not apparent until the Histadrut campaign in 1994 when Mr. Ramon, running independently of the Labour Party and in alliance with Shas and Meretz, took control away from the Labour Party for the first time in the Histadrut's history. As discussed in Chapter 8, Shas are vital to the future prospects of the Labour Party in that they can help deliver the Sephardim and religious votes to the party. Therefore

⁴² As in 1990 Shas, and in particular its parliamentary leader Rabbi Deri had to be careful not to alienate their constituency and therefore the Labour led block's narrow majority was vital to their being able to join the coalition. Had there been any possibility of the Likud forming a government then Shas would have had to honour their election promise to support a Likud led government.

⁴³ Interview with Mr. Eli Dayan, Labour Party Coalition Chairman 1992-94, The Knesset, Jerusalem, 8th November 1994.

the individual who can deliver Shas to the Labour Party sees his intra-party standing substantially increase, this link becoming even more profound with the advent of direct elections for Prime Minister in 1996, where Shas can deliver key votes to one of the candidates. Mr. Rabin himself kept two portfolios, the Ministry of Religious affairs (traditionally held by the NRP) and Social Affairs and Welfare in order to try to persuade one of the religious parties to join the coalition at a later date.

The possibility of Tsomet joining the coalition was opposed by both Meretz and many doves in the Labour Party who viewed their hawkish position as an obstacle to moving the peace process forward. Mr. Eitan, the leader of Tsomet, asked for and was refused the Education portfolio and it was on this issue that the negotiations broke down⁴⁴. Tsomet's failure to join the government was an indicator of the growing power of the Meretz and the doves within the Labour Party and still relative intra-party weakness of Mr. Rabin who favoured bringing in Tsomet to the government. Mr. Rabin made subsequent attempts to court Tsomet in 1993 and 1994 but both times the Labour Party vetoed such moves. These attempts became more difficult with time because with Tsomet in opposition its positions became more radical as it courted its predominantly hawkish constituency, and as the peace process moved forward so the gap between the two parties broadened. Eventually in 1994 a break away faction of Tsomet Yi'ud did join the Labour coalition and this faction eventually merged with the Labour Party.

In selection of Labour Party members of the cabinet Mr. Rabin included the hawkish Mr. Shitreet, Mr. Tsur (despite the fact that he was no longer a member of

⁴⁴ In meetings of Tsomet held at the time it was clear that Mr. Eitan fully expected Tsomet to join the coalition and that it would have done so at almost any price. However, Mr. Eitan felt personally insulted by the refusal to appoint him Minister of Education (this originated mainly from Meretz who claimed that as the third largest party they should be awarded this important portfolio), and consequently he became disillusioned with the coalition process. Interview with Mr. Martin Sherman, Secretary General of Tsomet 1992, Tel Aviv, 1st December 1994.

the Knesset) and Mr. Ben Eliezer as well as the defeated minor candidates from the leadership election, Mrs. Namir and Mr. Kessar. The decision to keep the Defence portfolio for himself illustrated both Mr. Rabin's preference for the Ministry and his desire to be in sole charge of security policy. Mr. Rabin reluctantly appointed Mr. Peres Foreign Minister, which said more about the continuing intra-party influence of Mr. Peres than Mr. Rabin's personal preference. Overall the Labour Party list of Ministers reflected a balance between hawks and doves, but added to this were the three Meretz Ministers, Mrs Aloni, Mr. Rubinstein and Mr. Tsaban which gave the Cabinet as a whole a more dovish composition. Of those not selected Mr. Burg (the only figure from the top nine of the list not to be awarded a portfolio) was considered too inexperienced and close to Mr. Peres. Mr. Gur a former contender for the leadership was made Deputy Minister of Defence, a rank as important as many Ministry portfolios.

The period immediately following the election therefore witnessed two inter-related developments. First, Mr. Rabin used the election victory to attempt to develop an intra-party advantage by way of conducting the coalition process and the appointment of Labour Party Ministers himself. However, this relative advantage was counter balanced by the presence of Meretz in the coalition which increased the large minority of doves in the Labour Party to an overall majority in the coalition. Even at intra-party level Mr. Rabin did not enjoy supremacy which was confirmed by the election of Mr. Zvilli, a close associate of Mr. Peres to the position of Secretary General of the party (October 1992) over Mr. Rabin's preferred candidate. It soon became apparent that in the Knesset, in elections for the Chairs of the Knesset Committees, supporters of Mr. Peres would defeat Mr. Rabin's candidates in a straight one-to-one contest.

This suggests that, despite Mr. Rabin's electoral success, Mr. Peres still enjoyed control over the majority of the party machine illustrating the deep rooted

nature of the influence of Mr. Peres on the institutions which he himself had largely reconstructed between 1977-92. The importance of controlling the "party machine" can be traced back to the time of the period of dominance that the Labour Party enjoyed prior to 1977. As described in Chapter Two the control over appointments to Knesset lists and party positions were used by the leadership as an effective tool of protecting their respective intra-party positions. As Mr. Peres failed to win elections so he moved to strengthen his control over the post 1977 "party machine" in order to protect his position from actual and potential leadership challenges. Thus the greater the number of election failures Mr. Peres experienced (1977, 81, 84 and 88) so the more he moved to strengthen his control of the party⁴⁵. The degree of his control was so strong that it survived even after Mr. Peres had narrowly been disposed as leader making life difficult for Mr. Rabin.

The period also saw the start of the succession battle to Mr. Rabin with the moves of Mr. Ramon in the coalition bargaining process to enhance his position via Shas. With Mr. Rabin's electoral victory it was assumed that his successor would come from the younger generation who were in their late forties, including Mr. Chaim Ramon, Dr. Yossi Beilin and from outside the Labour Party Chief of Staff Ehud Barak or from Meretz Mr. Yossi Sarid. The succession battle came to be one of the most important issues in Israeli politics especially with the proposed advent of direct elections in 1996 for Prime Minister⁴⁶.

Finally, although the elections did not represent an earthquake as the 1977 had proved to be, in terms of the consequences for the peace process they proved

⁴⁵ Mr. Peres in general increased his control of the party with the appointment or election of his supporters into the various party organs. Since 1977 there has been an in-built majority of Mr. Peres supporters in these organs which made it relatively easy to vote on additional like minded party activists.

⁴⁶ In July 1995 Mr. Barak (retired Chief of Staff December 1994) and Dr. Yossi Beilin both became members of the Cabinet. Mr. Barak was appointed as Interior Minister and Dr. Beilin as Minister of Economics and Planning.

to be critical. The Oslo agreement (1993) could not have come about if there had been an NUG of a narrow based Likud led government. In attempting to understand the events surrounding and following the Oslo agreement it is important to remember the significance of the closeness of the block victory for the Labour Party and the fact that the majority of the electorate did not reject Likud's Zionist ideology of Greater Israel. Such limitations have been compounded for Mr. Rabin by the problems of maintaining Shas in the coalition and their eventual resignation in 1994 leaving Mr. Rabin as head of a narrow based minority government. In short, without the fragmentation of the Likud led block it is difficult to see that the developments in the peace process from 1992 onwards would have taken place.

Conclusion.

The 1992 election while resulting in the formation of the first Labour-led government within a competitive party system still illustrated that the party has some problems with key constituency groups in the electorate. This represents a normal situation for a non-dominant party (without access to all strata of society) operating within a competitive party system. For example, in England the Conservatives do not perform well in Scotland nor likewise the Labour Party in Southern England. However, worryingly for the party the constituencies that the Israeli Labour Party continued to perform badly in are the very constituencies which are becoming demographically more important in the dynamic developing Israeli society. Hence there was little evidence in the results of the 1992 to indicate a major electoral realignment that could be viewed as the start of a return to the Labour Party's pre-1977 position of dominance. In addition to the above evidence such as the closeness of the result, the concentration on Mr. Rabin during the campaign and the importance to Labour of the fragmentation of the Likud-led-block, indicated that the

party's status simply changed from a non-dominant party without power to one with power.

To some degree the confirmation of the Labour Party's status and the maturity of the competitive party system will come in the 1996 Knesset elections where, based on the arguments listed in this Chapter, there is a distinct possibility of the Likud returning to power. The advent of direct elections for Prime Minister which will separate the elections for the Knesset and the Prime Minister will make it impossible for a party to place so much emphasis on the personality of its leader as the Labour Party did in 1992. Consequently, the results of the 1996 elections may lead to a situation of 'cohabitation' with for example, a Labour Prime Minister in charge of a Likud-led-government or vice-versa. This will in turn further complicate the definition of when a political party in Israel is said to have power or not have it.

CONCLUSION.

The decline of the Labour Party and its eventual loss of dominant party status was described as being due in part to the decline in its ideological fervour and a reduction in the material or economic dependence ties between the population and the party (see 2.1). In developing this theme it became clear in the post-1977 era, with the shift from a dominant party system to a competitive party system, that the reasons for this decline not only applied to the Labour Party but to the other major political parties in Israel.

The original pioneering ideological fervour has declined in Israel since the 1950's and has been largely replaced by the divisive debate over the future status of the territories. This debate has led to internal divisions in both of the major parties and forced them to adopt a series of pragmatic positions on this central issue in an attempt to maintain party unity. These pragmatic compromises have tended to further blur the differences between the Likud and the Labour Party as they compete in a maturing competitive party system for the floating voters of the centre ground. Consequently, election campaigns have been characterised by an almost total absence of ideological discussion⁴⁷.

The reduction of the material or economic dependency ties of the population on the Labour Party was caused by two factors: the natural development of society (including the building of a strong private sector) as the immigrants developed their own constituency interest groups, and the Labour Party's failure to deliver the goods to key sectors of the population. The continuation of the decline in these ties in the post-1977 era was illustrated by the shift away from the Likud in the 1992 election which was primarily caused by its failure to deliver economically to its key

⁴⁷ Even the during the 1981 campaign when there were major divisions between the Likud and the Labour Party Mr. Begin did not attempt to stress these ideological differences but rather concentrated on what he termed as the ethnic discrimination against the Sephardim.

constituency of predominantly low income Sephardim as well as the newly arriving Soviet Aliyah.

As the role and usefulness of political parties has declined, so personality politics have become more important. This has been apparent since the demise of leadership of the Second and Third Aliyah and was of primary importance in determining the effectiveness of the various NUG's in the 1980's. It's significance was further illustrated with the presidential style of the 1992 election campaign and the Labour Party's use of the name 'Labour under Rabin' on ballot papers. Consequently, Israel's competitive party system has been characterised by a deep-rooted concentration on the personal popularity of national party leaders. The significance of this was confirmed by the decision of the Labour Party to replace Mr. Peres with Mr. Rabin for the 1992 election on the sole basis of the latter's higher national popularity rating (see 9.3.2).

The 1992 election saw the Labour Party return to power for the first time as a non-dominant party operating in a competitive party (block) system, but its election victory did little to reverse the longer term decline of the role of the party. Since the 1992 election the Labour Party's position has been further weakened by the following factors: the realisation of the effects of primaries on the party, its loss of control of the Histadrut, Mr. Rabin's continued indifference towards the party he leads and the decision to hold direct elections for Prime Minister in 1996. The long term effects of these factors on the party all merit separate future studies in their own right as they will play a significant part in defining the future position of the Labour Party in the competitive party system.

The use of primaries has altered but not revolutionised the Labour Party. It has weakened the ability of the leadership to manage the party, with candidates now using the media and in particular television as their prime sponsor and not the traditional patron-client channels. This has led to a radicalisation of the Knesset

faction as Labour MK's attempt to attract media attention by taking stands against the Labour-led government. However, this has yet to transferred into Labour members voting against the government⁴⁸. Party organs such as the Central Committee now play a reduced role with the Labour MK's and prospective candidates for party positions appealing over the heads of the Committee to the national media, where they have direct access a larger percentage of the 150,000 voting members of the party.

The Labour Party in its various forms had controlled the Histadrut since 1920 but in the 1994 Histadrut elections the party was defeated by a coalition of a new party RAM (led by Mr. Chaim Ramon, a former Labour Cabinet Minister), Meretz and Shas. A future study of the importance of this defeat to the Labour Party could choose to interpret it in two ways: the ending of the party's association with an outdated, inefficient bankrupt institution; or the loss of the flag ship of the labour movement. Such a study would need to examine both the financial implications to the Labour Party of such a loss as well as the organisational role of the Histadrut in national politics⁴⁹.

Mr. Rabin's presidential style of rule bares a remarkable similarity to his first premiership between 1974 and 1977 where he largely chose to ignore the party (see 1.4). Some 20 years later Mr. Rabin remains extremely suspicious of the party which is still largely controlled by Mr. Peres and relies on a small brand of personal advisors to direct policy. Mr. Rabin's relationship with the parliamentary Labour Party has at times deteriorated to the point of his exchanging public insults with

⁴⁸ An exception to this has been the Golan Heights Bill where two Labour MK's Mr. Khalani and Mr. Zissman voted against the government.

⁴⁹ The short-term consequence of the loss of control of the Histadrut was that it led to a financial crisis in the Labour Party which for years had been dependent on money from the Histadrut (political levy's) to finance party activities. As a result of this crisis the Party Headquarters in Tel Aviv had to be closed for two months during the summer of 1994 to save money and the party magazine 'Spectrum' ceased to exist.

Labour MK's. A comparison between the first and second periods of office of Mr. Rabin would produce interesting results, confirming how little Mr. Rabin's style of government has changed.

Finally the introduction of direct elections for Prime Minister will lead to changes in the Israeli competitive party system. It is clear that it will lead to a greater Americanisation of the party system marking a further reduction in the role of both the major parties and an increase in the concentration on personality politics. The 1996 Prime Minister and Knesset elections promise to be among the most important political developments in Israel's history due to the significance of the outcome for the peace process, and therefore the future of not only Israel but of the Middle East region.

Appendix 1: Knesset Elections Results 1949-1992.

1st Knesset Elected on 25th January 1949.

Party	Seats After Election	Seats at End of Term
Mapai	46	46
Mapam	19	20
United Religious Front	16	16
Herut	14	12
General Zionists	7	7
Progressive Party	5	5
Sephardi List	4	4
Maki	4	3
Nazareth	2	2
Democratic Fighters List	1	1
WIZO	1	1
Yemenite Association	1	1
Jabotinsky and Kook	0	2

Total Seats 120

2nd Knesset Elected on 30th July 1951

Party	Seats After Election	Seats at End of Term
Mapai	45	47
General Zionists	20	23
Mapam	15	11
Ha'poel Hamizrahi	8	8
Herut	8	8
Maki	5	8
Progressive Party	4	4
Democratic Arab	3	3
Agudat Israel	3	3
Sephardi List	2	0
Po'alei Agudat Hamizrahi	2	2
Progress and Labour	1	1
Yemenite Association	1	0
Farm and Develop.	1	1

Total Seats 120

3rd Knesset Elected on 26th July 1955

Party	Seats After Election	Seats at End of Term
Mapai	40	40
Herut	15	15
General Zionists	13	13
NRP	11	11
Ahdut-Po'alei Zion	10	10
Mapam	9	9
Torah Front	6	6
Maki	6	6
Progressive Party	5	5
Democratic Arab	2	2
Progress and Labour	2	2
Farm and Develop.	1	1

Total Seats 120**4th Knesset Elected on 3rd November 1959**

Party	Seats After Election	Seats at End of Term
Mapai	47	47
Herut	17	17
NRP	12	12
Mapam	9	9
General Zionists	8	0
Ahdut-Po'alei Zion	7	7
Religious Torah	6	0
Progressive Party	6	0
Maki	3	3
Progress and Develop	2	2
Co-op and Fraternity	2	2
Farm and Develop.	1	1
Agudat Israel	0	3
Po'alei Israel	0	3
Liberal Party	0	14

Total 120 Seats

5th Knesset elected on 15th August 1961.

Party	Seats After Election	Seats at End of Term
Mapai	42	35
Herut	17	17
Liberal Party	17	17
NRP	12	12
Mapam	9	9
Ahdut-Po'alei Zion	8	8
Maki	5	5
Agudat Israel	4	4
Po'alei Agudat	2	2
Co-op and Fraternity	2	2
Progress and Develop.	2	2
Rafi	0	6
Min Hayesod	0	1

Total 120 Seats**6th Knesset Elected on 2nd November 1965.**

Party	Seats After Election	Seats at End of Term
Alignment	45	63
Gahal	26	22
NRP	11	11
Rafi	10	1
Mapam	8	0
Independent Liberals	5	4
Agudat Israel	4	4
Rakah	3	3
Po'alei Agudat	2	2
Progress and Develop.	2	1
Co-op and Fraternity	2	1
Ha'alom- ko'	1	1
Hadash		
Maki	1	1
Hamerkaz	0	4
Hahofshi		
Arab- Jewish	0	1
Fratern.		
Israeli Druze	0	1

Total 120 Seats

7th Knesset Elected on 28th October 1969.

Party	Seats After Election	Seats at End of Term
Alignment	56	57
Gahal	26	26
NRP	12	11
Agudat Israel	4	4
Independent Liberals	4	4
State List	4	3
Rakah	3	3
Progress and Develop.	2	2
Po'alei-Agudat	2	2
Co-op and Fraternity	2	2
Ha'alom-Ko'Hadash	2	0
Hamerkaz	2	2
Hahofshi		
Maki	1	1
Independents	0	2
Meri	0	1

Total 120 Seats**8th Knesset Elected on 31st December 1973.**

Party	Seats After Election	Seats at End of Term
Alignment	51	49
Likud	39	39
NRP	10	10
Religious Torah	5	0
Independent Liberals	4	3
Rakah (Hadash)	4	4
Ratz	3	2
Progress and Develop.	2	0
Moked	1	1
Bedouin and Arab Vil.	1	0
United Arab	0	3
Social Democratic	0	2
Independents	0	2
Agudat Israel	0	3
Po'alei Agudat	0	2

Total 120 Seats

9th Knesset Elected on 17th May 1977.

Party	Seats after Election	Seats at End Of Term
Likud	43	40
Alignment	32	33
DMC (DASH)	15	0
NRP	12	12
Hadash	5	5
Agudat Israel	4	4
Shlomzion	2	0
Sheli	2	1
Flatto-Sharon	1	1
United Arab	1	1
Po'alei Agudat	1	1
Ratz	1	1
Independent	1	1
Liberals		
Shinui	0	5
Telem	0	4
Tehiya	0	2
Ha'ilud	0	2
Ahva	0	1
One Israel	0	1
Independent	0	4
Members		
Ya'ad	0	1

Total 120 Seats**10th Knesset Elected on 30th June 1981.**

Party	Seats After Election	Seats at End of Term
Likud	48	46
Alignment	47	49
NRP	6	5
Agudat Israel	4	4
Hadash	4	4
Tehiya	3	3
Tami	3	3
Telem	2	0
Shinui	2	2
Ratz	1	1
Matzad	0	1
State List	0	1
Movement for Renew.	0	1

Total Seats 120

11th Knesset Elected on 23rd July 1984.

Party	Seats After Election	Seats at End of Term
Alignment	44	40
Likud	41	43
Tehiya-Tsomet	5	4
NRP	4	4
Hadash	4	5
Shas	4	3
Shinui	3	2
Ratz	3	5
Yahad	3	0
Progressive for Peace	2	2
Agudat Israel	2	2
Morasha	2	2
Tami	1	0
Kach	1	1
Ometz	1	0
Independent	0	1
Tsomet	0	1
Mapam	0	6

Total Seats 120

12th Knesset Elected on 1st November 1988

Party	Seats After Election	Seats at End of Term
Likud	40	37
Alignment	38	39
Shas	6	5
Agudat Israel	5	4
Ratz	5	
Mapam	3	Meretz 10
Shinui	2	
NRP	5	5
Hadash	4	3
Tehiya	3	3
Tsomet	2	2
Moledet	2	2
Degel Hatorah	2	2
Progressive for Peace	1	1
Arab Democratic	1	1
Advance Zionist Idea	0	3
Yitzhak Peretz	0	1
Black Panthers	0	1
Geulat Israel	0	1
Efraim Gur	0	1

Total Seat 120**13th Knesset elected on 23rd June 1992.**

Party	Seats After Election	Seats at End of Term
Labour	44	
Likud	32	
Meretz	12	
Tsomet	8	
NRP	6	
Shas	6	
United Torah Jewry	4	
Moledet	3	
Hadash	3	
Arab Democratic	2	

Total Seats 120

Appendix 2: Governments of the State of Israel 1948-1992.

First Knesset.

1. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, United Religious Front, Progressives, Sephardim, Minority Lists.

7th March 1949 to 30th October 1950.

2. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, United Religious Front, Progressives, Sephardim, Minority Lists.

30th October 1950 to 8th October 1951.

Second Knesset.

3. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, Hamizrahi, Hapo'el Hamizrahi, Agudat Israel, Po'alei Agudat

8th October 1951 to 23rd December 1952.

4. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, General Zionists, Hamizrahi, Hapo'el Hamizrahi, Progressives, Minority Lists.

23rd December 1952 to 26th January 1954.

5. Prime Minister: Mr. Moshe Sharett

Coalition Members:

As above.

26th January 1954 to 29th June 1955.

6. Prime Minister: Mr. Moshe Sharett

Coalition Members:

As above minus the General Zionists.

29th June 1955 to 3rd November 1955.

Third Knesset.

7. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, Hamizrahi, Hapo-el Hamizrahi, Mapam, Ahdut Ha'avoda, Progressives, Minority Lists.

3rd November 1955 to 7th January 1958.

8. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, NRP, Mapam, Ahdut Ha'avoda, Progressives, Minority Lists.

7th January 1958 to 17th December 1959.

Fourth Knesset.

9. Prime Minister: Mr David Ben-Gurion

Coalition Members:

Mapai, NRP, Ahdut Ha'avoda, Mapam, Progressives, Minority Lists, One Independent.

17th December 1959 to 2nd November 1961.

Fifth Knesset.

10. Prime Minister: Mr. David Ben-Gurion

Coalition Members:

Mapai, Ahdut Ha'avoda, NRP, Po'alei Agudat, Minority Lists.

2nd November 1961 to 26th June 1963.

11. Prime Minister: Mr. Levi Eshkol

Coalition Members:

As Above.

26th June 1963 to 23rd December 1964.

12. Prime Minister: Mr. Levi Eshkol

Coalition Members:

As Above.

23rd December 1964 to 12th January 1966.

Sixth Knesset.

13. Prime Minister: Mr. Levi Eshkol

Coalition Members: Alignment, NRP, Mapam, Independent Liberals, Po'alei Agudat, Minority Lists.

The government was expanded on 5th June 1967 to include Gahal (Herut) and Rafi. It was there after known as a National Unity Government (NUG1).

12th January 1966 to 17th March 1969.

14. Prime Minister: Mrs. Golda Meir

Coalition Members: Alignment, Gahal, NRP, Independent Liberals, Minority Lists.

17th March 1969 to 15th December 1969.

Seventh Knesset.

15. Prime Minister: Mrs. Golda Meir

Coalition Members:

As above. Gahal resigned on 6th August 1970.

15th December 1969 to 10th March 1974.

Eighth Knesset.

16. Prime Minister: Mrs Golda Meir
Coalition Members:
Alignment, NRP, Independent Liberals.
10th March 1974 to 3rd June 1974.

17. Prime Minister: Mr. Yitzhak Rabin

Coalition Members:

Alignment, Independent Liberals, Minority Lists, Ratz (left in October 1974 by the NRP).

3rd June 1974 to 20th June 1977.

The Government resigned on 22nd December 1976 when the NRP Ministers were dismissed but continued as a caretaker Government.

Ninth Knesset.

18. Prime Minister Mr. Menachem Begin

Coalition Members:

Likud, NRP, Agudat Israel. On 24th October 1977 Dash joined the coalition.
20th June 1977 to 5th August 1981.

Tenth Knesset.

19. Prime Minister: Mr. Menachem Begin

Coalition Members:

Likud, NRP, Agudat Israel, Tami, Telem. Tehiya joined the coalition in September 1982.

5th August 1981 to 10th October 1983.

20. Prime Minister: Mr. Yitzhak Shamir

Coalition Members: As Above.

10th October 1983 to 13th September 1984.

Eleventh Knesset.

21. Prime Minister: Mr. Shimon Peres

Coalition members:

Alignment, Yahad, Likud, NRP, Agudat Israel, Shas, Morasha, Shinui, Ometz.
13th September 1984 to 20th October 1986.

22. Prime Minister: Mr. Yitzhak Shamir

Coalition Members:

As Above.

20th October 1986 to 22nd December 1988.

Twelfth Knesset.

23. Prime Minister: Mr. Yitzhak Shamir

Coalition Members:

Likud, Alignment, NRP, Shas, Agudat Israel, Degel Hatorah.

22nd December 1988 to 11th June 1990.

24. Prime Minister: Mr. Yitzhak Shamir

Coalition Members:

Likud, NRP, Shas, Degel Hatorah, Advancing Zionist Idea, Tehiya, Tsomet, and two independents. Moledet joined the coalition on 5th February 1991 and

Agudat Israel joined on 16th November 1990.

11th June 1990 to 13th July 1992.

Thirteenth Knesset.

25. Prime Minister: Mr. Yitzhak Rabin

Coalition Members:

Labour party, Meretz, Shas.

13th July 1992 - 1994.

Appendix 3(a): The 1984 National Unity Government Coalition Agreement between the Alignment and the Likud.

1. The Government.

1.1: A National Unity Government (henceforth the Government) will be formed, with the participation of the Alignment and the Likud factions, and any other factions which choose to join the coalition in accordance with this agreement.

1.2: The Government will be founded on the following principles:

a) Equality between the Alignment and the Likud in the number of Ministries and Ministers.

b) The addition of other factions will be done in such a way that the balance between the two sides will be maintained. However, in addition of the NRP would not be at the expense of either side and would not be regarded as a violation of the inter block balance.

c) Should a Minister cease to serve as a member of the government for any reason, his party will choose the Minister to replace him.

1.3: The Government and its Ministers will act in accordance with the basic Guidelines attached to this agreement, which are an integral part of it, and in accordance with Cabinet decisions.

1.4: The Government will serve for the entire full term of the 11th Knesset, until November 1988.

1.5: In the first 25 months the Government will be headed by Mr. Peres and Mr. Shamir will be his Deputy and Minister of Foreign Affairs, and during the next 25 months Mr. Shamir will be Prime Minister and Mr. Peres will be his Deputy and Minister of Foreign Affairs. To firmly base this provision changes will be introduced to the Basic Law: the Government, to define the status and authority of the Deputy Premier.

1.6: Should Mr. Peres or Mr. Shamir be unable to fulfil their duties, for whatever reasons, their party would provide a replacement with the consultation and consent of the other side.

1.7: Article 1.6 notwithstanding, all other Ministers will serve in their positions for the entire Government's term of office.

1.8: Throughout the entire period of the Government's term of office, the Prime Minister will not wield his authority (under Section 21a of the Basic Law, The Government) to dismiss a Minister from his position, except with the consent of the Deputy Premier. Such consent will not be required, however, to dismiss a Minister who belongs to the faction headed by the Prime Minister. The Prime Minister will wield this authority with regard to a Minister belonging to the faction of the Deputy Premier, should the latter request it.

1.9: In order to implement the change of premiers stipulated in article 1.5, Mr. Peres will resign towards the end of the first 25 months of the Government's term of office, and the Alignment and the Likud will jointly recommend to the President of the state to nominate Mr. Shamir as the designate Prime Minister. The new government will be formed by the end of the first 25 months.

1.10: Mr. Shamir agrees to form his Government along the principles set forth in this agreement.

1.11: This agreement will also apply to the Government formed by Mr. Shamir.

1.12: Twenty five Ministers will serve in the Government, twelve from each side and one from the NRP.

1.13: The division of the Ministries, apart from the Prime Minister and the Deputy Premier and Minister of Foreign Affairs will be as follows:

Alignment

- 1) Ministry of Defence
- 2) Ministry of Education and Communication
- 3) Ministry of Agriculture
- 4) Ministry of Health
- 5) Ministry of Immigrants Absorption
- 6) Ministry of Police
- 7) Ministry of Communication
- 8) Ministry of Energy and Infrastructure
- 9) Ministry of Economics and Planning

Likud

- 1) Ministry of Finance
- 2) Ministry of Justice
- 3) Ministry of Labour and Welfare
- 4) Ministry of Housing and Construction
- 5) Ministry of Industry and Trade
- 6) Ministry of Police
- 7) Ministry of Tourism
- 8) Ministry of Science and Development
- 9) To be decided

The NRP and Shas factions will be represented in the Government by a single Minister without portfolio each until the Prime Minister and his Deputy will decide on how to divide the Ministries of the Interior and Religious Affairs among them.

1.14: A Ministerial Committee, called the Inner Cabinet, will be established. It will have 10 members, five from each side.

1.15: The Inner Cabinet is empowered to deliberate and decide on the following issues;

a) Issues within the jurisdiction of the Ministerial Defence Committee under the government operational procedures (the Inner Cabinet will also serve as the Ministerial Defence Team).

b) The policy and defence issues incorporated in the basic aims.

c) Any issue, including those issues stipulated by the basic guidelines, which the Prime Minister and the Deputy Premier seek to bring for deliberation and decision in the Inner Cabinet.

1.16: The decisions of the Inner cabinet will have the same force as decisions of the Ministerial Defence Committee, but in Paragraph 41c of the government operational procedures, the consent of the Deputy Premier will also be required, in addition to that of the Prime Minister. In Paragraph 42 of the government operational procedures, the Prime Minister will be entitled to

bring an issue for deliberation by the Inner Cabinet only with the Deputy Premier's consent. Should disagreements arise, and the Inner cabinet does not reach a decision on a certain issue, the matter will not be brought before the government plenum without the joint agreement of the Prime Minister and Deputy Premier. Should an issue be brought for deliberation in the government plenum, and the Prime Minister or the Deputy Premier determine that it should be discussed in the Inner Cabinet, the issue will be discussed in the Inner Cabinet.

- 1.17: A Ministerial Committee for economic affairs will be established, to be chaired by the Finance Minister. His Deputy will be an Alignment representative.
- 1.18: A coalition Committee will be established to look in to ways of changing the electoral system and amending electoral laws. The Committee will be chaired by an Alignment representative. Changes in the electoral system as well as in the election laws will not be carried out without the consent of both parties.
- 1.19: A Ministerial Committee will be established to determine in which Ministry to place the Land Authority.
- 1.20: A Ministerial Committee will be established to look in to areas of activities and responsibilities of the Ministry of Economics and Planning.
- 1.21: Decisions by the Ministerial Committees stipulated in the above will be regarded as recommendations only.
- 1.22: A Deputy Minister from the Likud will serve in the Ministry of Defence. The definition of those civilian matters to be handled by him will be determined by the Minister, after consultation with him.
- 1.23: A Deputy Minister from the Alignment will serve in the Ministry of Finance. The definition of those matters to be handled by him will be determined by the Minister, after consultation with him.
- 1.24: The Ministry of Police will be re-established.
- 1.25: The principle of continuity of government decisions will be maintained. The opinion of the Attorney General on the matter will be considered.

2: The Knesset.

The Knesset coalition members will act in accordance with the coalition procedures as follows;

The Coalition Executive

- 2.1: The Coalition Executive will not make a decision on any issue brought before the Knesset or one of its committees, if either of the two factions (Alignment or Likud) objects.
- 2.2: The Coalition executive will comprise of six members from the Likud faction and six members from the Alignment faction, as well as one representative from every other faction participating in the coalition. In the first 25 months, the Coalition Executive will be chaired by a Likud representative, and Alignment representative will serve as his Deputy. In the ensuing 25 months, an Alignment representative will serve as the Chairman, and a Likud representative will serve as his Deputy. The decisions reached at Coalition Executive meetings will be placed on the record. The Coalition Executive chairman will convey these decisions to the Coalition faction leaders.

2.3: Motions to the Agenda and Private Members Bills.

a) A member of the coalition who wishes to submit a motion to the Agenda will first submit it to the Coalition Executive chairman. The chairman will clarify the position of the relevant Minister. If neither the chairman nor the Minister objects to the motion, it will be submitted to the Knesset Speaker.

b) A member of the coalition who wishes to submit a private members bill, will first submit the bill to the Coalition Executive for deliberations. The Coalition Executive will bring the bill to the attention of the relevant Minister, who will state his position within a month. Should the Minister not state his position within a month, the bill will be submitted to the Knesset Speaker. Should the relevant Minister declare his opposition to the bill, he or his representative will be summoned to a discussion by the Coalition Executive, which will decide on the matter.

2.4: Amending or Altering a Section of a Law in Committee.

a) A member of the coalition who wishes to amend or alter a section of a bill will notify the Committee chairman, or the Coalition co-ordinator, if the Committee chairman is not a coalition. The chairman or co-ordinator must delay the vote on the section in question. The committee's coalition members will meet to decide on the proposal after the committee meeting is concluded. If the issue under discussion is a section of a particular importance, the faction of the member proposing to amend or alter the section of the law is entitled to demand that the matter be decided by the Coalition Executive, with the participation of the relevant Minister.

b) Members of the coalition must vote in favour of bills submitted by the Government, and are prohibited from abstaining from voting on any of the three readings of bills submitted to the Knesset by the Government.

c) On issues on which the coalition factions have been granted a free vote or the right to abstain, under the Transition Law (Amendment) of 1961, the Coalition Executive will conduct a dialogue concerning the matter if any one of its factions so demands.

2.5: a) On the issues enumerated below, action will be taken as follows:

1) A bill for a Basic Law submitted by a Knesset member will be regarded as a private member bill.

2) Basic law proposed by the Constitution, Law and Justice Committee of the Knesset will be acted upon with the consent of both parties.

b) The right to abstain issues of conscience or religious conscience will be upheld after clarification in the Government or the Coalition Executive, except for issues concerning the preservation of the religious status quo.

3: General

3.1: The inclusion of additional factions in the coalition, and / or the inclusion of their representatives in the Government after it has been approved by the Knesset, will be carried out jointly and with the consent of the parties to this agreement.

3.2: The preservation of the status quo on religious matters will be ensured, and the right to submit private members bills on religious matters will be upheld. The date for raising these bills, if submitted, for a debate in the Knesset, and the manner of voting on them, will be determined in consultations between the Prime Minister and Deputy Premier.

- 3.3: The real level of funding for state and state-religious education, schools, infrastructure of higher learning, various yeshivas, Torah institutes and education and cultural institutions will be maintained, and discrimination against any one of these streams of education will be prevented. If a budget cut is made, it will be proportional.
- 3.4: A suitable allocation will be guaranteed to settlement movements and youth movements.
- 3.5: An agreement between a party to this agreement and any other faction will not be binding upon the other party to this agreement.

The agreement was signed on 13th September 1984 by Mr. Peres and Mr. Shamir.

Appendix 3(b): The 1988 National Unity Government Agreement between the Likud and the Alignment.

The 1988 agreement mirrored the 1984 agreement with the following major differences.

1. Article 1.4: The Government will be headed by Mr. Shamir and Mr. Peres will serve as Deputy Premier. There will be no Prime Ministerial rotation, and all Articles relating to it were omitted.
2. Article 1.6: Twenty six Ministers will serve in the Government. The parity between the Likud and Labour blocks ceased to exist. If in the previous agreement additional parties were included at the expense of either major party, now they came in outside the major parties quotas.
3. Article 1.8: the Inner Cabinet will have 12 members, six from each party.
4. Article 1.20 on electoral reform (Article 1.17 in the 1984 agreement), the Committee will look as well in to changes in the government system. Also should the two parties not reach an agreement within a year, each party will be entitled to initiate legislation in the Knesset as it sees fit.
5. Article 1.22: Should the Knesset pass a vote of no-confidence against the Government, no other Government will be established in its place. Within seven days of the vote of no-confidence, the two parties will submit a bill for dissolving the Knesset and for the holding of new elections no later than 100 days from the day on which the bill is approved by the Knesset. The two parties will ensure a majority to approve this bill, within 30 days of the day in which the bill is tabled in the Knesset. They will act firmly to base this provision in the appropriate legislation

This article was inserted because, unlike the agreement in 1984, the 1988 agreement did not determine the duration of the government's term of office.

Appendix 4(a): The National Unity Government Cabinet

The 1984-1986 NUG, 13th September 1984 to 21st October 1986.

Ministers.

Simon Peres (Labour), Prime Minister
Yitzhak Shamir (Likud), Deputy Premier and Minister of Foreign Affairs
Yitzhak Rabin (Labour), Minister of Defence
Yitzhak Navon (Labour), Vice Prime Minister and Minister of Education and Culture
David Levy (Likud), Vice Prime Minister and Minister of Housing and Construction
Moshe Arens (Likud), Minister without Portfolio
Yosef Burg (NRP), Minister of Religious Affairs
Chaim Bar-Lev (Labour), Minister of Police
Chaim Corfu (Likud), Minister of Transport
Mordechi Gur (Labour), Minister of Health
Yigal Hurwitz (Ometz), Minister without Portfolio
Moshe Katsav (Likud), Minister of Labour and Social Affairs
Yitzhak Mod'ai (Likud), Minister of Finance
Aryeh Nechamkin (Labour), Minister of Agriculture
Moshe Nissim (Likud), Minister of Justice
Gideon Patt (Likud), Minister of Science and Development
Yitzhak Peretz (Shas), Minister of the Interior
Ammon Rubinstein (Shinui), Minister of Communication
Moshe Shahal (Labour), Minister of Energy and Infrastructure
Yosef Shapira (Morasha), Minister without Portfolio
Avraham Sharir (Likud), Minister of Tourism
Ariel Sharon (Likud), Minister of Industry and Tourism
Ya'acov Tsur (Labour), Minister of Immigrant Absorption
Ezer Weizman (Yahad), Minister without Portfolio
Gad Ya'acobi (Labour), Minister of Economics and Planning

Deputy Ministers.

Adiel Amorai (Labour), Deputy Minister of Finance
Shoshana Arbeli-Almozlino (Labour), Deputy Minister of Health
Avraham Katz Oz (Labour), Deputy Minister of Agriculture
Ronni Milo (Likud), Deputy Minister of Foreign Affairs
Menachem Porush (Agudat), Deputy Minister of Labour and Social Affairs

Appendix 4(b): The National Unity Government Cabinet.

The 1986 to 1988 NUG, 21st October 1986 to 22nd December 1988.

The membership of the Cabinet was identical to the previous Cabinet with the following changes;

Yitzhak Shamir (Likud), Prime Minister

Shimon Peres (Labour), Deputy Prime Minister and Minister of Foreign Affairs

Shoshana Arbeli-Almozlino (Labour), Minister of Health in place of Mordechi Gur who did not join the government until 18th April 1988 when he became Minister without Portfolio

Moshe Nissim (Likud), Minister of Finance from 16th April 1986

Yitzhak Mod'ai (Likud), Minister without Portfolio. from 16th April 1986 to 23rd August 1986, Minister of Justice. After his resignation the Justice Ministry was assigned to Mr. Sharir (Likud).

Moshe Arens (Likud) resigned on 2nd September 1987 and returned on 18th April 1988 as Minister without Portfolio

Yitzhak Peretz (Shas), resigned on 4th January 1987 and returned as Minister without Portfolio on 25th May 1987

Ammon Rubinstein (Shinui), resigned on 26th May 1987 and his portfolio was assigned to Gad Ya'acobi (Labour).

Yosef Burg (NRP), resigned on 5th October 1986 and Zevulun Hammer (NRP) replaced him.

Appendix 4(c): The National Unity Government Cabinet

The 1988-1990 NUG, 22nd December 1988 to 15th March 1990.

Ministers

Yitzhak Shamir (Likud), Prime Minister and Minister of Labour and Social Affairs
Shimon Peres (Labour), Deputy Prime Minister and Minister of Finance
Yitzhak Rabin (Labour), Minister of Defence
David Levy (Likud), Vice Premier and Minister of Housing and Construction
Yitzhak Navon (Labour), Vice Premier and Minister of Education and Culture
Moshe Arens (Likud), Minister of Foreign Affairs
Chaim Bar-Lev (Labour), Minister of Police
Aryeh Deri (Shas), Minister of Interior
Rafael Edri (Labour), Minister without Portfolio
Mordechi Gur (Labour), Minister without Portfolio
Zevulum Hammer (NRP), Minister of Religious Affairs
Avraham Katz-Oz (Labour), Minister of Agriculture
Moshe Katsav (Likud), Minister of Transport
Dan Meridor (Likud), Minister of Justice
Ronni Milo (Likud), Minister of the Environment
Yitzhak Mod'ai (Likud), Minister of Economics and Planning
Moshe Nissim (Likud), Minister without Portfolio
Ehud Olmert (Likud), Minister without Portfolio
Gideon Patt (Likud), Minister of Tourism
Yitzhak Peretz (Shas), Minister of immigrants Absorption
Moshe Shahal (Labour), Minister of Health and Infrastructure
Avner Shaki (NRP), Minister without Portfolio
Ariel Sharon (Likud), Ministry of Industry and Trade
Ya'acov Tsur (Labour), Minister of Health
Ezer Weizman (Labour), Minister of Science and technology
Gad Ya'acobi (Labour), Minister of Communication

Deputy Ministers.

Yossi Beilin (Labour), Deputy Minister of Finance
Bibi Netanyahu (Likud), Deputy Minister of Foreign Affairs
Moshe Zeev Feldman (Agudat Israel), Deputy Minister of Labour and Social Affairs

Appendix 4(d): The 1992 Labour Led Government Cabinet.

Government formed in July 1992 and reshuffled in December 1992 and May 1993.

Yitzhak Rabin (Labour), Prime Minister, Minister of Defence and acting Minister of Religious Affairs

Shimon Peres (Labour), Minister of Foreign Affairs

Avraham Shochat (Labour), Minister of Finance

Binyamin Ben-Eliezer (Labour), Minister of Housing and Construction

Aryeh Deri (Shas), Ministry of Interior

Amnon Rubinstein (Meretz), Minister of Education

Yisrael Kessar (Labour), Minister of Transport

David Libai (Labour), Minister of Justice

Yair Tsaban (Meretz), Minister of Immigrant Absorption

Micha Harish (Labour), Minister of Industry and Trade

Moshe Shahal (Labour), Ministry of Police and Energy

Chaim Ramon (Labour), Minister of Health

Ya'acov Tsur (Labour), Minister of Agriculture

Shulamit Aloni (Meretz), Minister of Communications, Science and Technology

Ora Namir (Labour), Minister of Labour and Social Affairs

Yossi Sarid (Meretz), Minister of the Environment

Shimon Shetreet (Labour), Minister of Economics and Planning

Uzi Baram (Labour), Minister of Tourism

Following the resignations of Mr. Ramon and Rabbi Deri, Mr. Rabin held the additional portfolios of Minister of Interior and Minister of Health until appointing the following;

Ephraim Sneh (Labour), Minister of Health from 1994

Uzi Baram (Labour), Minister of Interior, Temporary from 1995

Shimon Shetreet (Labour), Minister of Religious Affairs, Temporary from 1995

In July 1995 two additional Ministers were added to the Cabinet.

Yossi Beilin (Labour), Minister of Economics and Planning

Ehud Barak (Labour), Minister of Interior.

Appendix 5: The London Agreement, 11th April 1987.

Mr. Peres and King Hussein

A three part understanding between Jordan and Israel.

A: Invitation by UN Secretary General.

B: Resolutions of the International Conference.

C: The modalities agreed upon by Jordan-Israel.

A: The Secretary General will issue invitations to the five members of the Security Council and the parties involved in the Arab-Israeli conflict in order to negotiate a peaceful settlement based on Resolutions 242 and 338, with the objects of bringing a comprehensive peace to the area, security to its states, and to respond to the legitimate rights of the Palestinian people.

B: The participants in the conference agree that the purpose of the negotiations is the peaceful solution of the Arab-Israeli conflict based on Resolutions 242 and 338 and a peaceful solution of the Palestinian problem in all its aspects. The conference invites the parties to form geographical bilateral committees to negotiate mutual issues.

C: Jordan and Israel have agreed that:

- 1: The International Conference will not impose any solution or veto any agreement arrived at between the parties.**
- 2: The negotiations will be conducted in bilateral committees directly.**
- 3: The Palestinian issue will be dealt with within the committee of the Jordanian-Palestinian Committee and Israeli delegations.**
- 4: The Palestinians representatives will be included in the joint Palestinian-Jordanian delegation.**
- 5: Participation in the conference will be based on the parties acceptance of Resolutions 242 and 338 and the renunciation of violence and terrorism.**
- 6: Each committee will negotiate independently.**
- 7: Other issues will be decided by mutual agreement between Jordan and Israel.**

The above understanding is subject to the approval of the respective governments of Israel and Jordan.

The text of this paper will be shown as suggested to the USA.

Appendix 6: A Peace Initiative by the Government of Israel, 14th May 1989 The Rabin-Shamir Plan.

General.

1. This document presents the principles of a political initiative of the Government of Israel which deals with the continuation of the peace process; the termination of the state of war with the Arab states; a solution for the Arabs of Judea, Samaria and the Gaza district; peace with Jordan; and a resolution of the problem of the residents of the refugee camps in Judea, Samaria and the Gaza district.
2. The document includes:
 - a) The principles upon which the initiative is based.
 - b) Details of the processes of its implementation.
 - c) Reference to the subject of elections under consideration. Further details relating to the elections as well as other subjects of the initiative will be dealt with separately.

Basic Premises.

3. The initiative is founded upon the assumption that there is a national consensus for it on the basis of the basic guidelines of the Government of Israel, including the following points:
 - a) Israel yearns for peace and the continuation of the political process by means of direct negotiation based on the principles of the Camp David Accords.
 - b) Israel opposes the establishment of an additional Palestinian state in the Gaza district and in the area between Jordan and Israel.
 - c) Israel will not conduct negotiations with the PLO.
 - d) There will be no change in the status of Judea, Samaria and Gaza other than in accordance with the basic guidelines of the Government.

Subjects to be dealt with in the Peace Process.

4.
 - a) Israel views as important that the peace process between Israel and Egypt based on the Camp David Accords, will serve as the cornerstone for enlarging the circle of peace in the region, and calls for a common endeavour for the strengthening of the peace and its extension, through continued consultation.
 - b) Israel calls for the establishment of peaceful relations between it and those Arab states which still maintain a state of war with it for the purpose of promoting a comprehensive settlement for the Arab-Israeli conflict, including recognition, direct negotiations, ending the boycott, diplomatic relations, cessation of hostile activity in international institutions or forums and regional and bilateral co-operation.
 - c) Israel calls for an international endeavour to resolve the problem of the residents of the Arab refugee camps in Judea, Samaria and Gaza in order to improve their living conditions and to rehabilitate them. Israel is prepared to be a partner in this endeavour.
 - d) In order to advance the political negotiation process leading to peace, Israel proposes free and democratic elections among the Palestinian

inhabitants of Judea, Samaria and the Gaza District in an atmosphere devoid of violence, threats and terror. In these elections a representation will be chosen to conduct negotiations for a transitional period of self-rule. This period will constitute a test for coexistence and co-operation. At a later stage, negotiations will be conducted for a permanent solution during which all the proposed options for an agreed settlement will be examined, and the peace between Israel and Jordan will be achieved.

- e) All the above mentioned steps should be dealt with simultaneously.
- f) The details of what has been mentioned in d) will be given below.

The Principles Constituting the Initiative Stages.

- 5. The initiative is based on two stages;
 - a) Stage A - A transitional period for and interim agreement.
 - b) Stage B - Permanent Solution.
- 6. The interlock between the stages is a timetable on which the plan is built; the peace process delineated by the initiative is based on Resolutions 242 and 338 upon which the Camp David Accords are founded.

Timetable.

- 7. The transitional period will continue for 5 years.
- 8. As soon as possible, but not later than the third year after the beginning of the transitional period, negotiations for achieving a permanent solution will begin.

Parties Participating in the Negotiations in Both Stages.

- 9. The parties participating in the negotiations for the first stage (the interim agreement) shall include Israel and the elected representation of the Palestinian Arab inhabitants of Judea, Samaria and Gaza District. Jordan and Egypt will be invited to participate in the negotiations if they so desire.
- 10. The parties participating in the negotiations for the second stage (permanent solution) shall include Israel and the elected representation of the Palestinian Arabs inhabitants of Judea, Samaria, and Gaza, as well as Jordan; furthermore, Egypt may participate in these negotiations. In negotiations between Israel and Jordan, in which the elected representation of the Palestinian Arab inhabitants of Judea, Samaria and Gaza will participate, the peace treaty between Israel and Jordan will be concluded.

Substance of Transitional Period.

- 11. During the transitional period the Palestinian Arab inhabitants of Judea, Samaria and Gaza will be accorded self rule by means of which they will, themselves, conduct their affairs of daily life. Israel will continue to be responsible for security, foreign affairs and all matters concerning Israeli citizens in Judea, Samaria and Gaza district. Topics involving the implementation of the plan for self rule will be considered and decided within the framework of the negotiations for an interim agreement.

Substance of Permanent Solution.

12. In the negotiations for a permanent solution every party shall be entitled to present for discussion all the subjects it may wish to raise.
13. The aim of the negotiations should be:
 - a) The achievement of a permanent solution acceptable to the negotiating parties.
 - b) The arrangements for peace and borders between Israel and Jordan.

Details of the Process for Implementation of the Initiative.

14. First and foremost dialogue and basic agreement by the Palestinian Arab inhabitants of Judea, Samaria and Gaza, as well as Egypt and Jordan if they wish to take part, as above mentioned, in the negotiations, on the principles constituting the initiative.
15. a) Immediately afterwards will follow the stage of preparations and implementation of the election process in which a representation of Palestinian Arab inhabitants of Judea, Samaria and Gaza will be elected. This representation:
 - I) Shall be a partner to the conduct of negotiations for the transitional period.
 - II) Shall constitute the self-governing authority in the course of the transitional period.
 - III) Shall be the central Palestinian component, subject to agreement after three years, in the negotiations for a permanent solution.

In the period of preparation and implementation there shall be a calming of the violence in Judea, Samaria and the Gaza district.

16. As to the substance of the elections, it is recommended that a proposal of regional elections be adopted, the details of which shall be determined in future discussions.
17. Every Palestinian Arab residing in Judea, Samaria and Gaza, who shall be elected by the inhabitants to represent them, after having submitted his candidacy in accordance with the detailed document which shall determine the subject of the elections, may be a legitimate participant in the conduct of negotiations with Israel.
18. The elections shall be free, democratic and secret.
19. Immediately after the election of the Palestinian representation negotiations shall be conducted with it on an interim agreement for a transitional period which shall continue for 5 years, as mentioned above. In these negotiations the parties shall determine all the subjects relating to the substance of self rule and the arrangements necessary for its implementation.
20. As soon as possible, but not later than the third year after the establishment of the self-rule, negotiations for a permanent solution shall begin. During the whole period of these negotiations until the signing of the agreement for a

permanent solution, the self-rule shall continue in effect as determined in the negotiations for an interim agreement.

Appendix 7: The Egyptian Ten Point Proposal, 4th September 1989.

- 1: The necessity of participation of all citizens of the West Bank and Gaza (including the residents of East Jerusalem) in the elections, both in the voting and in the right to stand as a candidate for any person who has not been convicted (denounced) by the court of committing a crime. This is meant to permit the participation of those under administrative detention.**
- 2: The freedom of political mobilisation before and during the elections.**
- 3: Acceptance of international supervision of the election process.**
- 4: Prior commitment of the Government of Israel that it will accept the results of the elections.**
- 5: Commitment of the Government of Israel that the elections will be part of the efforts which will lead not only to a temporary stage, but also to a final solution, and that all efforts from the beginning to end (should) depend on the basis of the solution which are in the American concept: Resolutions 242 and 338, Territory for peace, protection of the security of Israel and the countries of the region, Palestinian political rights.**
- 6: Withdrawal of the Israeli army during the elections process at least one kilometre outside the perimeters of the polling stations.**
- 7: Prohibition of Israeli from entering the West Bank and Gaza on election day with permission to enter only to those who work in these regions and the residents of the settlements.**
- 8: The preparatory period for these elections should last no longer than two months and these preparations should be accompanied by means of a joint Israeli-Palestinian committee (The USA and Egypt may assist in forming this committee).**
- 9: Guarantee of the USA of all the above points by means of a prior announcement on the part of the Government of Israel.**
- 10: Prevention of settlement in the Occupied Territories (a halt to the construction of new settlements).**

Appendix 8: The United States Five Point Proposal, 14th October 1989.

- 1: The United States understands that because Egypt and Israel have been working hard on the peace process, there is agreement that an Israeli delegation should conduct a dialogue with a Palestinian delegation in Cairo.
- 2: The United States understands that Egypt cannot substitute itself for the Palestinians and Egypt will consult with the Palestinians on all aspects of that dialogue. Egypt will also consult with Israel and the United States.
- 3: The United States understands that Israel will attend the dialogue only after a satisfactory list of Palestinians has been worked out.
- 4: The United States understands that the Government of Israel will come to the dialogue on the basis of the Israeli Government's 14th May initiative. The United States further understands that the Palestinians will come to the dialogue prepared to discuss elections and the negotiating process in accordance with Israel's initiative. The United States understands, therefore, that the Palestinians would be free to raise issues that relate to their opinions on how to make elections and the negotiating process succeed.
- 5: In order to facilitate this process, the US. proposes that the Foreign Ministers of Israel, Egypt, and the US. meet in Washington within two weeks.

Appendix 9: The Labour Party Agreements During the "Dirty Exercise", 1990.

General.

The agreements were signed with ex Hadash MK. Mr. Biton, renegade Likud MK. Mr. Sharir (who subsequently returned to the Likud after the failure of the Labour party to form a government), Agudat Israel, Ratz, Shinui and Mapam. In addition to these agreements the Labour party drew up a letter which summarised its understandings with Hadash.

Agreement with Mr. Biton.

The agreement signed on 14th March 1990 promised Mr. Biton the following from the Labour party;

1. To appoint four members of the Black Panther organisation to key positions within the civil service.
2. To assign two members of the Black Panther organisation to the boards of directors of large government companies and two more to lesser positions in the same companies.
3. To pay NIS 200,000 to cover the debts of the Black Panther organisation.
4. To recognise Mr. Biton as an independent Knesset faction and fund for the rest of the Knesset and the subsequent election campaign if the Knesset refused to do so.
5. To allocate one of its seats on the Knesset Finance Committee to Mr. Biton.
6. Three weeks later when the formal coalition agreement was signed the Labour party further promised to set up a slum neighbourhood authority in the Prime Minister's office. The head of the authority would only be chosen after consultation with Mr. Biton.

In return Mr. Biton agreed to vote for a government led by Mr. Peres and to join his coalition.

Agreement with Mr. Sharir.

The agreement signed between the Labour party and Mr. Sharir, using the name of General Zionists, promised the following from the Labour party;

1. To appoint Mr. Sharir Minister of Transport and Tourism in the new government.
2. To guarantee him a Cabinet position in the 13th Knesset (next) if the Labour party was part of the government.
3. The Labour party promised not to join any government in this Knesset or the next unless Mr. Sharir was given a Senior Economic Cabinet post.
4. To recognise him (The General Zionists) as a one man faction in the Knesset and that he received party funding from either the Knesset or other source.
5. To appoint a representative of the General Zionists to the executive of the Israeli Broadcasting Authority, and to appoint General Zionists to the boards of directors of government companies and other official bodies.

In return Mr. Sharir promised to support a Labour led government, however, he was given the right to vote according to his conscience on religious and diplomatic matters.

Agreement with Agudat Israel.

The coalition agreement between Agudat Israel and the Labour party was signed in the Dan Hotel, Tel Aviv on 2nd April 1990 and promised the following to Agudat Israel;

1. To secure the Human rights bill and secure the passage of Pork Law within six months.
2. To establish a Committee to examine ways of limiting Sabbath violations and the dissemination of literature defined by Agudat Israel as pornographic.
3. To appoint a member of Agudat Israel as the Prime Minister's representative on the Ministerial Committee dealing with local religious councils.
4. To establish a radio channel to broadcast religious programmes.
5. To appoint members of Agudat Israel to head the Ministries of Housing and Construction as well as the Ministry of Labour and Social Affairs.
6. To consult with Agudat on the appointment of the Justice and Finance Ministers.
7. Any change in the electoral system would not raise the electoral threshold above 2 percent.
8. To supply land for housing for young couples sponsored by Agudat Israel in Ashdod, Beit Shemesh, Jerusalem and Rosh Ha'ayin.
9. To give Agudat Israel and extra NIS 5 Million in development grants, NIS 15 million in special funding, and NIS 750,000 in funding for Agudat's Israel's women's organisations.
10. To increase the funding of Yeshiva students (religious) by 75 percent over the next two years.

Agudat Israel promised to support a Labour led government but its Knesset representatives were granted the right to vote according to their consciences, or more precisely, the wishes of the Council of Torah sages (spiritual leaders) on political matters involving the West Bank and Gaza.

Agreement with Hadash.

The two parties did not sign a formal deal but the Labour party wrote a letter summarising the understandings between with the Labour party promising the following;

1. To equalise the standards of the Jewish and Arab sectors by a series of measures including, debt rescheduling, allocating NIS 40 million in the first year for a comprehensive sewerage programme and examining the prospect of opening a university in Nazareth.
2. Establishing an Inter Ministerial Committee to examine the key problems in the Arab sector.
3. To continue its peace programme.

The agreements with Mapam, Ratz and Shinui all took the form of basic progress on the peace process and did not contain the same financial inducements as the above deals.

Source: Labour party Headquarters, Ha'arkon street, Tel Aviv and the archive department of the Jerusalem Post, Jerusalem.

INTERVIEWS.

Interviews were conducted with the leaders of the Labour Party and the members of the Israeli Cabinet. Because these Ministers are still serving in the government these interviews were conducted on the basis of their being non-attributable. In addition, extended formal interviews were conducted with the following in the second half of 1994 and early 1995:

Ms. Nava Arad, Former Deputy Secretary General of the Histadrut, Currently advisor to Mr. Rabin on Women's issues, Tel Aviv, 27th July 1994.

Mr. Joseph Alpher, Director of the Jaffe Centre for Strategic Studies (1994), Tel Aviv University, 4th December 1994.

Dr. Moshe Arens, Likud Minister of Defence (1983-84 and 1990-92), Minister without Portfolio (1984-88), Foreign Minister (1988-90), Tel Aviv, 26th September 1994.

Dr. Chaim Asa, Director of Mr. Rabin's Election Strategy Team, Hertzila, 16th October 1994.

Dr. Raffel Barkan-Benkler, International Department of the Histadrut, Tel Aviv, 20th July 1994.

Dr. Benni (Zeev) Begin, Son of Mr. Menahem Begin and Likud MK, The Knesset, Jerusalem, 8th November 1994.

Dr. Yossi Beilin, Cabinet Secretary to Mr. Peres (1984-86), Director General of the Foreign Ministry (1986-88), Deputy Finance Minister (1988-90), Deputy Foreign Minister 1992-1995. Currently Minister of Economics and Planning (1995), The Foreign Ministry, Jerusalem, 29th August 1994.

Mr. Yitzhak Ben-Aharon, Former Secretary General of the Labour Party, Former Secretary of the Histadrut, Leader of Ahdut Ha'avoda faction, Givat Hayim, 8th August 1994.

Dr. Yossi Ben-Aharon, Director of Mr. Shamir's Prime Minister's Bureau (1983-84 and 1986-92), Senior Israeli Negotiator with Syria (1991-92), Jerusalem, 18th September 1994.

Mr. Offer Bronstein, Director of the International Centre for Peace in the Middle East, Tel Aviv, 9th August 1994.

Mr. Avraham Burg, Labour MK, Peace Activist, currently Director of the Jewish Agency (1995), The Knesset, Jerusalem, 13th September 1994.

Mr. Hanan Crystal, Political Correspondent of Hadashot and Israel Radio, Tel Aviv, 4th September 1994.

Mr. Eli Dayan, Former Mayor of Ashkelon, Head of the Labour Party Knesset Faction (1992-94), Coalition Chairman (1992-94), Currently Deputy Foreign Minister (1995), The Knesset, Jerusalem, 8th November 1994.

Ms. Yael Dayan, Labour MK and Daughter of Mr. Moshe Dayan, The Knesset, Jerusalem, 21st November 1994.

Professor Avraham Diskin, Labour Pollster 1984, Israel Radio Pollster (1988 and 1992) and Senior Lecturer in Political Science at the Hebrew University, Jerusalem, 14th November 1994.

Mr. Lativ Dori, Member of Mapam Leadership and the First Israeli Politician to openly meet Mr Arafat, Mapam Headquarters, Tel Aviv, 23rd August 1994.

Professor Gideon Doron, Member of Mr. Rabin's Strategic Election Team, 1992, Lecturer in Political Science, Tel Aviv University, 12th October 1994.

Mr. Amiram Efranti, Secretary General of the Kibbutz Artzi Movement, Tel Aviv, 29th August 1994.

Mr. Lova Eliav, Former Secretary General of the Labour Party, Tel Aviv, 25th July 1994.

Mr. Israel Gat, Chairman of the International Department of the Labour Party and delegate to Socialist International, Party Headquarters, Tel Aviv, 11th August 1994.

Mr. Yossi Gazit, Mapam Spokesman, Mapam Headquarters, Tel Aviv, 27th July 1994.

Mr. Ilon Gilon, Director of the Young Guard in Meretz, Tel Aviv 25th August 1994.

Dr. Dore Gold, Director of American-Israeli Studies Programme, Jaffe Centre for Strategic Studies, Advisor to Mr. Shamir at Madrid Peace Conference and currently an Advisor to Mr. Netanyahu, Tel Aviv University, 2nd October 1994.

Mr. Avraham Hatzharmi, Director of the International Department of the Labour Party, Tel Aviv, 29th November 1994.

Mrs Ester Herlitz, Former Labour MK and Ambassador, Tel Aviv, 15th August 1994.

Mr. Shlomo Hillel, Former Labour Party Minister of Police and Speaker of the Knesset 1984-88, Jerusalem, 25th July 1994.

Ms. Sarah Honig, Political Correspondent of the Jerusalem Post, Tel Aviv, 13th November 1994.

Mr. David Horowitz, Editor of The Jerusalem Report, Jerusalem, 25th July 1994.

Mr. Gideon Ben-Israel, Co-founder of Rafi in 1965, former Head of the Labour Party Histadrut faction, Former Deputy General of the Histadrut, Tel Aviv, 21st October 1994.

Ms. Dalia Itzik, Former Deputy Mayor of Jerusalem and currently Labour MK, The Knesset, Jerusalem, 25th October 1994.

Mr. Aryieh Jaffe, Former Leader of Mapam, Kibbutz Hakum, 28th August 1994.

Mr. Avner Kobliner, Secretary of Hashomer Hatzair Movement, Tel Aviv, 25th September 1994.

Dr. Danny Korn, Former Advisor to Mr. Allon and Lecturer in Political Science at Tel Aviv University, 13th September 1994.

Professor Yoram Lass, Labour MK, The Knesset, Jerusalem, 17th October 1994.

Mr. Yoram Martziano, Political Advisor to Mr. Peres, The Foreign Ministry, Jerusalem, 8th September 1994.

Mr. Idris Mawasi, Arab Representative in Histadrut leadership, Tel Aviv, 24th August 1994.

Mr. Peter Medding, Lecturer in Political Science Hebrew University, Jerusalem, 14th November 1994.

Mr. Dan Meridor, Mr. Begin's Cabinet Secretary, Minister of Justice 1988-92, currently Likud MK, 17th October 1994 and 8th November 1994, The Knesset, Jerusalem

Mr. Haggai Merom, Labour Party MK and Chairman of the Labour's Internal Party Affairs Committee, Tel Aviv, 20th October 1990.

Dr. Robbie Nathanson, Senior Economist in the Histadrut, Director of the Institute of Economic and Social Research of the Histadrut, Tel Aviv, 29th July 1994.

Mr. Ori Or, Labour MK and Chairman of the Foreign Affairs and Defence Committee in the Knesset, Jerusalem, 21st November 1994.

Dr. Yoram Peri, Editor of Davar and former Spokesman for the Labour Party, Tel Aviv, 1st August 1994.

Mr. Yoram Peri, Spokesman for the Labour Party 1994, Tel Aviv, 31st October 1994.

Ms. Monica Pollack, Director of the International Department of Mapam, Tel Aviv, 4th July 1994.

Mr. Avraham Poraz, Former Shiniu MK and currently Meretz MK, 24th August 1994.

Mr. Leslie Rayne, International Department of the Histadrut, Tel Aviv, 20th July 1994.

Dr. Susan Hatis-Rolef, Editor of Spectrum (Labour Party magazine) and contributor to the Jerusalem Post, Jerusalem, 29 August 1994.

Mr. Gideon Saguy, Head of Labour Party's Tel Aviv branch and Labour MK, The Knesset, Jerusalem, 25th July 1994.

Mr. Zeev Schiff, Political and Military Correspondent of Ha'aretz, Tel Aviv, 25 November 1994.

Dr. Daphna Sharfman, Chair of Labour Party's Human Right Committee, Active member of Haifa branch of the party, Haifa, 3rd August 1994.

Mr. Aryieh Shalev, Jaffe Centre for Strategic Studies, Tel Aviv University, 23rd August 1994.

Dr. Michael Shalev, Lecturer in Political Science, Hebrew University, Jerusalem, 14th November 1994.

Professor Michal Shamir, Lecturer in Political Science, Tel Aviv University, 13th September 1994.

Mr. Yitzhak Shamir, Prime Minister (1983-84 and 1986-92), Foreign Minister (1984-86), Tel Aviv, 17th August 1994.

Mr. Victor Shemtov, Former Leader of Mapam and Minister of Health, Tel Aviv, 12th July 1994.

Mr. Martin Sherman, Secretary General of Tsomet 1994, Tel Aviv, 1st December 1994.

Dr. Benni Temkin, Secretary General of Ratz (Citizens Rights Movement), currently Meretz MK, Meretz Headquarters, Tel Aviv, 24th November 1994.

Mr. Chaim Zakok, Minister of Justice 1974-77, also highly active in party post-1977 behind the scenes, Tel Aviv, 11th July 1994.

Mr. Nissim Zvilli, Secretary General of the Labour Party 1994 and MK, The Knesset, Jerusalem, 5th September 1994.

BIBLIOGRAPHY

Articles from the Following Newspapers and Magazines:

Al-Hamishmar.

Davar.

Direct Line From Israel (Mapam).

Financial Times.

Ha'aretz.

Hadashot.

Jerusalem Post.

Jerusalem Report.

Labour in Israel (Histadrut).

Ma'ariv

New Outlook.

Progressive Israel.

Spectrum (Labour Party).

Yediot Ahronot.

Documents.

Labour Party Constitution (1968 and 1991 versions).

Labour Party Primaries (Rules and Regulations 1991).

Labour Party Election Manifestos (1969-92).

Labour Party Platforms on Peace and Security (1968-92).

Labour Party Platforms on Economic and Social Affairs (1968-92)

Labour Party Protocols (1977-92) of Central Committee Meetings.

Bureau Meetings (both in Hebrew)

Labour Party Position Papers of Peace and Security 1977-92 (in Hebrew)

Camp David Accords.

Persian Gulf War.

Madrid Peace Conference.

Lass Report into the 1988 and 1989 Election Failures of the Labour Party.

Likud Election Manifestos 1973-1992, Likud Headquarters, Tel Aviv.

Mapam Election Manifestos and Position Papers 1988-1992.

Meretz Election Manifesto 1992, Meretz Party Headquarters, Tel Aviv.

Tsomet Election Manifestos 1998 and 1992, Tsomet Headquarters.

Books, Journal Articles and Papers.

Abed, G. "Israel in the Orbit of America: The Political Economy of a Dependency Relationship", Journal of Palestine Studies, 16-1, Autumn 1986.

Abramson, P. "Generational Replacement, Ethnic Change and Partisan Support in Israel", Journal of Politics, 51, August 1989.

Al-Haj, M. "The Political Behaviour of the Arabs in Israel in the 1992 Elections: Integration Versus Segregation", in Arian and Shamir (ed), The Elections in Israel 1992, State University of New York, Albany, 1995.

Alpher, J. Settlements and Borders. Final Status Solutions: Israel-Palestinians, JCSS, Tel Aviv University, 1994.

"Israel's Security Concerns in the Peace Process", International Affairs, 70, 1994.

Arian, A. Ideological Change in Israel, Cleveland University Press, USA, 1968.

"Stability and Change in Israeli Public Opinion and Politics", in Public Opinion Quarterly, 35, 1971.

(ed). The Elections in Israel 1969, Jerusalem Academic Press, Tel Aviv University, 1972.

(ed). The Elections in Israel 1973, Jerusalem Academic Press, Tel Aviv University, 1975.

- (ed). The Elections in Israel 1977, Jerusalem Academic Press, Tel Aviv University, 1980.
- (ed). The Elections in Israel 1981, Ramot Publishing House, Tel Aviv 1983.
- "Elections 1981: Competitiveness and Polarisation", Jerusalem Quarterly, 21, 1981.
- "The Electorate: Israel 77", in Israel at the Polls 1977, (ed) Penniman, American Enterprise Institute, 1979.
- "Israeli Democracy 1984", Journal of International Affairs, 38-2, Winter 1985.
- "Israeli Public Opinion and the War in Lebanon", JCSS Memorandum, 15, Tel Aviv University, October 1985.
- Politics in Israel: The Second Generation, Chatham House, New Jersey, 1989.
- "National Security and Political Attitudes: The Impact of the Gulf War on Israel", JCSS Memorandum, Tel Aviv University 1991.
- "Israel and the Peace Process: Security and Political Attitudes in 1993", JCSS Memorandum, 39, February 1993.
- "Israeli Security and the Peace Process: Public Opinion in 1994", JCSS Memorandum, 43, March 1993.
- Arian and Barnes and Samuel, "The Dominant Party System. A Neglected Model of Democratic Stability", Journal of Politics, 36, 1976.
- Arian, A. and Shamir, M. "The Primary Political Functions of the Left-Right Continuum", Comparative Politics, 15-2, 1983.
- The Elections in Israel 1988, Westview, USA, 1989.
- "Two Reversals in Israeli Politics. Why 1992 Was Not 1977", Electoral Studies, 12-4, 1993.
- The Elections in Israel 1992, State University of New York, USA, 1994.
- Arian, A. and Talmud, I. "Electoral Politics and Economic Control in Israel", Labour Parties in Post-Industrial Societies, (ed) Piven, F. , Polity Press, London, 1991.
- Arian, A. and Talmud, I. and Hermann, T. "National Security and Public Opinion in Israel", JCSS Memorandum, 9, Jerusalem Post and Westview Press, 1988.
- Aronoff, M. "The Decline of the Israeli Labour Party: Causes and Significance", in Penniman (ed), Israel at the Polls 77, American Enterprise Institute, 1979.
- "Political change in Israel", in Political Science Quarterly, 89-3, 1974.

Political Anthropology. Cross Currents in Israeli Culture and Politics, Transaction Books, New Jersey, 1984.

Israeli Visions and Divisions, Transaction Books, New Jersey, 1989.

"Israel under Labour and the Likud. The Role of Dominance Considered", in Pempel (ed), Uncommon Democracies, Ithaca Cornell University Press, New York, 1990.

Power and Ritual in the Israel Labour Party, M.E. Sharpe, London, 1993.

Aronson, S. and Yanai, N. "Critical Aspects of the Elections and their Implications", in Caspi, Diskin and Gutmann (ed), The Roots of Begin's Success, Croom Helm, London, 1984.

Atzmon, Y. "The 1981 elections and the Changing Fortunes of the Israeli Labour Party", Government and Opposition, 16-4, 1981.

Atzmon, Y. "The Labour Party and its Factions", Jerusalem Quarterly, 31, 1984.

Bank of Israel, Annual Report, Various Editions 1983 to 1992, Bank of Israel Headquarters, Jerusalem.

Barkai, H. "Israel's Attempt at Economic Stabilisation", Jerusalem Quarterly, 43, 1987.

Beilin, Y. "The Israeli General Election of 1984", Electoral Studies, 4, April 1985.

"A Dominant Party in Opposition. The Israel Labour Party 1977-1984", Middle East Review, 17, 1985.

Israel: A Concise Political History, Weidenfeld and Nicolson, London, 1992.

A Vision of the Middle East, The Israeli Foreign Ministry, Jerusalem, 1994.

Beinin, J. Was the Red Flag Flying There ?, University of California Press, Berkeley, 1990.

Ben-Rafael, E. and Sharot, S. Ethnicity, Religion and Class in Israeli Society, Cambridge University Press, London, 1991.

Ben-Zvi, A. The United States and Israel. The Limits of the Special Relationship, Columbia University Press, New York, 1993.

Bernstein, D. "Immigrant Transit Camps", Ethnic and Racial Studies, 4-1, 1981.

"Immigrants and Society: A Critical View of the Dominant School of Israeli Sociology", British Journal Of Sociology, 31-2.

Bhutanti, S. "Israel's Ninth General Election", International Studies, 17, 1978.

- Bogdanor, "The Electoral System, Government and Democracy", in Sprinzak and Diamond (ed), Israeli Democracy under Stress, Lynne Rienner, London, 1993.
- Bradley, P. Parliamentary Elections in Israel: Three Case Studies, Tomson and Rutter, New Hampshire, 1985.
- Brenner, L. Zionist Revisionism from Jabostinsky to Shamir, Zed Books, 1984.
- Bruno, M. (ed), Lessons of Economic Stabilisation and its Aftermath, MIT Press, London, 1991.
- Capitanchik, D. "Guide to the 1988 Israeli General Election", Academic Study Group Research Report, 7, 1988.
- "The Political Stalemate Continues. The 1988 Israeli General Election", Academic Study Group Research Report, 1, 1989.
- "The Stalemate is Broken. The 1992 Israeli General Election", Institute of Jewish Affairs Research Report, 1992.
- Carmi and Rosenfeld, "Israel's Political Economy and the Widening Class Gap between its Two National Camps", Asian and African Studies, 26, 1992.
- Caspi, Diskin and Gutmann (ed), The Roots of Begin's Success, Croom Helm, London, 1984.
- Central Bureau of Statistics, Statistical Abstract of Israel, Various Editions 1977-1992, Central Bureau of Statistics, Jerusalem.
- Central Bureau of Statistics and Malam Systems, The Results to the Knesset Elections, Various Editions 1977, 81, 84, 88 and 92, The Central Bureau of Statistics, Jerusalem.
- Cockburn, A. and Cockburn, L. Dangerous Liaisons, Bodley Head, London, 1992.
- Cohen, E. "Development Towns: The Social Dynamics of Planted Urban Communities in Israel, in Eisenstadt, Bar-Yosef and Adler (ed), Integration and Development in Israel, Israel University Press, Jerusalem, 1970.
- "Ethnicity, Class and Political Alignment in Israel", Jewish Journal of Sociology, 25-2, 1983.
- "Ethnicity and Legitimation in Contemporary Israel", Jerusalem Quarterly, 28, 1988
- Cohen, M. Zion and the State: Nation Class and the Shaping of Modern Israel, Oxford University Press, New York, 1987.

- Czudnowski, M. "Legislative Recruitment under Proportional Representation in Israel: A Model and Case Study", Mid-West Journal of Political Science, 14, 1970.
- Dayan, M. The Story of My Life, Warner Books, USA, 1976.
- Diskin, A. "The Israeli General Election of 1988", Electoral Studies, 8-1, 1989.
- Elections and Voters in Israel, Praeger, New York, 1991.
- Don-Yehiya, E. "Religious Leaders in the Political Arena: The Case of Israel", Middle East Studies, 20-2, 1984.
- Duverger, M. Political Parties: Their Organisation and Activity in the Modern State, Wiley, 1960.
- Eban, A. Autobiography, Random House, New York, 1977.
- Personal Witness, Cape, London 1993.
- Eckstein and Apler (ed), Comparative Politics, Macmillan, Toronto Canada, 1968.
- Edelman, M. "The Rabbinical Court in the Evolving Political Culture of Israel", Middle East Studies, 16, 1980.
- Eisenstadt, Israeli Society, Weidenfeld and Nicolson, 1967.
- "Israeli Society Transformed", Jerusalem Quarterly, 1985.
- The Transformation of Israeli Society, Weidenfeld and Nicolson, 1985.
- Elazar, D. Israel: Building a New Society, Indiana University Press, Bloomington, 1986.
- Elazar, J and Sandler, S. Israel at the Polls 1988, Wayne State University Press, Detroit, 1989.
- Etzioni, "Alternative Ways to Democracy", Political Science Quarterly, 74, 1959.
- Etzioni and Halevy with Shapira, Political Culture in Israel: Cleavage and Integration Among Jews, Praeger, USA, 1977.
- Feldman and Levite (ed), Arms Control and the New Middle East Security Environment, JCSS, Westview Press, Boulder, 1994.
- Feldman, S and Reshnitz-Kijner, H. "Deception, Consensus and War: Israel in Lebanon", JCSS Study, 27, Tel Aviv University, 1984.
- Flapan, S. The Birth of Israel: Myths and Realities, Croom Helm, London, 1987.
- Freedman, R. O. (ed), Israel in the Begin Era, Praeger, USA, 1982.

(ed), Israel under Rabin, Westview, New York, 1995.

Freedman, L. and Karsh, E. The Gulf Conflict 1990-91, Faber and Faber, London, 1993.

Gal, J. "The Arab Vote in the 1988 Election", Givat Haiviva Paper, 1989.

Galnoor, I. "The Elections in Israel: Political Results and Open Questions", Middle East Review, 1986.

Globerson, A. "A Profile of the Bureaucratic Elite in Israel", Public Personnel Management, 2-1, 1973.

Goldberg, G. , Barzilai, G. and Inbar. E. The Impact of Intercommunal Conflict: The Intifada and Israeli Public Opinion, 43, The Leonard Davis Institute, Jerusalem.

Golan, M. The Road to Peace. A Biography of Shimon Peres, Warner, USA, 1989.

Gold, D. "US Policy Toward Israel's Qualitative Edge", JCSS Memorandum, 36, Tel Aviv University, 1992.

"After the American Elections. Preparing for Change in US-Israel Relations", JCSS Memorandum, 37, Tel Aviv University, 1993.

Goldman, N. "Zionist Ideology and the Reality of Israel", Foreign Affairs, 57-1, 1978.

Goldscheider, C. Israel's Changing Society. Population, Ethnicity and Development, Westview Press, Oxford, 1993.

Gomi, Y. Ahdut Ha'avodah 1919-1930: The Ideological Principles and the Political System 1919-1930, HaKibbutz HaMeuchad Publishing House, Tel Aviv , Israel (Hebrew), 1973.

Gutmann, E. "The Israeli Left" in Kyle and Peters (ed), Wither Israel ?. The Domestic Challenges, I.B. Tauris, London, 1993.

Hadar, L. "Reforming Israel Before Its Too Late", Foreign Policy, 81, Winter 1990-1991.

"Israel's Future", World Policy Journal, Winter 1991-92.

"The Israeli Labour Party: Peacemaker of Likud II", Journal of Palestine Studies, 21-3, 1992.

"The 1992 Electoral Earthquake and the Fall of the Second Israeli Republic", Middle East Journal, 46-4, 1992.

Hall-Cathala, D. The Peace Movement in Israel 1967-1987, Macmillan, London, 1990.

Harkabi, Y. Israel's Fateful Hour, Harper and Row, New York, 1986.

- Hattis-Rolef, S. (ed), Political Dictionary of the State of Israel, Jerusalem Publishing House, Jerusalem, 1994.
- Herman, T. "The Rose of Instrumental Voting. The Campaign for Political Reform", in Arian and Shamir (ed), The Elections in Israel 1992, State University of New York Press, 1994.
- Hermans, "The Dynamics of Proportional Representation", in Eckstein and Apter (ed), Comparative Government, Macmillan, Toronto Canada, 1968.
- Herzog, H. "Penetrating the System. The Politics of Collective Identities", in Arian and Shamir (ed), The Elections in Israel 1992, State University of New York Press, 1994.
- Horowitz, D. "More than a Change of Government", Jerusalem Quarterly, 5, 1977.
- "The Politics of Mutual Veto: The Israeli National Coalition", in Arian and Shamir (ed), The Elections in Israel 1988, Westview, USA, 1990.
- Horowitz, D. and Lissak, M. Trouble in Utopia: Israel's Over Burdened Polity, State University of New York Press, 1989.
- Huntington, S. Political Order in Changing Societies, Yale University Press, New Haven, 1968.
- Inbar, E. War and Peace in Israeli Politics: Labour Party Positions on National Security, Lynne Rienner, London, 1991.
- Issac. R.J. Party Politics in Israel: Three Visions of a Jewish State, Longman, New York, 1981.
- Jansen, M. Dissonance in Zion, Zed Books, London, 1987.
- Kelleman, A. Society and Settlement: Jewish Land in Israel in the 20th Century, State University of New York Press, Albany, 1993.
- Kimmerling, B. "Change and Continuity in Zionist Territorial Orientations and Politics", Comparative Politics, 14-2, 1982.
- (ed), The Israeli State and Society, State University of New York Press, Albany, 1989.
- Zionism and Territory: The Social Territorial Dimensions of Zionist Politics, Institute of International Studies, University of California , 1983.
- Kleiman, E. "The Histadrut Economy of Israel", Jerusalem Quarterly, 41, 1987.
- Korn, D. The National Unity Years, (Published in Hebrew), or a PhD Thesis, London School of Economics, England, 1991.
- Krausz, E. (ed), Studies of Israeli Society: Volume One, Transaction Books, New Brunswick, 1980.

(ed), Politics and Society in Israel. Studies of Israeli Society: Volume II, Transaction Books, New Brunswick, 1985.

Kyle, K. and Peters, J. Wither Israel: The Domestic Challenges, I.B Tauris, London, 1993.

Laqueur, W. A History of Zionism, Schocken Books, New York, 1989.

Leidemann, L. and Bufman, G. "Financial Reform in Israel: A Case of Gradualism", Pinhas Sapir Centre for Development Discussion Paper, 2-94, Tel Aviv University, 1994.

Lemay, M. (ed), The Gatekeepers: Comparative Immigration Policy, Praeger, New York, 1989.

Leshem, M. Israel Alone, Touchstone, New York, 1989.

Levite, A. and Tarrow, S. "The Legitimation of Excluded Parties in Dominant Party Systems. A Comparison of Israel and Italy", Comparative Politics, April 1983.

Lewis, S. "The Peres Era and its Legacy", Foreign Affairs, 65-3, 1987.

Lipstadt, D. "Religious Parties in Israel", Midstream, 27-5, 1981.

Lustick, I. "Israeli State-Building in the West Bank and Gaza Strip", International Organisation, 41-1, 1987.

Mahler, G. "Political Socialisation and Political Interest in Israeli and Canadian Legislators. A Comparative Examination", Political Science Review, 19, 1980.

Medding, P. Mapai in Israel, Cambridge University Press, London, 1972.

(ed), Israeli State and Society 1948 to 1988, Oxford University Press, London, 1989.

The Founding of Israeli Democracy: Parties, Politics and Governments, Oxford University Press, New York, 1990.

Meir, G. My Life, GP Putnam's Sons, New York, 1977.

Mendilow, J. "Party Cluster Formations in Multi-Party Systems", Political Studies, 30-4, 1982.

"Israel's Labour Alignment in the 1984 Elections: Catch All Tactics in a Divided Society", Comparative Politics, 20, 1988.

Merhav, P. The Israeli Left, Barnes and Noble, New York, 1980.

Murphy, E. "Structural Inhibitions to Economic Liberalisation in Israel", Middle East Journal, 48-1, 1994.

Nachimas, D. "The Right-Wing Opposition in Israel", Political Studies, 24, 1976.

- Netanyahu, B. A Place Among Nations. Israel and the World, Transworld Books, London, 1993.
- Nisan, M. Towards a New Israel: The Jewish State and the Arab Question, AMS Press, New York, 1992.
- Pack, H. Structural Change and Economic Policy in Israel, Yale University Press, New Haven, 1971.
- Peleg, I. and Ofra, S. (ed), The Emergence of a Bi-National Israel: The Second Republic in the Making, Westview, Boulder, 1988.
- Pempel, T. (ed), Uncommon Democracies, Ithaca, Cornell University Press, New York, 1990.
- Penniman, H. (ed), Israel at the Polls. The Knesset Elections of 1977, American Enterprise Institute, 1979.
- Penniman, H. and Elazar, D. (ed), Israel at the Polls. The Knesset Election of 1981, American Enterprise Institute, 1983.
- Peres, S. The New Middle East, Holt, New York, 1993.
- The Valley of Peace, Israeli Foreign Ministry, Jerusalem, 1994.
- Battling for Peace: Memoirs, Weidenfeld and Nicolson, London, 1995.
- Peres, Y. "Stalemate: Structural Balance in Israeli Politics", Middle East Review, Summer 1988.
- Peres, Y. and Shemer, S. "The Ethnic Factor", in Caspi, Diskin and Gutmann (ed), The Roots of Begin's Success, Croom Helm, London, 1984.
- Peretz, D. The Government and Politics of Israel, Westview, USA, 1983
- "The Impact of the Gulf War on Israeli and Palestinian Political Attitudes", Palestinian Studies, Autumn 1991.
- Peretz, D. and Smoocha, S. "Israel's 10th Knesset Elections", Middle East Journal, 35, 1981.
- "Israel's 11th Knesset Elections", Middle East Journal, 39-1, 1985.
- "Israel's 12th Knesset Elections: An all Time Losers Game", 43-3, 1989.
- "Israel's 13th Knesset Elections: Are they Critical ?", Middle East Journal, 47-3, 1993.
- Peri, Y. Between Battles and Ballots. Israeli Military in Politics, Cambridge University Press, 1983.
- Perlmutter, A. "Cleavage in Israel", Foreign Policy, 27, 1977.

- Piven, F. (ed), Labour Parties in Post-Industrial Societies, Polity Press, London, 1991.
- Rabin, Y. The Rabin Memoirs, Steimatzky, Bnei Brak, 1994.
- Razin, A. and Sadka, E. "Israel's Disinflation: Political Economic Perspective", Pinhas Sapir Centre for Development Discussion Paper, 7-93, Tel Aviv University, 1993.
- Reich, B. Israel Land of Tradition and Conflict, Westview, USA, 1985.
- The United States and Israel, Praeger, New York, 1984.
- Reich, Dropkin and Wurmser, "Soviet-Jewish Immigration and the 1992 Knesset Elections", Middle East Journal, 47-3, 1993.
- Reich and Kieval (ed), Israeli Politics in the 1990's: Key Domestic and Foreign Policy Factors, Greenwood Press, New York, 1991.
- Reshef, Y. "Political Exchange in Israel: Histadrut-State Relations", Industrial Relations, 25-3, 1986.
- Roberts, S. Party and Policy in Israel: The Battle Between Hawks and Doves, Westview, USA, 1990.
- Rodinson, M. Israel: A Colonial Settler State, Monad Press, New York, 1973.
- Roumani, M. "The Sephardi Factor in Israeli Politics", Middle East Journal, Summer 1988.
- Sachar, H. The History of Israel: From the Rise of Zionism to Our Time, Knopf Books, New York, 1979.
- The History of Israel Volume Two, Oxford University Press, New York, 1987.
- Sartori, G. Parties and Party Systems, Cambridge University Press, London, 1976.
- Scammon, R. "Elections to the Israeli Knesset 1981", World Affairs, 144-1, 1981.
- Schiff, Z. and Ya'ari, E. Israel's Lebanon War, George Allen and Unwin, London, 1985.
- The Intifada, Simon and Schuster, New York, 1989.
- Schoenbaum, D. The United States and the State of Israel, Oxford University Press, New York, 1993.
- Schuldiner, Z. "Israel's National Unity", MERIP Reports, January 1985.
- Schweiter, A. Israel's Changing National Agenda, Croom Helm, London, 1986.

Shafir, "Changing Nationalism and Israel's Open Frontier with the West Bank", Theory and Society, 13-6, 1984.

Shalev, A. Israel and Syria: Peace and security on the Golan, JCSS, Tel Aviv University, Westview, 1994.

Shalev, M. "The Political Economy of the Labour Party in Israel: Dominance and Decline in Israel", in Pempel (ed), Uncommon Democracies, Ithaca, Cornell University Press, New York 1990.

"A Study in State-Society Relations in Israel", in Kimmerling (ed), The Israeli State and Society, State University of New York Press, 1989.

Labour and the Political Economy in Israel, Oxford University Press, London, 1993.

Shalev, M. and Grinsburg, G. "Histadrut-Government Relations and the Transition from a Likud to a National Unity Government. Continuity and Change in Israel's Economic Crisis", Pinhas Sapir for Development, December 1989, Tel Aviv University, 1989.

Shamir, M. and Arian, A. "The Ethnic Vote in Israel's 1981 Elections", in Arian and Shamir (ed), The Elections in Israel 1981, Ramot Publishing, Tel Aviv 1983.

"The Intifada and Israeli Voters: Policy Preferences and Performance Evaluations", Pinhas Sapir for Development, 7-90, Tel Aviv University, 1990.

"Competing Values and Policy Choices. Israeli Public Opinion on Foreign and Security Affairs", Pinhas Sapir for Development, 4-92, Tel Aviv University, 1992.

Shamir, Y. Summing Up: An Autobiography, Weidenfeld and Nicolson, London 1994.

Shapiro, Y. The Formative Years of the Israeli Labour Party: The Organisation of Power 1919-1930, Sage Publications, London, 1976.

"The End of a Dominant Party System", in Arian (ed), The Elections in Israel 1977, Jerusalem Academic Press 1980.

"The Origins of Israeli Democracy" in Sprinzak and Diamond (ed), Israeli Democracy under Stress, Lynne Rienner, London, 1993.

Sharkansky, I. The Political Economy of Israel, Transaction Books, New Brunswick, 1987.

Slater, R. Rabin of Israel, Robson Books, London, 1993.

Smootha, S. "The Orientation and Politicisation of the Arab Minority in Israel", Jewish-Arab Centre Paper, Haifa University, Israel.

Israel; Pluralism and Conflict, Berkeley University, New York, 1971

Arabs and Jews in Israel: Conflicting and Shared Attitudes in a Divided Society. Vol. 1, Boulder Westview, 1989.

Sprinzak, E. The Ascendance of Israel's Radical Right, Oxford University Press, London, 1991.

Sprinzak, E and Diamond, L. Israeli Democracy Under Stress, Lynne Rienner, London, 1993.

Stellman, H. "Israeli General Election 1992- The Outcome", Anglo-Israel Association, 1992

"1992 Israeli General Election", Electoral Studies, January 1993.

Swirski, S. "The Oriental Jews in Israel", Dissent, 99, Winter 1977.

Tamarin, G. "Three Decades of Ethnic Coexistence in Israel. Recent Developments and Patterns", Plural Societies, 11-1, 1980.

Torgovnik, E. "Party Organisation and Electoral Politics: The Labour Alignment", in Penniman and Elazar (ed), Israel at the Polls 1981, American Enterprise Institute, USA, 1983.

Will, D. "The Impending Polarisation of Israeli Society", Arab Studies Quarterly, 8-3, 1986.

Willis, A. "Shas. The Sephardic Torah Guardians: Religious Movement and Political Power", in Arian and Shamir (ed), The Elections in Israel 1992, State University of New York Press, Albany, 1994.

Wolffson, M. Israel: Polity, Society and Economy 1982-86, Humanities Press, USA, 1987.

Yishai, Y. "Factionalism in Israeli Political Parties", Jerusalem Quarterly, 20, 1981.

"Israel's Right-Wing Jewish Proletariat", Jewish Journal of Sociology, 4, 1982.

"Hawkish Proletariat: The Case of Israel", Journal of Political and Military Sociology, 13, 1985.

"The Israeli Labour Party and the Lebanon War", Armed Forces and Society, 11, Spring 1985.

Land or Peace: Wither Israel, Stanford Hoover Institution Press, USA, 1987.

Zuckerman, A. and Shamir, M. and Herzog, H. "The Political Bases of Activism in the Israel Labour and Herut Parties", Political Science Quarterly, Summer 1992.

