

CRS Insights

Israel After the 2015 Elections: What Does Netanyahu's Victory Mean for U.S. Policy?

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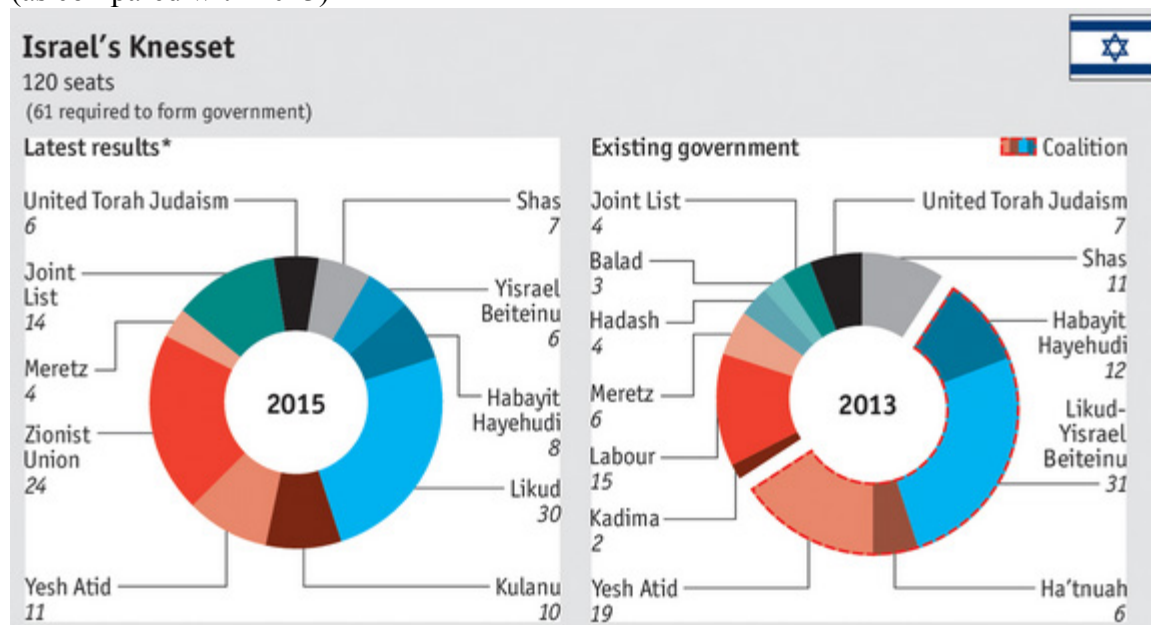
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The Israeli Knesset elections held on March 17, 2015, were a subject of significant interest for the United States. Prime Minister Binyamin Netanyahu's Likud party finished with a six-seat advantage over the center-left Zionist Union (a joint list of the Labor and Ha'tnua parties), which was particularly striking because Likud had trailed by four seats in final pre-election polls. Under the [laws governing Israel's multi-party parliamentary system](#), Israeli President Reuven Rivlin assigned Netanyahu on March 25 to form a majority coalition within 28 days. On April 20, Rivlin provided a one-time extension under law to give Netanyahu until May 6.

[Many commentators attribute Likud's win at least partly to statements by Netanyahu](#) in the final days of the campaign to persuade right-leaning voters to choose Likud over smaller parties in order to prevent Zionist Union from taking power. Netanyahu [appeared to renounce](#) his [previously expressed willingness to accept](#) the creation of a Palestinian state, before [claiming shortly after the election](#) that he still supports a "two-state solution" in principle but not under current realities.

Figure 1. 2015 Election Results

(as compared with 2013)

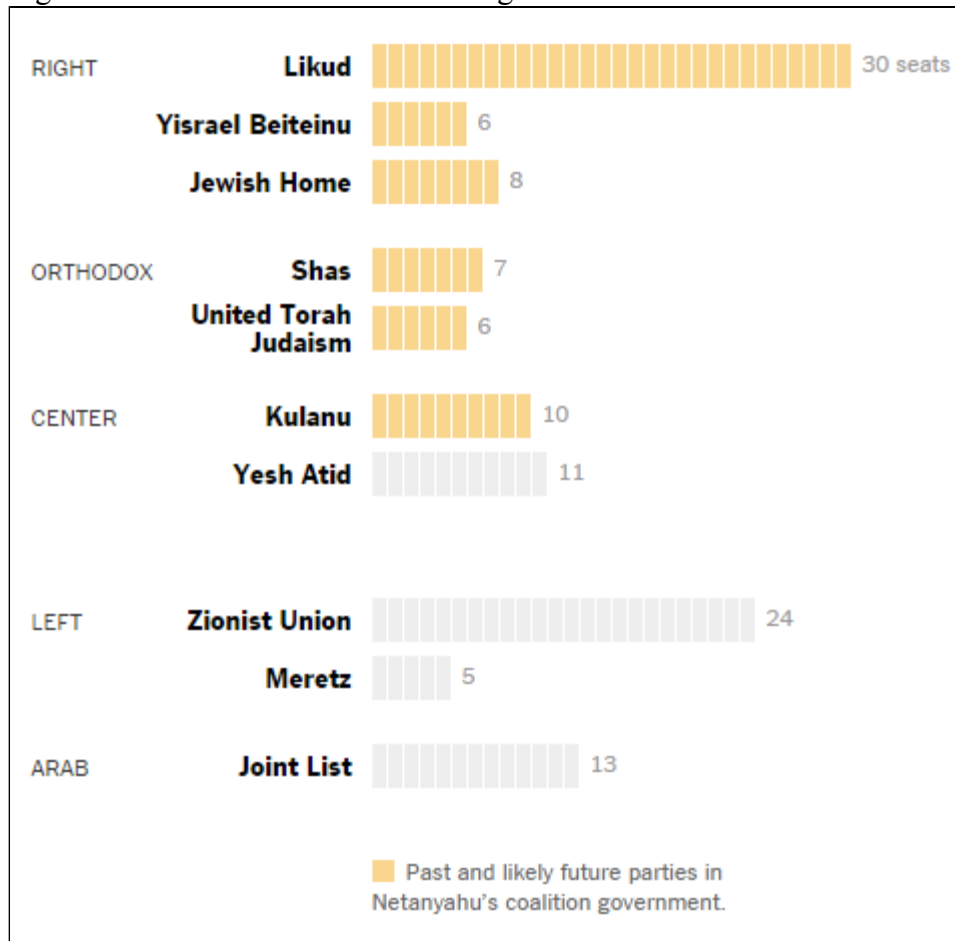


Source: Economist.com (citing Haaretz.com and Knesset)

Note: See <http://static.bicom.org.uk/wp-content/uploads/2015/01/israels-partys-2015.pdf> for more information on Israeli parties.

Netanyahu appears poised to form a government with the support of various parties seen as [natural Likud coalition partners](#) (see [Figure 2](#) below). Support expressed by Kulanu's Moshe Kahlon—a former Likud member who gained notoriety for helping to liberalize the mobile phone market as communications minister from 2009 to 2013—for a Netanyahu government is expected to be decisive in this regard. A [common analytical view](#) is that Kahlon, who [reportedly left Likud because of differences with Netanyahu](#), is nevertheless inclined to join the government to gain greater experience and prominence, probably in return for influence over the new government's socioeconomic agenda and the post of finance minister.

Figure 2. Probable Israeli Political Alignments



Source: nytimes.com

Expectations by U.S. officials and other actors that a new Netanyahu-led government is likely to have a rightward orientation on various national security issues are reportedly affecting the [options being weighed by U.S. officials](#) and other actors on a number of subjects, including:

- **Overall U.S.-Israel Relations:** In recent months, longstanding policy differences between President Obama and Netanyahu have become increasingly public, most prominently over Iran, but also [over Netanyahu's stance on a two-state solution](#). There is no indication that U.S. security assistance for and cooperation with Israel will be affected. However, it may be difficult to discern whether and how [public bilateral disagreements on key issues](#) are driven by divergences in how the countries broadly assess their respective national interests, or by contrasting views and personalities among specific leaders or groups.
- **Iranian Nuclear Issue:** In early April, the "P5+1" and Iran announced agreement on a political framework for a deal they seek to finalize by the end of June (see CRS Report R43333, [Iran: Efforts to Achieve a Nuclear Accord](#)). Netanyahu continues to vigorously oppose several aspects of the potential deal in line with concerns he raised [at a joint meeting of Congress](#) on March 3. [Questions](#) publicly released by Israel's government focus on possible gaps between the P5+1 and Iran on topics such as
 - the nature and timing of sanctions relief;
 - the viability of reinstating effective sanctions in the event of Iranian violations;
 - the effectiveness of an inspections regime;
 - the fate of Iran's existing infrastructure and enriched uranium;
 - possible military dimensions of the nuclear program; and
 - probable expiration of various terms in the deal after 10 or more years.

The questions also focus on larger implications for Iran's behavior and nuclear proliferation in the region. Some high-ranking former Israeli security officials [have called on Netanyahu](#) to reduce his critical pronouncements in order to work more closely with the Obama Administration to shape a final deal's parameters. In an April 4 interview, [President Obama stated his commitment](#) to Israel's "qualitative military

edge" and deterrence capabilities, and his willingness to make additional commitments to Israel's security. This might become more complicated in light of the possibility that sanctions relief for Iran [could conceivably increase material support](#) for the Lebanese Shiite group Hezbollah and other Iranian allies, as well as [Russia's recent announcement](#) that it intends to finalize an agreement dating from more than five years ago to upgrade Iran's anti-aircraft capability by selling it the S-300 system.

- **Palestinian Issues:** Netanyahu's statements before and after the electoral campaign regarding a potential Palestinian state, and U.S. and international responses to those statements, have implications for Israeli-Palestinian relations. Questions persist over [possible curtailment of security cooperation](#), the Palestinian Authority (PA)'s [fiscal and political stability](#), Israeli [settlement construction](#), and Palestinian actions vis-à-vis the International Criminal Court (see CRS Report RL34074, [The Palestinians: Background and U.S. Relations](#)).

In a [congratulatory call](#) with Netanyahu following the March elections, President Obama reportedly told him that he values the "deep and abiding partnership" between the two countries. However, the President gave an [interview](#) shortly thereafter in which he said, "We take him [Netanyahu] at his word when he said that it [the creation of a Palestinian state] wouldn't happen during his prime ministership, and so that's why we've got to evaluate what other options are available to make sure that we don't see a chaotic situation in the region."

The Administration appears to be considering options to minimize Israeli-Palestinian crises and maintain U.S. leadership internationally in promoting a peace process. In a mid-April development aimed at easing concerns regarding short-term PA stability, [Israel reportedly agreed to provide previously withheld tax revenues to the PA](#) without insisting on deductions for amounts supposedly owed to Israeli creditors. [White House officials have been cited in media reports as saying](#) that the United States might consider supporting a potential U.N. Security Council resolution that uses pre-1967 armistice lines as reference points for negotiating Israeli-Palestinian borders. In March 19 congressional testimony, [one Administration official](#) appeared to deny these reports. [The United States has routinely](#) blocked or stood against U.N. initiatives opposed by Israel.