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Campaign Season Begins in Israel (Part I): Ariel Sharon Bolts from Likud

By [David Makovsky](#)
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On Monday, November 21, Israeli prime minister Ariel Sharon announced that he is bolting the Likud Party and forming a new National Responsibility Party. The Knesset took a preliminary vote to dissolve itself. While wrangling may continue, a final date will soon be set for elections in March 2006. Sharon remains prime minister during the interregnum.

Rationale and Significance of the Move

Sharon dropped a political bombshell by leaving the party that he helped to form in 1973, thereby shattering the political status quo in Israel. Historically, third parties in Israel tend to begin with a sizzle but end with a fizzle—but Sharon's experiment is unique; never has a sitting Israeli premier left the ruling party to form a new party. (In 1965, retired premier David Ben-Gurion left Labor to form the Rafi Party.)

Sharon is making the move because he feels the Likud apparatus—still roiling from Gaza disengagement—constrains his current line of actions and would constrain future policy initiatives toward the Palestinians. Specifically, a group of rebels within his party is blocking Sharon from passing a budget and has stopped him from naming two loyalists to ministerial portfolios. Moreover, a Likud Central Committee comprised of more hawkish activists will determine the next Knesset list, meaning Sharon will not be able to ensure broad parliamentary backing for any future initiative that he might choose to take in dealing with the Palestinians.

Sharon's move could dramatically realign Israeli politics. A Likud split would likely make the alignment of Israeli political parties more closely mirror the views of the Israeli public on the core issue of relations with Palestinians. Currently, two-thirds of Israelis support a two-state solution with the Palestinians. A portion of this two-thirds belonged to the Likud Party and was represented by Sharon. Likud is more heterogeneous than the Labor Party, nearly all of whose members support a two-state solution. Likud is also backed by security-minded supporters and those who oppose Palestinian statehood *a priori*—who can be classed as hard bargainers and hardliners.

The lack of clarity within the Likud Party has diluted Sharon's authority. Sharon believes he is personally responsible for attracting the high level of popular support that won forty seats for the Likud in 2003 parliamentary elections. Yet the party's more ideological activists believe that it was Likud's opposition to territorial concessions that won such support. Both theses will now be tested, especially since many Sharon supporters within the party are bolting with the premier. Within minutes of Sharon's announcement, thirteen Likud parliamentarians seemed likely to follow Sharon, including prominent names such as Finance Minister Ehud Olmert and Justice Minister Tzippi Livni. There are also reports that Sharon will be joined by other prominent figures who are not serving in the Knesset.

Preliminary polls suggest that public support for the Likud will be halved, potentially marginalizing a party that has dominated Israeli government for twenty of the last twenty-eight years.

Sharon's party could revitalize the political center in Israel; the center has been gutted by four years of terror and violence. Sharon would be flexible enough to form coalitions with other like-minded parties, including Yosef Lapid's Shinui Party, and engage parties of the left and right after the elections. Sharon's clarity could contribute to making the rival parties more distinct. Under Peretz, Labor will be more staunchly left-leaning on both the Palestinians and its social-democratic agenda. If Benjamin Netanyahu leads Likud, it could take a more uniformly right-leaning approach to the Palestinians and economic policy. While Netanyahu could win, at least seven candidates are expected to run for Likud chairman in the wake of Sharon's departure, including Defense Minister Shaul Mofaz and Foreign Minister Silvan Shalom.

Sharon's Gamble

No third party has ever won an Israeli election. Sharon's move is certain to dominate headlines, given his national popularity and the unprecedented nature of the move. However, questions will remain. Does Sharon have the organizational strength to field a new party with such short notice before March elections? With his son Omri, who helped spearhead past campaigns, now preoccupied with legal proceedings, who will head the drive? With enhanced judicial focus on campaign finance contributions and system that favors existing parties over new ones, will Sharon be able to attract the resources needed to run a national campaign? Sharon was keen to say that his new party will include at least fourteen of Likud's forty parliamentarians. This is a key figure; if one-third of the parliamentary faction bolts with him, Sharon will be entitled to air time and a portion of Likud's campaign-finance allocation. Will Sharon's list be too Ashkenazic to face Peretz, Labor's first Sephardic candidate for premier? Can Sharon withstand Peretz's economic critique? Apart from Haim Ramon, who has been the leading advocate for a fusion party and who appears poised to announce that he will join Sharon, who else from Labor will do so?

Implications for U.S. Policy

Over the medium term, U.S. diplomacy may be energized by Sharon's move, even if U.S. efforts become more low-profile in the short term as the political season plays itself out. Palestinian parliamentary elections in January and Israeli general elections in March represent a thrashing out of the internal political debate in both societies, especially in light of the completion of Sharon's Gaza disengagement. The bottom line may be that there could be revitalized political capital among Israeli and Palestinian leaders that would enhance U.S.-led diplomacy by spring 2006. It is ironic that neither Sharon, who sprinkles hints of unilateral pullback in the West Bank while paying fealty to the Quartet-backed Roadmap, nor Peretz, who says he wants to address the core issue of a final status deal with the Palestinians, are giving voters a sense that they are genuinely committed to the Roadmap. However, if elections produce Israeli and Palestinian mandates that are not in synch with each other, prospects for U.S.-brokered Israeli-Palestinian bilateralism will be frustrated, and unilateralist impulses among Israelis and Palestinians are bound to grow. The American instinct will likely be toward bilateralism, which might help balance Washington's conflicting interests in the region, but that is not set in stone.

The prospect of early elections in Israel has been a key factor for U.S. diplomacy. Some analysts criticize the Bush administration for not wrapping up an agreement over Rafah crossing points as part of Gaza disengagement earlier this summer, but at minimum, Peretz's recent victory in Labor Party elections and his subsequent decision to leave the government ensured that U.S. secretary of state Condoleezza Rice needed to conclude the Rafah deal before the agreement would have become a political football in Israel. The U.S.-brokered deal on Rafah crossings completed on November 15 could also boost Mahmoud Abbas's chances in Palestinian elections in January. The United States has also used these last preelection weeks to win Israeli support for enabling Egypt to provide ammunition for Palestinian Authority security services.

U.S. efforts between now and March may have to be low profile, but Washington need not be dormant.

American diplomacy could still help to remove some items from the domestic political context. For example, the United States has just named Maj. Gen. Keith Dayton, formerly the director for operations at the Defense Intelligence Agency, to replace Lt. Gen. William Ward as security envoy. Given President George W. Bush's stated desire to broaden the mandate of the security envoy, General Dayton could transform his role from advisor to the Palestinian security services to a security troubleshooter who works with both Israelis and Palestinians separately and, when needed, together. The United States also needs to urge Abbas to turn his promise for disarmament legislation into a campaign platform, which he could use as a mandate after elections.

On a related front, Washington needs to discuss with Cairo prospects for extending the ceasefire Egypt brokered among the Palestinian factions, and which technically expires on December 13. Rejectionists have used well-timed attacks during campaign seasons to tip the outcome of Israeli elections. Further, the G8 countries have pledged \$3 billion in aid to the Palestinians, but little of the pledged money has arrived. Arab states have made windfall profits on oil, but come nowhere nearing matching G8 pledges. The United States could use its resources to secure such support in advance of elections for Israelis and Palestinians. Finally, Washington needs to consider contingency plans in case Palestinian and Israeli elections produce an environment more conducive to unilateralism instead of bilateralism. This includes considering what would be acceptable *quid-pro-quo* offers the United States would make to Israel to obtain further withdrawals from the West Bank if bilateralism fails. This busy preelection agenda does not require Rice's personal intervention in a public fashion, but it does require quiet U.S. planning and involvement.

David Makovsky is a senior fellow and director of the Project on the Middle East Peace Process at The Washington Institute.

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