

PERSPECTIVES

**THE PEOPLE HAVE SPOKEN:
ELECTIONS AND THE FUTURE OF ISRAELI-
PALESTINIAN PEACEMAKING**

ANTHONY BUBALO

A P R I L 2 0 0 6

The Lowy Institute for International Policy is an independent international policy think tank based in Sydney, Australia. Its mandate ranges across all the dimensions of international policy debate in Australia – economic, political and strategic – and it is not limited to a particular geographic region. Its two core tasks are to:

- produce distinctive research and fresh policy options for Australia’s international policy and to contribute to the wider international debate.
- promote discussion of Australia’s role in the world by providing an accessible and high quality forum for discussion of Australian international relations through debates, seminars, lectures, dialogues and conferences.

Lowy Institute Perspectives are occasional papers and speeches on international events and policy.

The views expressed in this paper are the author’s own and not those of the Lowy Institute for International Policy.

The people have spoken: elections and the future of Israeli-Palestinian peacemaking
Speech to Australian Institute of International Affairs,
Queensland, 4 April 2006

Anthony Bubalo

Introduction

Since Christmas, in the space of three short months, Palestinians and Israelis have gone to the polls. It is something of a unique situation – where an Israeli and a Palestinian election have been held so close together and at such a crossroads in terms of the future relations between the two peoples.

In fact, I would go so far to say that the two elections, taken together, were a kind of a referendum on the Israeli-Palestinian conflict – albeit a referendum of a peculiar sort.

That is, this wasn't so much a referendum on what course of action Israelis and Palestinians wanted their respective governments to take on Israeli-Palestinian politics; rather it was a referendum on where the conflict itself stood in people's overall priorities.

The remarkable result of both elections was that voters on both sides seemed to be saying that the Israeli-Palestinian conflict now sat a lot lower in their immediate priorities than it had for some time. In both cases issues around the Israeli-Palestinian conflict do not appear to have been decisive in determining how people voted.

What we saw instead, and what I will make my theme this evening, was 'mutual disengagement'. That is, a situation where both Israelis and Palestinians:

- A) believed there was little prospect of a return to negotiations in the short term, even though they would favour such a return
- B) partly as a consequence of A), Palestinians and Israelis assented to, if not favoured, approaches to the Israeli-Palestinian conflict that both emphasised the physical separation of the two peoples and that were not reliant on the good will or assent of the other side; and

C) as a result of both A) and B) Israelis and Palestinians began to disengage intellectually and politically from the Israeli-Palestinian conflict and become more focused on internal social, economic and law and order issues.

None of this is to suggest, of course, that the Israeli Palestinian conflict is resolved, will be forgotten or suddenly vanish from politics and political rhetoric. Given the centrality of that conflict for the ways in which the two peoples live their lives this is hardly possibly.

Nonetheless, I would argue that we are seeing a more than subtle re-ordering of priorities by both populations that will itself have implications for the way the Israeli-Palestinian conflict will be handled in future. But I will come back to that later.

First, to help explain what I mean by mutual disengagement, let's look at the two elections in turn and the dynamics that produced their respective results.

Palestinians vote

Last January's elections for the Palestinian Legislative Council - the PLC – were the first for this body in a decade. The PLC was originally established under the Oslo accords as one of the structures by which Palestinians in the territories would rule themselves while Israeli and Palestinian leaders negotiated a permanent settlement.

Not surprisingly, the first PLC election in 1996 was won overwhelmingly by Fatah, the party of PLO Chairman and Palestinian Authority (PA) President Yasser Arafat. Fatah had long been the dominant political faction in the territories, though its victory was also assisted by the decision of Hamas – the next largest political organisation in the territories – to boycott the PLC elections as it had boycotted everything else that had anything to do with the Oslo Accords that they opposed.

For much of its life, however, the PLC was a moribund organisation. All of this changed with the coming of the second Palestinian Intifada in 2000 – the violent uprising that was a consequence of the decade-long failure of Israeli-Palestinian peacemaking.

The Intifada resulted in both internal and external pressure for Palestinian political reform.

In terms of internal pressure, what was often lost on outside observers was the extent to which the Intifada was as much directed at the Palestinian leadership as it was against Israel.

Not only were Palestinians frustrated that their national objectives had not been achieved through a decade of negotiations, they were also frustrated that internal conditions had not improved: the economic situation had become worse not better under Oslo; the PA leadership under Arafat showed itself to be corrupt and ineffective rulers; and there was a lack of democracy within the Authority.

Meanwhile, externally, the Bush Administration and Israel came to see Arafat not as a peace partner but as an obstacle to efforts aimed at ending the violence, if not an instigator of that violence. Certainly the Bush Administration was convinced that a way around this problem was to diminish Arafat's power, especially his control over the security forces.

These internal and external pressures combined around 2002 to force Arafat to sign the PA's Basic Law – in effect an interim constitution – to agree to the holding of new elections for the PLC and to the creation of the new post of Prime Minister.

But clinging to power tenaciously, it would only be after Arafat's death in 2005 that these measures would culminate in the empowerment of the PLC.

Arafat's elected replacement as PA President, Mahmud Abbas, arrived in office carrying the internal and external expectations of political reform. Knowing that he could not, in the short term, meet Palestinian national goals he focused on questions of good governance and the internal demands for democratisation, and set a date for long-promised PLC elections.

This is an extremely important point, for while there was external pressure from the US to go ahead with the Palestinian elections, Abbas was essentially responding to an internal desire for change that had built up over a decade under Arafat's rule.

Of course, Abbas also thought that holding the election would help him in his efforts to reign in militant violence. Part of his deal with Hamas for a ceasefire in 2005 was agreement to the holding of new elections for the PLC.

Unlike in 1996, Hamas was now prepared to participate in the elections, mainly in the expectation that it would do well, if not win them. Meanwhile, Abbas calculated that the

elections would draw Hamas into the political process and away from violence, and deliver him, through a Fatah victory, a greater mandate to end attacks on Israel.

As we all know, in the PLC elections held last January, Abbas certainly achieved the former – Hamas were drawn into the political process and by and large they have continued to abide by the terms of the ceasefire agreement.

As we know, however, he had less luck with the latter because Fatah lost; although I would argue that Abbas' plan did work in the sense that as a consequence of winning power the imperative for Hamas is now toward maintaining the ceasefire, at least in the short term.

So why did Hamas win? I would argue that Hamas won because people's priorities changed.

As I have already underlined, Palestinians living in the territories had two sets of expectations: one related to the future and their national objectives – statehood, the right of return for refugees, the status of Jerusalem etc; the other related to the present and their immediate personal circumstances – jobs, law and order, good governance.

As I have already noted, as Palestinian entered polling booths last January they were conscious that Fatah had failed to deliver on both these counts. But they had also drawn some conclusions about their priorities for the future.

On the one hand, they recognised that the prospects for a resumption of negotiations with Israel were slight at best: the many efforts to re-start negotiations since 2000 had been dismal failures, while the Sharon government had clearly put its faith in more unilateral approaches, reflected in its unilateral withdrawal from Gaza.

On the other hand, their domestic situation had worsened significantly over the course of the Intifada. According to World Bank figures, in 2005 unemployment had risen to 23 per cent – more than double pre-Intifada levels – while 43 per cent of Palestinians were now living below the poverty line. Meanwhile, lawlessness had increased and personal security had fallen dramatically.

Thus, with little hope on the external front and a dramatically worsening situation on the internal front, Palestinians prioritised the internal over the external and voted accordingly.

This meant that the party they held responsible for the internal situation, Fatah, was punished, while the one thought most capable of improving it, Hamas, prospered.

As one recent Palestinian poll underlined, 52 per cent of those Palestinian polled thought Fatah lost the elections because voters wanted first and foremost to punish it for the spread of corruption, while 19 per cent thought it lost because it was divided and leaderless, and 17 per cent because it failed to end anarchy in the Palestinian territories. Only 5 per cent thought it lost because of the peace process.

Similarly, in another recent Palestinian poll, 44 per cent of respondents said they believed the most serious problem confronting the Palestinians today was unemployment and poverty, 24 per cent believed it was corruption and lack of reforms, and 25 per cent thought it was the continuation of the Israeli occupation.

There are, however, some other factors that make this picture a little more complex and that need to be mentioned.

Firstly, Fatah ran its election campaign as miserably as it ran the Palestinian territories. For example, unable to agree on a list candidates, in some seat two Fatah members ran against the other, succeeding only in splitting the vote and delivering victory to Hamas. This was also a significant factor in their election loss.

Secondly, there is little doubt that some Palestinians voted for Hamas not just because they felt it would do a better job internally but also because it would be better at achieving national goals. From a Palestinian perspective the one bright spot on the external front had been Israel's withdrawal from Gaza and it was clear that most attributed this to Hamas' campaign of violence.

I will return to this last issue in a moment when I consider the implications of the elections for the future of peacemaking. Before that I want to turn to the Israeli elections.

Israelis vote

Less than three months after the Palestinian elections Israelis went to the polls. Here the results were less surprising than Hamas' victory in the Palestinian polls, but in many respects reflected a similar shift in priorities.

In the lead-up to the election the general expectation was that Kadima – the party formed by former Prime Minister Ariel Sharon when he bolted from the Likud – would win the election. The question was, however, by how much would it win.

In this respect Kadima suffered an early and mortal blow when Sharon suffered a stroke and was incapacitated last January. In many respects Sharon was the party; indeed it was a measure of the strength of his popularity that Kadima still polled so strongly even while he lay in a coma in a Jerusalem hospital.

Come election day, as expected, Kadima – led by Sharon’s replacement Ehud Olmert – did win the largest share of the vote. But it did not do as well as was expected or it certainly hoped, winning only 29 seats in the 120-seat legislature.

This was a respectable showing in Israel’s highly fragmented political system, but still a lot less than the 40-odd seats that polls had been predicting the party would win – though those initial predictions were wildly optimistic.

The result will make coalition negotiations more difficult for Olmert and his eventual government will be a lot less stable. But it should, nonetheless, be enough to make him the next Prime Minister.

By contrast, the right-wing vote in Israel did not so much collapse as scatter. In fact, the outcome was less a disaster for the right in general than it was for one right-wing leader in particular – former Prime Minister Benjamin Netanyahu. Under his leadership the Likud party shrank to 12 seats. This was partly a result of the Kadima split, but it was also much worse than pre-election polls had predicted.

Other right-wing leaders – notably Israel Beitenu’s Avigdor Lieberman – did much better than expected. As a result, there will be many months of soul-searching ahead for a Likud party looking for a new direction, new ideas and, in all probability, a new leader.

The real surprise in this election was the extent to which parties that campaigned heavily on socio-economic issues did well or very well. The Labour party under ex-Trade Union head Amir Peretz received the second largest share of the vote at 19 seats. Shas, a party that has always been firmly focused on getting economic support for its ultra-orthodox Sephardic

constituency, also polled strongly and looks like being the third largest party in the Knesset, jointly with the Likud.

And the election saw the rise of the hitherto largely unknown 'Pensioners Party' headed by former Mossad spy-master Rafi Eitan. Better known as the man who captured Adolf Eichman and who ran Israel's spy in the American Navy, Jonathon Pollard, Eitan campaigned on a platform of getting better support for Israel's increasingly large number of retirees. His party's seven seats will, at the very least, give him a significant role in the coalition negotiations

What the result reflects are two inter-related factors:

- Firstly, most already believe that the appropriate policy course with respect to the Israeli-Palestinian course is already set; namely that Israel should disengage and separate from much of the Palestinian territories – possibly via negotiations, more probably unilaterally.
- Secondly, because Israelis believed that the parties supporting disengagement were going to win the election, their socio-economic concerns became more prominent as factors driving their vote. This partly explains why the vote was so fragmented.

I will come back to the first factor in moment when I return to the Israeli-Palestinian conflict. But first a word on the second factor.

Security has long been the dominant imperative behind Israeli voting behaviour. But at least up until the 1999 election there had been a trend whereby socio-economic factors were becoming more important and there was a relative decline in the importance of security as a driver for the way in which people voted.

After 1999, and until this last election, the trend reverted to security once again being the dominant factor in Israeli voter behaviour. Not surprisingly, this was a result of the Intifada which began in 2000 and which saw a dramatic rise in suicide bombings over this period.

2006 was different and reflected in many respects a similar re-prioritisation of internal over external issues, as was reflected in the Palestinian poll.

That is, on the one hand, over the course of 2005, terror attacks were on the decline, partly as a result of Israeli measures such as the separation fence and partly as a result of Palestinian actions, most notably the ceasefire. According to Israeli government figures, in 2002 some 2,100 Israelis were killed in terror attacks; by 2005 this had fallen to 367.

On the other hand, the period coincided with a phase of significant economic reform in Israel that, while successful, also caused significant socio-economic hardship; for example, it led to the reduction in social welfare services, payments and pensions and exacerbated public concerns about a growing gap between rich and poor.

So how did Israelis respond? Remarkably similarly to the way that the Palestinians had responded. They punished those they felt were responsible – notably Netanyahu who had presided over these reforms as Finance Minister – and they rewarded those that focused on these issues – notably the newly created Pensioners Party.

Mutual disengagement and the future of peace talks

What I have described to you above is the first part of the ‘mutual disengagement’ I referred to earlier. That is, both sides are disengaging from issues surrounding the Israeli-Palestinian conflict and turning inward, focusing on internal problems and issues.

As I noted at the outset, however, I am *not* trying to suggest that everyone has now forgotten the Israeli-Palestinian conflict. As I have tried to emphasise, this common focus on internal questions is, in part, a function of circumstances – namely, on the one hand, the diminished prospect of a return to negotiations and, on the other hand, the deterioration of economic conditions – and in the Palestinian case, security conditions – closer to home.

But we can all expect the Israeli Palestinian conflict to make a comeback. And this is the other element of mutual disengagement: the desire for physical separation between the two sides and the *expectation* that it will most probably occur unilaterally.

The origins of disengagement lie on the Israeli side of course. It is the term that is synonymous with the policies of former Prime Minister Ariel Sharon toward the Palestinians – most notably the withdrawal of settlements from the Gaza Strip and the plans for a further withdrawal from the West Bank by the party he formed, Kadima.

What is often forgotten, however, is that disengagement was something that Sharon only accepted slowly and reluctantly. Its real origins lay in the desire of the Israeli public to separate from the Palestinians.

That is, if the Oslo process reflected a desire to build trust and cooperation and on that basis establish two states for two peoples – in effect a marriage in which the two partners lived in separate houses – disengagement reflected, after the failure of a decade of Israeli-Palestinian peacemaking and the outbreak of the Intifada, the desire for a divorce.

It was also based on growing fears of the demographic threat that the growing Palestinian population is seen to represent to Israel – in short, a belief among most Israelis that unless Israel detaches itself from Palestinian population centres in the West Bank and Gaza, Israel's Jewish population would soon find themselves in the minority west of the Jordan River. And it was manifest in strong public support for the idea of a separation fence – again another initiative to which Sharon was initially opposed.

On the Palestinian side you can argue that insofar as the majority of Palestinians support a two state solution they have also sought a form of separation. That instinct is certainly stronger now and is manifest in the loss of faith in many of the plans for economic cooperation between Israel and a future Palestinian state that were prominent during the optimistic days of the Oslo process.

It is noteworthy, for example, how much Hamas talks today about the need for the Palestinians to build an economy that is not dependant on Israel's – whether this is realistic, of course, is another question altogether.

There is also mutuality in that both sides seem to expect that this separation will occur unilaterally. Indeed, because the two leaderships and two peoples have lost all trust and faith in the other, it is seen as one of the virtues of disengagement.

But let's not paint an entirely gloomy picture on this score. A recent joint Palestinian-Israeli public opinion poll found that three quarters of the Palestinians (73 per cent) and Israelis (76 per cent) polled prefer to see further disengagements in the West Bank negotiated between the PA and Israel.

Moreover, in the aftermath of the election, Kadima head Ehud Olmert stated that he would prefer to disengage via negotiations rather than unilaterally; meanwhile the new Hamas Prime

Minister has said that he would not stand in the way of renewal of negotiations between Israel and Palestinian President Mahmud Abbas, provided these 'served the interests of the Palestinian people'.

All nice sentiments and nice words, but the reality is that a renewal of serious negotiations is a distant prospect.

On the Palestinian side, Palestinian President Mahmud Abbas is genuinely willing to talk but lacks the authority to conduct and deliver on those negotiations. Meanwhile, the newly elected Hamas government has the authority to negotiate but has a long way to go before it truly accepts a two-state solution as a part of its platform and certainly before it recognises Israel's right to exist – and it is certainly not going to do these things for free.

Meanwhile, Israelis are unwilling to allow the disengagement process to become hostage to the probable long search for an effective Palestinian negotiating partner. As I said earlier, a key virtue of disengagement from an Israeli perspective is that it is still largely seen as something that is not dependant on the goodwill or assent of the Palestinians. In other words, Israel can do it according to a timetable and a manner that suits its own security needs.

The strongest evidence of this was how little impact Hamas' election victory had on the Israeli election outcome. Not so long ago it would have been political manna from heaven for the Israeli right. But as the victory of mainly centre-left parties demonstrated, most Israelis would appear to view a Hamas-led Palestinian Authority as largely irrelevant.

In effect, therefore, both sides may be talking about their respective willingness to resume negotiations; but their expectation is of the opposite occurring.

Nonetheless, mutual disengagement raises more questions than it answers, not least whether such a process is sustainable. And this is where I want to conclude by posing two of the key questions raised by 'mutual disengagement':

Firstly, it is by no means clear that disengagement in the West Bank is possible without negotiations. In Gaza both sides already agreed on what constituted the border. Moreover, in Gaza, Hamas had an interest in the evacuation of settlers proceeding quietly. By contrast, the scope of any withdrawal from the West Bank is far from agreed and Hamas have already warned – somewhat ironically – that they will not allow the Israelis to slip away and, in the words of one former US official, 'throw the keys over the fence as they leave'.

Secondly, if it does not prove possible for Israel to disengage from the West Bank without violence, then the new-found focus of Israelis and Palestinian on internal and social issues is likely to dissipate and return to the traditional preoccupation on national and security issues. In short, any nascent Palestinian and Israeli focus on their own individual existences may yet again give way to the much more fraught and difficult search for co-existence.

ABOUT THE AUTHOR

Anthony Bubalo graduated from the University of New South Wales with a Bachelor of Arts Honours, majoring in Political Science. He joined the Department of Foreign Affairs and Trade in 1991. He undertook long-term Arabic language training in Egypt, and has served in Australia's Embassies in Saudi Arabia and in Israel.

More recently he was a Director on the Iraq Task Force and was the Department's senior speechwriter. He also served as Middle East Analyst in the Office of National Assessments from 1996 to 1998.

He is the author of Lowy Institute Paper 05: *Joining the Caravan? The Middle East, Islamism and Indonesia.*

LOWY INSTITUTE

FOR INTERNATIONAL POLICY

WWW.LOWYINSTITUTE.ORG