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Israel and Middle East News Update

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April 1, 2021

Ynet News

Netanyahu Calls on Bennett and Saar To Join His Coalition

Prime Minister Benjamin Netanyahu called on [Naftali Bennett](#) and Gideon Saar to join his coalition as he struggles to muster up enough Knesset seats to form a government. Yesh Atid head Yair Lapid, who has emerged as the leader of the anti-Netanyahu camp, has also called on Saar and Bennett to join the centrist bloc. Saar's New Hope and Bennett's Yamina parties have emerged as kingmakers as they hold enough seats to tip the scale for either side. In a brief press conference, Netanyahu urged his former allies-turned-rivals to "come home" by uniting under him. Saar brushed off prime minister's calls, saying he will fulfill his election promise, which is not to join a government led by Netanyahu. Bennett said he "will continue to make every effort to establish a good and stable government that will pull Israel from the chaos." [Dig Deeper "Rivlin Hints Netanyahu Not the Favorite, Forcing PM To Change Strategy" \(Ynet News\)](#)

Jerusalem Post

Yair Lapid Ready To Let Naftali Bennett Go First in Rotation

Yesh Atid chairman [Yair Lapid](#) is willing to reach an agreement with Bennett that would enable Bennett to go first in a rotation in the Prime Minister's Office, sources in Lapid's party. The sources said Lapid is willing to make such an offer, even though Yesh Atid won 17 seats in the March 23 election and Yamina won only seven. But Bennett has rejected invitations to meet with Lapid, despite mediation by Gideon Sa'ar. Yesh Atid officials said that as part of such an agreement, Bennett would have to publicly rule out using the mandate to build a coalition with Netanyahu and the Likud's satellite parties and announce that he would break his campaign promises to not sit in a coalition with Meretz and a coalition backed by Arab parties. [Dig Deeper "Israel's New Parliament Most Divided Yet" \(Al-Monitor\)](#)

Israel Hayom

Sources: Lieberman Rules Out Bennett as Prime Minister

Yisrael Beyntenu Chairman Avigdor Lieberman has ruled out a coalition that would have Naftali Bennett as prime minister, senior political sources told Israel Hayom. Lieberman, whose right-wing party has ruled out sitting with Netanyahu because of his indictment for alleged corruption, apparently chafed at the idea that Yesh Atid leader Yair Lapid was considering forfeiting the opportunity to get the presidential nod to form a government in order to unify the "anti-Netanyahu camp" behind Bennett. Lieberman, the source said, that it was unacceptable to have Bennett, whose party won seven seats, become the country's leader. Both Yisrael Beyntenu and Yamina won seven seats, but Bennett has not ruled out sitting with Netanyahu. [Dig Deeper "Likud Mks Turn on Rivlin, Claim He's Abusing His Powers in Bid To Oust Netanyahu" \(Times of Israel\)](#)

Bank of Israel: Israel May Need Tax Hike To Cut Debt

Israel may have to raise taxes to curb debt levels that have ballooned due to the coronavirus pandemic, the Bank of Israel said in a summary of its 2020 annual report on the economy published. “To finance debt, which has swelled... it could be that the need will arise in due time also to raise tax rates,” the summary of the report said. The central bank is scheduled to hold a press conference on April 6 to present the full report. Fiscal policy must adapt itself to a post-pandemic economy “and be conducted in an orderly manner” with long-term priorities, in order to maintain credibility, the Bank of Israel said. A state budget for 2021 is essential in order to boost growth, and must especially invest in human capital, public transportation and communications infrastructure, energy and the environment, the report said. Israel has been without a budget since 2018 due to political instability and is now exiting from a fourth round of elections in two years without a clear winner in sight.

Biden To Strike Down US Sanctions on ICC Officials

The administration of President Joe Biden is planning to lift the sanctions on members of the International Criminal Court (ICC), [Foreign Policy](#) reported. According to the report, which cites two sources with knowledge on the matter, the move could materialize either this or the coming week. If implemented, it would reverse the restrictions imposed by the administration of former President Trump on chief ICC prosecutor Fatou Bensouda and top deputy Phakiso Mochochoko. The Trump team justified the sanctions by accusing the ICC of attempting to illegitimately subject Americans to its jurisdiction as the court sought to look into alleged war crimes in Afghanistan. A probe into alleged war crimes on Palestinian territories was another key point of contention between the ICC and Washington, with either Israel or the US ratifying the Rome Statute, the court’s founding charter. The Biden administration similarly does not recognize the ICC jurisdiction in either case. [Dig Deeper “Israel Has No Planned Approach, Response To ICC, with 9 Days To Go” \(Jerusalem Post\)](#)

Biden Admin is Quietly Ramping up Aid To Palestinians

The [Biden administration](#) is quietly ramping up assistance to the Palestinians. Since taking office with a pledge to reverse Trump’s Israeli-Palestinian decisions, the administration has allocated nearly \$100m for the Palestinians. The administration announced last Thursday that it was giving \$15m to vulnerable Palestinian communities in the West Bank and Gaza to help fight the COVID-19 pandemic. A day later, with no public announcement, it notified Congress that it will give the Palestinians \$75m for economic support, to be used in part to regain their “trust and goodwill” after the Trump-era cuts. The administration has made no secret of its belief that Trump’s approach, which alienated the Palestinians, was flawed and made prospects for peace less likely. The new assistance appears aimed at encouraging the Palestinians to return to negotiations with Israel, though there is no indication it will have that effect and Israel’s response has yet to be gauged. [Dig Deeper “State Dept. Confirms US Views Israel’s Control Over West Bank as ‘Occupation’” \(Times of Israel\)](#)

Barghouti, Arafat Nephew Form Joint Slate for Vote

A popular Palestinian leader imprisoned by Israel for terrorism registered his own parliamentary slate in a dramatic last-minute development that could weaken Palestinian Authority (PA) President Mahmoud Abbas's Fatah party and increase the chances of a Hamas victory in the upcoming Palestinian legislative elections. Marwan Barghouti is serving five life sentences in Israeli prison for masterminding terror attacks during the Second Intifada. But he is widely popular among Palestinians, many of whom see him as a symbol of resistance untainted by corruption. His wife Fadwa Barghouti, accompanied by leading Fatah dissident Nasser al-Kidwa, headed to the Central Elections Committee headquarters in Ramallah to officially submit their electoral list. Al-Kidwa had earlier told The Times of Israel that he had merged his widely anticipated slate with Barghouti's. The slate of candidates, which is called "Freedom," will see al-Kidwa take the top spot, while Fadwa will be second on the list. Together, al-Kidwa — a seasoned diplomat and late Palestinian leader Yasser Arafat's nephew — and Barghouti, will represent a serious challenge to Abbas in the upcoming election. [Dig Deeper "Abbas Said To Tell Shin Bet Head He Won't Call off Elections: 'You Built Hamas'" \(Times of Israel\)](#)

Rouhani: 'We Have To Pursue Negotiations Daily'

Iranian President Hassan Rouhani discussed the ongoing tension with the United States over reentry into the nuclear deal and the economic sanctions on Tehran. Rouhani said the US is "100% at fault for the sanctions, no one can doubt this." He said the "inhumane sanctions" started under President Donald Trump and said he had recently heard there has been an issue on importing chicken because of sanctions. Rouhani added, "We have to be more active than before, we have to pursue negotiations daily and to eliminate sanctions. Just as the Supreme Leader [Ayatollah Ali Khamenei] said, we are not in a hurry." He continued, "Two months has passed, and no one can accuse us of hurrying. If we would have gone earlier maybe they could have accused us. But now it's not hurrying and waiting any longer is burning an opportunity." The comments above are a sign Rouhani is gently and publicly pushing Khamenei to permit Iran's nuclear negotiators to hold talks with the United States. Rouhani would like to seal his legacy before the presidential elections this summer. A US return to the deal and the removal of sanctions would establish Rouhani as the person who not only negotiated the nuclear deal but was able to finally get the crippling sanctions off Iran. So far, however, Khamenei, who has final say on state matters, has shown little inclination to hurry. [Dig Deeper "EU To Sanction Iran Militia, Police, Three Entities Over 2019 Protests, Diplomats Say" \(Reuters\)](#)

Netanyahu's Entreaties

By Ben-Dror Yemini

- Most of what Netanyahu said last night in what was his first political speech after the election, was true. The right-wing bloc together with the Haredim did in fact win 65 seats. But something else also happened last week. The election wasn't between right and left, but between pro-Netanyahu and anti-Netanyahu parties. The pro-Netanyahu bloc won just 52 seats. The anti-Netanyahu bloc won more. That has left the fate of the coalition dependent on just two parties that have kept their stance on Netanyahu overwhelmingly vague: Yamina under Naftali Bennett and the United Arab List under Mansour Abbas.
- It isn't only the left that has grown sick of Netanyahu. Some right-wing voters have grown sick of him as well. He argued that Israel needs him to handle the Iranian threat. Please, give me a break. His 12 years in power have seen several tactical achievements, some of which defy the imagination. All of that may be wonderful material for movies that may get made in the future. But strategically-speaking, this has been one of his greatest failures. Iran today is more powerful, more dangerous and closer to nuclear capability. Is that any reason to give him the mandate to continue to oversee handling Iran?
- Netanyahu didn't utter even a single word about his courting of Mansour Abbas. His tactics are transparent. He wants to say: Look, I tried to form a right-wing government but that was impossible. So I have no choice but to reach out to an Arab party—and not just any Arab party, but an Islamic party. Interestingly, this political genius just scored an own-goal because of two things that happened. First, he conferred legitimacy on any coalition against Netanyahu that has the support of the Arab parties. Second, he may not have meant for this to be the outcome, but the fact is that his actions have boosted the standing of Israel's Arab citizens. They are no longer ostracized.
- Netanyahu's entreaties to Saar and Bennett also make another thing clear. He is the one who got himself into this mess, which he is now trying to get himself out of. He was the one who toyed with them. He was the one who left both of them out of his coalition and/or cabinet. He knows that they are two of the more prominent leaders of the right wing. But as he nearly always does—he chose his own benefit [over the greater good]. It actually wasn't even his own benefit; he toyed needlessly with them, and he is now paying a high price for his actions. That kind of pettiness can go by a lot of different names, but political genius isn't one of them. Bennett might ultimately make the mistake of returning to Netanyahu's arms. Abbas might also join his coalition. What will a 61-member coalition of that kind be worth? One thing is clear—it will be bad for Israel. After all, Bennett, Lapid, Saar and Gantz share more in common than Mansour Abbas and Itamar Ben Gvir do. All of which is to say that the problem isn't about right and left. The time has come to honor the voters' wishes. And an overwhelming majority of them voted against Netanyahu.

Lapid's Gamble

By Ben Caspit

- It isn't over yet. It isn't even close to being over, but it is beginning to take on shape and form: the pro-change bloc is coming nearer to an agreement. Nobody there wants to miss the chance for change because of ego. Not Lapid, not Liberman, not Saar and not Bennett. But they have remained at odds with one another over the meaning of "assigning the mandate." According to Saar's interpretation, if the mandate is assigned to Lapid, it cannot be transferred to another candidate. If we stick to the letter of section 13c of the basic law, Saar is right. But there is also the option of Lapid forming a government with an alternating premiership arrangement, similar to the current government, in which Bennett will serve first and he will serve second, even though that does make things more complicated.
- In any case, MK Bezalel Smotrich has not given any impression of being inclined either to relent or to dance to the tune being played by the pied piper from Balfour Street. In other words: the likelihood of a scenario in which Smotrich and his fellow party members join a government that is reliant on either the votes or the abstentions of the United Arab List is fairly low. Having said that, Netanyahu now wants to be given the mandate first. That is a change for him. Until just recently, he wanted to be second. If he's changed his mind, that means he is afraid that the pro-change bloc is close to being able to form a government. Does Netanyahu have some secret card up his sleeve? We'll know soon enough.
- And having said that too: Lapid has not yet internalized that Bennett has to be [prime minister] first. Not only has he not internalized that, many people believe that he hasn't accepted it either. That is why more and more talks are being held between Bennett's people and Netanyahu's people. To the best of my knowledge, they are being conducted by Tal Gan-Zvi, Bennett's loyal and nearly legendary chief of staff, and Yaakov Atrakchi for Netanyahu. The more advanced those talks become, the better the chances become that the pro-change bloc will miss the boat. The non-Lapid people in the pro-change bloc say that Lapid is acting as if he has all the time in the world, which he doesn't.
- Bennett might strike a deal with Bibi unless he is given a clear commitment about the above arrangement (he goes first and Lapid second). If Bennett does join Netanyahu, it will be harder for Smotrich to continue to stick to his guns. The UAL will cross the lines without any problem and it will be Bezalel who will be the one who is denying the Jewish people their Bibi-ist salvation. So maybe Lapid is a genius and in the end, everyone will line up behind his plan. But he might just be playing with fire and may miss the opportunity, which could be the last one he gets. The more pressure Netanyahu brings to bear on Bennett, the lower the chances are that he will close a deal with Lapid. Lapid and Liberman's strategy of not communicating with potential partners until they are primed could prove to be disastrous. In this case, everything should be sewn up as quickly as possible, before it is too late. Which of them is right? At some point, we'll know. And lastly, Ayelet Shaked.

- **The rumors that were spread about her have been feverishly denied. She won't stand in the way of Naftali becoming prime minister. All that is now left is for Naftali to decide which he prefers: being prime minister first in an alternating premiership arrangement in a government with Lapid, Saar and Liberman, or being second in an alternating premiership arrangement with Bibi. In other words, not being prime minister after him. Good luck to everyone!**