

**Vetoing Peace: Israeli Coalition Dynamics
and the Peace Process, 1992-2005**

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In the 1990s, the Oslo Accords offered a series of unprecedented opportunities for peace in the Arab-Israeli-Palestinian conflict. However, by the end of the decade, a second Palestinian uprising had broken out, and as of today, a comprehensive peace settlement still has not been achieved. Much of the blame for this has been focused on the political failure of the Palestinians both to control anti-Israeli violence and to pursue a coherent peace agenda. While the Palestinians have certainly failed on these and other fronts, insufficient attention has been paid to the intricacies of the Israeli political system as a factor in the failure of peace negotiations. I argue that Israel's complex coalition politics explain a great deal of its inability to generate consistent political support for peace.

To evaluate how coalition dynamics affect the formulation of peace policy in Israel, I apply George Tsebelis' veto player theory to the government decision-making process. I find that large coalitions, ideological polarization within coalitions, and low cohesion in the dominant coalition partner impair the government's ability to reach a consensus on peace legislation. Though this analysis offers valuable insights into Israeli coalition politics, Tsebelis' variables cannot fully explain the empirical complexities of the Israeli case. To fill these gaps, I move beyond the veto player theory to propose a new model of government decision-making. I identify two additional variables that affect the government's ability to reach a consensus on the implementation of a peace agreement: coalition volatility and level of system competition. This model brings together the research on political decision-making and coalition duration, enhancing our understanding of the failure of peace and offering a novel contribution to theories of coalition dynamics.

VETO PLAYER THEORY

This study contributes to the literature on the effect of domestic political constraints on foreign policy.¹ I focus on a narrower subset of policy-making: peace-building among groups at war. Bar-Siman-Tov describes peacemaking as part of Robert Putnam's "two-level game," in

which domestic and external constraints interact to affect the peace process and in which each decision-maker must “play at both game boards” (Bar-Siman-Tov 2001). Although many domestic constraints affect the peace process, this study deals only with those related to coalitions and party cohesion. To better understand the impact of coalition politics on the peace process, I analyze the issue in the context of George Tsebelis’ veto player theory of policy stability (1995).

The veto player theory seeks to explain political systems’ capacity for policy change by examining the policy-making role of “veto players,” actors “whose agreement is required for a policy decision” (Tsebelis 1995: 293). This theory is relevant to the study of Israeli foreign policy because peace in the Arab-Israeli conflict will not occur without significant policy change: stasis in peace policies has only led to continuing conflict between Israelis and Palestinians. By applying the veto player theory to Israeli governments, we can begin to understand how coalition dynamics affect the government’s ability to implement peace-related policy change.

Tsebelis argues that as the number of players who are required to agree on a given policy change increases, the possibility for policy change decreases, since larger coalitions have more interests that must be satisfied. Thus, the more partners there are in a government coalition, the more difficult it should be for that coalition reach a consensus on peace legislation. This difficulty is exacerbated when parties are ideologically polarized from one another. Ideological polarization among veto players decreases the possibility for policy change because parties from a wider swath of the political spectrum will have a harder time finding common ground (Tsebelis 1995).

According to Tsebelis, the potential for policy change also decreases with the cohesion of each veto player. Bowler, Farrell, and Katz define party cohesion as “the extent to which group members can be observed to work together for the group’s goals” (Bowler, et al 1999: 4). A highly cohesive party is stronger than a fragmented party, as unified parties “create more powerful bargaining units that are able to drag eventual government outputs on a wide range of issues closer to [their] ideal points” (Laver and Shepsle 1999: 29). Therefore, when the dominant coalition

party is not cohesive, it will be less able to broker a consensus on peace legislation among coalition members.

The two primary indicators of party cohesion are nomination procedures and the degree of factionalization of the party. When nominations for party lists and offices are controlled by the central party machine, “the party can ensure the cohesion of a legislative body by weeding out potential troublemakers” (Bowler, et al. 1999: 6). When nomination procedures are not controlled by the central party apparatus, politicians are not accountable to the party itself; rather, they are accountable to the party members who elected them. This conflict of accountability weakens the central party’s control over its legislators (Hazan 1999, Bowler, et al. 1999). The second indicator of cohesion is the degree of factionalization within parties. The existence of factions within parties has been described as choosing the preference of “voice” over “exit” (Gunther and Hopkin 2002). If a party is too highly fragmented, factions may choose exit over voice and leave the party. If factions expect to achieve electoral success outside the auspices of the party, their incentives to defect increase, and collective action becomes a problem. Thus, factionalization hinders the party’s ability to act as a unit at a time when strong unitary action may be needed (Hazan 2000).

The veto player theory offers valuable insights into Israeli governments’ frequent inability to reach a consensus on peace legislation. Few researchers have focused on the individual impact these factors have on the peace process; the veto player theory allows us to see both their individual and collective influence on peacemaking. Despite its strengths, however, the veto player theory fails to completely account for the outcomes of coalition decision-making in Israel. For example, why was Yitzhak Rabin able to effectively implement the Oslo Accords with a minority coalition? Why did the National Religious Party (NRP) join Ehud Barak’s coalition when Barak’s policies were clearly outside the NRP’s indifference curve? The veto player theory’s failure to explain these and other problematic cases is based on two important oversights. First, the theory examines only the structural characteristics of coalitions. It pays no attention to the

party system within which the players operate, which may shape their actions in profound and sometimes unexpected ways. Second, the theory assumes that players will always veto any policy that falls outside their indifference curves. It does not consider the different behavioral characteristics of different types of parties, which might influence their decisions to exercise their veto power at any given time. To address these faults in the veto player theory and to provide a more contextualized understanding of coalition dynamics, I propose a new model of government-decision making.

A NEW MODEL

My model of government decision-making incorporates the three variables from the veto player theory in addition to two new variables: level of system competition and coalition volatility. System competition provides the contextualization lacking in the veto player theory, while volatility deepens the concept of ideological polarization by looking at the specific partisan makeup of coalitions to determine how the behavioral characteristics of their component parties affect their ability to produce policy change. These additions enhance our understanding of governments' ability to reach a consensus on peace-related policy change by placing the study of coalitions squarely within their political and behavioral environments.

Coalition volatility: This variable adds a new dimension to the concept of polarization by examining the behavioral characteristics of coalition parties. "Volatility" is used to describe parties that easily join and defect from coalitions on both sides of the ideological spectrum. Volatility can best be understood under the framework of Kaare Strøm's model of party behavior. According to Strom, parties seek votes, policies, and office benefits to differing degrees. When joining a coalition, some parties are willing to compromise their policy positions in exchange for office benefits, while others value ideological integrity above all else (Strom 1990). Since parties are not static entities, but rather change over time, a party may sacrifice its ideal policy position

for a desirable office benefit at one time, yet choose to defect from the coalition over that policy issue at a later time (Sened 1996). In fact, the incentives for such parties to defect increase as time goes on. To entice parties with dissimilar policy positions into a coalition, the dominant party must offer them benefits in the form of policy influence, cabinet portfolios, committee chairmanships, or budget allocations. As time goes on, having already received significant benefits from these payoffs, parties will have greater incentives to defect from the coalition if coalition policy on a costly matter such as peace is too far from the party's ideal point (Volden and Carrubba 2004).

In Israel, due to the highly controversial nature of most peace legislation, volatile parties often withdraw from coalitions despite their initial office-policy tradeoffs. Coalitions that contain a large proportion of volatile parties are unstable due to the constant threat of defections. Therefore, the government should more easily reach a consensus on peace legislation when there are fewer volatile parties in the coalition.

Level of system competition: System competition is defined as the potential for a rival majority alliance to form against the coalition, resulting in the downfall of the government. A system has a low level of competition when there is low potential for a rival majority alliance to form; competition is high when the feasibility of a rival majority is high (Salamey 2003). In a less competitive political system, the dominant coalition party has most of the bargaining power; therefore, incentives for parties to defect from a coalition are low. If a small party defects from the government, the dominant coalition partner will easily find another party to join the coalition without risking the fall of the government or new elections (Salamey 2003). In such a situation, the dominant party is better positioned to demand concessions from contentious coalition members and thus better able to broker a consensus among them.

In a highly competitive system, smaller parties have much greater bargaining power. In this case, incentives for parties to defect from the coalition increase: a defection in a highly competitive system is more likely to bring about a fall of government, and thus more likely to

bring about a turnover of leadership (Salamey 2003). Therefore, the dominant coalition partner becomes more dependent on the smaller parties in the coalition. This gives a disproportionately large amount of influence to these smaller parties, which are often volatile and ideologically polarized from one another. If power is dispersed among them rather than concentrated in the dominant party, the bargaining process will become more divisive and more prone to fall apart. Thus, we should expect the dominant coalition partner in a highly competitive system to have less ability to get coalition members to agree on controversial peace legislation. In a less competitive system, the senior party will have a much greater ability to push the players to reach a consensus.

There are many alternate visions of what factors influence Israel's inability to generate consistent political support for peace. Abraham Diskin (1996) analyzed the effects of violence on voters' support for the peace process. Diplomatic miscalculations and strategic mistakes have been cited by others as the main factors that have stymied peace negotiations (Rabinovich 2004, Zisser 2001). Israeli sociologist Baruch Kimmerling (2003) argues that the weakness of Israel's peace movements has strengthened the anti-peace camp, while Rashid Khalidi (2004) attributes much of the blame for failed peace attempts to the United States' biased position on the conflict. While the failure of peace is due in large part to the interaction of these factors, the effect of Israel's political institutions on peace negotiations is understudied in the literature.

This study does not seek to replace the cited factors by formulating one grand reason for the failure of peace. Rather, it will extend the literature on the Arab-Israeli conflict and will provide a more nuanced understanding of why it has been so difficult for those involved to reach a comprehensive peace settlement. By applying my model to the internal complexities of Israel's government, I hope to extend the research on how coalition dynamics affect policy outcomes.

The dependent variable in this study is the government's ability to reach a consensus on peace legislation from 1992 to 2005.² I have chosen nine case studies for this evaluation (see table, p. 10). These cases include all the major attempts at peacemaking that occurred during this time

period. They involve a variety of types of negotiations with both state and non-state actors. Some of the cases represent a successful government agreement, while others represent the government's failure to come to a consensus. There were six governments during this time period, allowing us to see the effect of many coalitions and party structures on the peace process.

There are five independent variables in this study: the number of parties in the coalition, the ideological polarization of the coalition, coalition volatility, the cohesion of the dominant coalition party, and the level of system competition.

Size of the coalition: With more parties participating in a coalition, the number of veto players increases. According to the veto player theory, the presence of more parties in government should hinder the government's ability to reach a consensus on peace legislation (Tsebelis 1995). To measure this variable, I count the number of parties in each coalition government. A government party is defined as any party that holds one or more cabinet posts.

Ideological polarization: A coalition with a high degree of ideological polarization is more prone to disagreement (Tsebelis 1995), which should hinder the government's ability to reach a consensus on peace legislation. In Israel, a party's ideological orientation is usually defined by its position on national security and peace concerns (Kop and Litan 2002). In this study, I follow the party groupings outlined by Don Peretz, et al.³ I assign weights to each of the groups as follows: Arab (-2), Left (-1), Center (0), Right (1), Religious right (2). I measure coalitions' congruence by finding the numerical difference between the most polarized coalition partners.⁴ Polarization ranges from 0 (congruent) to 3 (highly polarized).⁵ Polarization is considered high when the rating is 2 or 3, and low when the rating is 0 or 1.

Coalition volatility: Volatile parties are more likely than other parties to withdraw from a coalition if they disagree with coalition policy on peace matters (Strom 1990, Volden and Carrubba 2004), compromising the government's ability to reach a consensus on peace legislation. Parties were designated as "volatile" based on the frequency of their partnerships with each side of

the ideological spectrum.⁶ Volatility is given as a ratio, calculated by dividing the number of government seats held by volatile parties by the total number of government seats. A coalition is considered volatile when volatile parties make up more than 15 percent of its total seats.

Party cohesion: According to the veto player theory, less party cohesion leads to less potential for policy change (Tsebelis 1995). When the key party in a governing coalition is unable to maintain unity, the government's entire peace agenda is jeopardized (Hazan 2000). I evaluate the cohesion of only the dominant party in each coalition, as it is the party with the most responsibility in the peace process. Decentralization in party nomination procedures and the presence of many factions within the party lessen party cohesion. I use nomination procedures and party factionalization to judge the extent of party cohesion.⁷ Cohesion varies from high to low.

Level of system competition: The government's ability to reach a consensus on peace legislation should decrease with an increase in system competition (Salamey 2003). I use the Banzhaf Power Index to measure system competition in each Knesset during the time period under consideration.⁸ The Banzhaf index allows us to compare each party's ability to form a winning coalition based on the number of seats held by that party. Competition is high when the difference in Banzhaf indexes is ten points or less; it is low when the difference in indexes is more than ten points.

COALITION DYNAMICS AND PEACEMAKING IN ISRAEL

My study has two parts: first, I discuss the results for all variables in the nine case studies. This analysis provides a general description of each variable's effect on the outcome of the case studies. Second, I examine three cases in more detail to illustrate the mechanisms by which each variable exerts an influence on the government's ability to reach a consensus on peace legislation.

The results for each of the variables in the nine case studies are laid out in the table below:

<i>Peacemaking Event</i>	<i>Prime Minister</i>	<i>Consensus ?</i>	<i>No. of parties</i>	<i>Ideological polarization</i>	<i>Coalition volatility</i>	<i>Party cohesion</i>	<i>System competition</i>
Oslo Accords I (Sept. 1993)	Yitzhak Rabin	Yes	2	0	0	Low	Low
Peace Treaty with Jordan (Oct. 1994)	Rabin	Yes	2	0	0	Low	Low
Oslo Accords II (Sept. 1995)	Rabin	Yes	3	1	0	Low	Low
Hebron Agreement (Jan. 1997)	Benjamin Netanyahu	No	6	2	40.9	Low	High
Wye Memorandum Agreement (Oct. 1998)	Netanyahu	No	6	2	44.3	Low	High
Negotiations with Syria (Dec. 1999-Mar. 2000)	Ehud Barak	No	7	3	38.9	High	High
Withdrawal of troops from Lebanon (May 2000)	Barak	Yes	7	3	38.9	High	High
Camp David Summit (July 2000)	Barak	No	6	3	45.2	High	High
Disengagement from Gaza (2004-Aug. 2005)	Ariel Sharon	Yes	4	3	7.8	Low	Low

Size of the coalition: Coalition size has a strong relation to the government's ability to reach a consensus on peace legislation. All coalitions that had four or fewer parties successfully reached a consensus. Netanyahu's and Barak's larger coalitions were less likely to come to a consensus than the smaller coalitions of Rabin and Sharon; in fact, there was only one instance of a successful consensus in a government that included more than four parties.⁹ These findings support Tsebelis' argument that larger coalitions decrease the possibility for policy change because there are more interests that must be satisfied.

Ideological polarization: Ideological polarization is especially apparent in the governments of Barak and Sharon, which were the most polarized governments of this time period. When polarization was low, the government was always able to reach a consensus on peace legislation. When polarization was high, there were four cases of a failure to reach consensus and two cases of a successful government consensus. These results support my model, which argues that ideological polarization impairs the government's ability to reach a consensus. However, ideological polarization cannot explain all the variance in outcomes of the case studies.

For example, Ehud Barak's coalition was highly polarized, and Barak was unable to successfully carry out negotiations with Syria or with the Palestinians during his tenure as prime minister. Ariel Sharon's current coalition is equally polarized, yet Sharon was able to broker a consensus among government members on the disengagement from Gaza. These empirical complexities suggest that subtle processes are at work in the policy-making process that polarization fails to explain. Some of these complexities may be accounted for by coalition volatility.

Coalition volatility: When coalition volatility was low, the government always reached a consensus on peace legislation. When volatility was high, the government was unable to reach a consensus in all but one case.¹⁰ Volatility may account for some of the variation in outcomes that ideological polarization fails to explain. In the example above, while both coalitions were ideologically polarized, only Sharon's coalition did not include a large proportion of volatile parties. From this single case study, it is impossible to determine whether Sharon's success is typical of polarized but non-volatile coalitions, or if it is an outlier. However, the findings suggest that in accordance with my model, volatility hinders the government's ability to reach a consensus on peace legislation.

Party cohesion: This initial analysis does not show a clear relationship between party cohesion and the government's ability to reach a consensus on peace legislation. Only Barak's Labor party was cohesive, and his government failed to reach a consensus in two of the three peace efforts that occurred under his government. Among parties with a low degree of cohesion, there was actually a successful consensus in two thirds of the cases. If cohesion were an important indicator of the government's ability to reach a consensus, we would expect the highly cohesive party to be more successful at reaching a consensus. The fact that it was not successful suggests that either party cohesion is not an important variable or intervening factors may have interfered with the effects of party cohesion.¹¹ Despite the apparent lack of a clear relationship in this macro-level analysis, a closer look at party cohesion shows that it does have a subtle effect on the peace

process. Though low party cohesion never entirely derailed any of the peace legislation, it often created obstacles to the dominant party's ability to push its peace agenda through the government. I examine the effect of party cohesion in more detail in the case studies below.

Level of system competition: System competition increased sharply with the adoption of the hybrid electoral system in 1996, and it decreased again when the hybrid system was abandoned. Level of system competition has a strong relationship to the outcome of the case studies. Every attempt at peacemaking that occurred in a low competition environment was successful. When competition was high, the government failed to reach a consensus in all but one of the case studies.¹² These results support my model, which states that as system competition increases, the government's ability to reach a consensus should decrease.

Relationships among the variables: It is impossible to isolate the effects of competition, size, polarization, and volatility because these variables are interrelated. System competition is directly related to the size of the coalition. As system competition increased with the adoption of the hybrid electoral system, the number of seats held by the two largest parties sharply decreased. As a result, each party was forced to include many smaller parties in its government. The larger size of these governments affected their ideological polarization; with more parties participating in the government, polarization increased. Thus, polarization is often the byproduct of the inclusion of many parties in government, which in turn stems from a high level of system competition.

Polarization also has a direct connection to system competition. When competition is high, power is dispersed more evenly among coalition partners, magnifying the voices of smaller parties that are usually polarized from one another. Therefore, a high level of system competition means that ideological polarization will have a greater effect on the government's ability to reach a consensus. When competition is low, the effects of ideological polarization are muted because smaller polarized parties do not have as much bargaining power in the coalition.

Volatility is directly related to the size and the polarization of the coalition. When a

coalition is forced to include many parties, the dominant party must decide which parties it will recruit. Mershon argues that coalition formation can be discussed in terms of “cost,” with policy compromises and office payoffs representing the currency dominant parties use to buy the support of smaller parties (Mershon 1996). Because volatile parties easily join coalitions with both sides of the ideological spectrum, these parties are cheapest to include in the coalition; to minimize coalition costs, Israel’s two dominant parties usually seek to include volatile parties in their governments. Since the volatile parties are primarily from the religious end of the political spectrum, their inclusion in the coalition often increases its polarization rating. Therefore, larger coalitions also tend to be more volatile and more polarized.

Due to the small number of cases included in this study, it is impossible to determine the individual influence each variable exerts on the outcome of the cases. However, this macro-level analysis is useful because it illustrates how these variables work together to influence the government’s ability to reach a consensus on peace legislation. This discussion of the independent variables shows that the government is more likely to reach a consensus on peace legislation when: (1) there are fewer than four parties in the coalition, (2) when ideological polarization is low, (3) when there are few volatile parties in the coalition, and (4) when system competition is low. Party cohesion does not appear to have a strong relationship to the outcome of the case studies. This analysis helps us understand *what* the effect of the five independent variables is, but it offers few insights into the ways they influence the peacemaking process. To gain a better understanding of *how* the independent variables influence the government’s ability to reach a consensus on peace legislation, we must examine some of the case studies in more detail. In the following section, I discuss two cases in which the government failed to reach a consensus. This evaluation of the case studies illustrates the similar effects of the independent variables across different types of cases. I then analyze one case of a successful government consensus to show how consensus is more likely to occur when the independent variables are aligned correctly.

THE FAILURE OF CONSENSUS: THE WYE MEMORANDUM AND CAMP DAVID

The institutional factors in the failure of peace can be seen clearly in the political events surrounding the Wye Memorandum Agreement and the Camp David Summit. Both cases ended with the government's failure to reach a consensus on the peace negotiations at hand: in the case of the Wye Memorandum, coalition deadlock prevented the implementation of the agreement's provisions, and in the case of the Camp David Summit, the coalition was torn apart over its inability to support the prime minister's negotiations.

The two cases differed in many important respects. The Wye Agreement occurred in the relatively calm period of the 1990s, when many still hoped that the Oslo Accords could end the Israeli-Palestinian conflict. The Camp David Summit occurred on the eve of the outbreak of the second intifada, when tensions were running high among Israelis and Palestinians alike. With the Wye Agreement, Netanyahu had a willing peace partner in the Palestinians, while Barak had to literally push Yasir Arafat to the bargaining table at Camp David (Smith 2004). The Wye Agreement dealt with relatively less controversial issues such as the opening of a Gaza airport and the redeployment of Israeli soldiers in Hebron. The Camp David Summit, on the other hand, attempted to address some of the most divisive issues of the conflict, such as the status of Jerusalem and the return of Palestinian refugees.

Despite their differences, the two cases were nearly identical in the variables used in this study. Both Netanyahu and Barak had a large number of parties in their coalitions, a high degree of ideological polarization and volatility among coalition partners, and high system competition.¹³ Examining these two cases in more detail clearly shows how the independent variables exert an influence on cases that differed in almost every other way.

The Wye Memorandum Agreement, 1998

The 1996 election of Likud leader Benjamin Netanyahu marked the beginning of Israel's

two-ballot electoral experiment, which caused the Knesset to splinter into even more parties and factions than had existed in previous years.¹⁴ As a result, Netanyahu's coalition included six parties. The coalition was also highly polarized: it included parties from the center, right, and religious groups, for a polarization rating of 2. Volatile parties held about 44 percent of the seats in his coalition, and his own party's cohesion was low. System competition was at its highest point in the time period of this study; in fact, Likud's power index was actually lower than Labor's. These factors had an important effect on Netanyahu's ability to get his government to support and implement the Wye Memorandum Agreement.

The Wye Memorandum Agreement was the result of the 1998 negotiations between Israel and the Palestinians. The negotiations were an attempt to complete the redeployment of troops specified in the 1997 Hebron Agreement (which was never implemented by Netanyahu's government) and to fulfill the final terms of Oslo II. The Wye Memorandum stated that the Palestinians would take more stringent measures to combat terrorism and would remove the clauses from their national charter that called for the destruction of Israel. In return, Israel would implement the troop redeployments of the Hebron Agreement and would allow the Palestinians to open an airport that had been built in Gaza. The Memorandum also declared that final-status negotiations would begin immediately and would be completed by May 4, 1999.

Netanyahu's signing of the agreement was met with opposition from within his own coalition; this discord built on pre-existing coalition conflict that had begun with the 1997 Hebron Agreement. Critics of the Hebron Agreement had denounced Netanyahu for giving away too much, while supporters of the Oslo Accords condemned him for doing too little to promote peace (Smith 2004). Caught between these two sides, Netanyahu found himself in a precarious political position. Analysts began to note Netanyahu's tendency to promise one thing to some of his constituents, the exact opposite to others, and something entirely different to the United States (*The Economist*, 10 Jan. 1998). His contradictory actions were the result of the delicate balancing

act he needed to do if he was to keep his coalition intact and retain his position as prime minister. Netanyahu was able to maintain this balancing act for a year following the Hebron Agreement by refusing to implement many of its provisions. His efforts began to unravel on January 6, 1998, when the five-member Gesher party left the coalition in a dispute with the government over its economic policies and the stalled peace process (*The Economist*, 10 Jan. 1998). With Gesher's departure, Netanyahu's coalition was reduced to a bare majority of 61 seats in the 120-member Knesset, increasing the importance of the remaining parties. At this point, his ability to stay in power rested on his ability to prevent another defection from the coalition. His coalition partners were aware of their new bargaining power; in the nine days after Gesher resigned, every single partner except Yisrael B'Aliyah threatened to quit, many over issues related to the peace process (*Times Union*, 15 Jan 1998).

Netanyahu managed to ride his coalition's internal tensions and fear of a Labor takeover until October 1998, when his signing of the Wye Memorandum created chaos in the fractured government. By December, his finance minister had quit and the defense minister was threatening to do so. Facing open rebellion from Likud Knesset members (MKs), Netanyahu had to rely on support from Labor to pass the Wye Memorandum in the Knesset. The Palestinians met all deadlines specified in the agreement, but Netanyahu suspended action on all of the agreement's most important components (Smith 2004). His attempts to please hawks and doves alike by making modest concessions but finding a way not to implement them displeased all involved. Doves decried the way in which the Israeli-Palestinian peace negotiations had degenerated into a crisis, while hawks lamented his failure to destroy the Oslo Accords (*Irish Times* 1998). Likud's Knesset base had been eroded from 32 to 19 party members, and defections from the remaining coalition parties reduced the coalition to only 45 MKs. The peace process had stalled, and the government fell.

Size of the coalition: The size of Netanyahu's coalition played an important role in the

stalemate of the peace process during his term in office. The veto player theory states that the greater the number of veto players, the harder it will be to implement policy change. Policy stability was certainly a defining feature of the peace process under Netanyahu; Rabinovich describes Netanyahu's term as "the years of stagnation" (Rabinovich 2004: 78). The many competing demands from Netanyahu's large coalition, coupled with the five junior partners' constant threats to resign, hindered his ability either to negotiate or to break off peace agreements. In this case, the large size of the coalition played an important role in the government's failure to reach a consensus.

Ideological polarization: Though Netanyahu was opposed to the terms of the Oslo Accords, he knew he could not renege on the contractual obligations of international treaties signed by his predecessors. After his electoral victory, he moved from the right wing to the "pragmatic center" in his approach to peace (Rabinovich 2004: 79). However, many of his coalition partners were religious and right-wing parties that were opposed to his peace agenda. This polarization created a source of conflict within the coalition that paralyzed Netanyahu's peace efforts. His government's failure to implement the terms of both the Hebron Agreement and the Wye Agreement was due in large part to some of his coalition members' refusal to support any concessions to the Palestinians. Meanwhile, other coalition members, such as Geshet, favored a more rapid approach to peace. These divisions played a crucial role in the fall of Netanyahu's coalition, as they created a situation in which he displeased one or more coalition partners no matter what choices he made. His precarious political position, the result of the polarization of the veto players in his own government, kept him in a wobbly balance atop the status quo. As a result, he was unable either to derail the Accords entirely or to implement them fully.

Coalition volatility: At the time of the Wye Agreement, volatile parties made up 44 percent of the government. Because it had only a bare majority of 61 seats, the coalition's volatility put a severe strain on Netanyahu's ability to broker a government consensus on the

implementation of the Wye Memorandum. Netanyahu could not afford to lose any coalition partners over the peace process, yet nearly half of his coalition was threatening to bolt at any time. These parties could easily have joined Labor in the opposition to pass a vote of no confidence against the prime minister and call for new elections. If Netanyahu's coalition had been made up of non-volatile parties that were less likely to join Labor, his political position would have been less precarious and he would have been better able to persuade these parties to support the implementation of the Wye Agreement. Thus, the volatility of the coalition impaired his efforts to broker a consensus among coalition members.

Party cohesion: Likud's internal cohesion during its time in office was severely strained by the effects of its use of primary elections for party offices. Likud had adopted party primaries immediately after the 1992 election. The 1996 elections marked the first concurrence of the direct election of the prime minister and the election of the party lists through primaries. The result of these two factors was a sharp decrease in party cohesion on all sides (Hazan 1999).

This decreased cohesion was reflected in the increased factionalization of the party. In 1996, Likud-Gesher-Tzomet had formed what Jonathan Mendilow (1982) calls a "conglomerate block" party cluster. According to Mendilow, this is an alliance of parties formed for reasons of political expediency. He argues that in conglomerate blocks, there is a precarious balance between the need to maintain unity among the component parties and the desire of each party to retain its own identity (Mendilow 1982). Indeed, the Likud-Gesher-Tzomet alignment fell apart over the years: Gesher left the coalition, while Tzomet split from Likud but remained in the coalition. Additionally, three MKs left the party to establish Herut, while four MKs left and established Israel in the Center. Furthermore, several Likud MKs openly rebelled against Netanyahu in 1998, forcing him to rely on opposition parties to approve the Wye Memorandum and preventing him from carrying out its provisions. By the end of its term in office, as a result of decentralization in nominating procedures and factionalization, the Likud-Gesher-Tzomet block had been eroded to a

single party with a mere 19 seats. Had Likud-Gesher-Tzomet maintained its cohesion, Netanyahu's support base would have grown, enabling him to better implement his peace plans.

System competition: During Netanyahu's term in office, system competition was at its highest point in the time period of this study. In fact, Likud's power index of 25.42 was actually lower than Labor's index of 28.81. Due to his direct election as prime minister, Netanyahu was able to form a coalition despite Likud's low power index. However, the high level of system competition was a large factor in the balancing game Netanyahu was forced to play, especially after Gesher left the coalition. With a majority of only 61 seats in the Knesset and the high level of system competition, there was a great threat of a rival coalition forming under Labor. The bargaining power of the small parties in Netanyahu's coalition increased dramatically, evidenced by their frequent threats to quit the coalition after Gesher's resignation. In an ideologically polarized coalition, this dispersal of power unsurprisingly led to policy deadlock and an inability to implement the terms of the Wye Memorandum.

Camp David Summit, 2000

Labor's Ehud Barak entered office in 1999 after winning a campaign based on the promise to "start with peace [in order to] achieve security" (Smith 2004). Barak formed a coalition with eight parties comprising 77 seats in the Knesset, well over the number needed for a majority. The coalition was also polarized, incorporating parties from the religious, right, center, and left segments of the political spectrum. Barak's party was the only cohesive dominant party in this study, but the high level of system competition, along with the size, volatility and polarization of his government, hindered his efforts at peacemaking.

After the failures of Netanyahu's government, Barak hoped for success in the Israeli-Palestinian negotiations, which dealt with a variety of final-status issues left unresolved by the Oslo Accords. However, the the actions of parties within Barak's coalition began to have a

negative effect on these peace talks long before they actually began. As the price of its participation in his coalition, Barak had been forced to give the post of Housing Minister to the NRP. The NRP was an avid proponent of settlement in the occupied territories; during the first months of Barak's term, the pace of building new settlements was higher than under any previous prime minister (Smith 2004). The dramatic increase in the pace of settlement created distrust among Palestinians as to Barak's integrity and his willingness to be a true peace partner (Rabinovich 2004, Smith 2004). This distrust eventually compromised the Israeli-Palestinian negotiations that began in May 2000 and continued with the Camp David Summit of July 2000.

The issues in these final-status negotiations were of enormous import. The most controversial matters concerned control of Jerusalem and the amount of land that was to be handed over to Palestinian authority. The peace talks began in May in Stockholm, where Barak offered to give the Palestinians sovereignty in about two-thirds of the West Bank in three non-contiguous areas.¹⁵ Yasser Arafat rejected this proposal. He argued that the Palestinians could not give up that much of the West Bank, and that they must have sovereignty over all of East Jerusalem. At the July Camp David Summit, Barak again set forth his offers, which Arafat again rejected. Arafat also steadfastly stuck to his position on the "right of return" for all Palestinian refugees, a proposal that Israel had consistently and resolutely opposed.

The controversial nature of the negotiations was further complicated by constraints Barak's fractured coalition imposed on him. As the peace talks kicked off, the biggest split in Barak's coalition came from "the dovish Meretz party's threat to secede from the government in a quarrel [with Shas] over funds for ultra-Orthodox schools" (*The Economist*, 13 May 2000). Since Shas had seventeen seats in the Knesset compared to Meretz's ten, Barak decided to "jettison" Meretz in return for Shas' agreement that it would support Barak's position on Jerusalem (Smith 2004). Despite the loss of Meretz, Barak was left with a still-comfortable 67-seat majority in the Knesset.

However, this majority did not survive for long. On July 10, just before Barak was to

attend the Camp David Summit, a wave of resignations from the coalition suddenly left him without a majority in the Knesset. The resignations began with Shas, which ostensibly quit in the culmination of the dispute over funding for religious schools. Although Shas had initially agreed to support Barak's "land-for-peace" strategy, many analysts suspect that its departure from the coalition was actually due to last-minute "jitters" over possible territorial concessions to the Palestinians (*New York Times*, 10 July 2000). Shas's decision to step down was quickly followed by the resignations of the NRP and Yisrael B'Aliyah. The NRP announced that it was resigning in protest over possible concessions to the Palestinians at the Camp David Summit. It was strictly opposed to any territorial concessions regarding Jerusalem, even one as mild as Barak's plan. After a failed attempt to convince the NRP that this small concession would actually strengthen Israel's ability to hold on to all of East Jerusalem, Barak found himself fighting to prevent the NRP's position on Jerusalem from influencing Yisrael B'Aliyah (*The Economist*, May 2000).

Unfortunately, Barak was unsuccessful at preventing Yisrael B'Aliyah's departure from the coalition. The party declared that it could not remain part of a government that had lost the support of both the public and the Knesset (*New York Times*, 10 July 2000). The July wave of resignations stripped Barak of his parliamentary majority, eroding his coalition to a mere 42 members of the 120-seat Knesset right before he was to commence a major round of peace talks with the Palestinians. At this point, his hopes for a successful conclusion of the negotiations rested on his doubtful ability to scrape together another majority just long enough to complete the negotiations and put them in a referendum to the general public. Although the talks dragged on for several more months, the two sides were unable to reach a compromise, and Barak was unable to regain a parliamentary majority. With the dual losses of his coalition and his dream of achieving a comprehensive peace settlement, Barak was forced to call new elections.

Size of the coalition: Because of the Knesset's fragmentation, Barak had to recruit many parties for his coalition in order to turn One Israel's 26 seats into a governing majority. As the

price for their participation in the government, several parties demanded certain controversial ministries, setting the stage for later conflict and instability in the coalition. Had Barak not been forced to include so many parties in his coalition, the conflicts over the housing and education ministries might never have come up. Thus, he could have avoided much of the coalition's instability. As my model predicts, the large number of veto players in Barak's coalition influenced the government's ability to negotiate and implement new peace legislation.

Ideological polarization: The polarization rating of Barak's coalition was 3, the highest possible score. Because the coalition was so large, many coalition partners were ideologically at odds with Barak's peace agenda. Once they became part of his coalition, in theory all the parties were bound to support Barak's "land-for-peace" strategy (*Irish Times*, 1 Jul. 1999). In practice, however, these huge ideological rifts among coalition members prevented the government from reaching an accord on concessions in the Israeli-Palestinian negotiations. Furthermore, the decimation of Barak's polarized coalition weakened his position at the negotiating table. With new elections looming over his head, progress on the Israeli-Palestinian talks was practically impossible; without the support of a unified majority coalition, he was unable to capitalize on the opportunity to negotiate a final-status agreement with the Palestinians.

Coalition volatility: Like Netanyahu's coalition, Barak's coalition had a high degree of volatility. After Meretz' departure from the coalition, volatile parties held over 45 percent of the seats in government. Notably, all the parties that defected from the coalition on the eve of the Camp David Summit were volatile parties. If Barak had not included these parties in his coalition, the government would have been much more stable, giving him a better opportunity to negotiate and implement an agreement with the Palestinians.

Party cohesion: The negative effects of party primaries, as noted earlier, likely decreased Labor's cohesion within the One Israel party block. Despite One Israel's displeasure at the inclusion of the Orthodox religious parties and the ministries they were awarded, there was little

factionalization within the party cluster, which was comprised of Labor, Meimad, and Gesher (The Knesset in the Government System). Unlike the Likud-Gesher-Tzomet alignment of the previous government, One Israel remained mostly intact and saw the net loss of only one seat in the Knesset. Although One Israel was relatively cohesive, its few seats in the Knesset diminished the influence of its cohesion on the outcome of the Camp David Summit.

System competition: One Israel had a power index of 26.24, compared to Likud's index of 17.45. While not as high as the competition during Netanyahu's government, this is still a high level of competition. The results of system competition were clear: when the volatile parties resigned from Barak's coalition, he was unable to muster a new majority, leading to a stalemate in the Camp David negotiations and forcing him to call new elections. In a less competitive system, without the threat of Likud forming a rival coalition, Barak might have been able to form a new government and continue to pursue his peace agenda. The high level of system competition precluded this possibility. Thus, it prevented him from forming a government that could have reached a consensus on the Camp David Summit.

This detailed analysis of two cases of a failed consensus provides insights into the mechanisms by which each of the variables affects the government's ability to reach a consensus on peace legislation. Both Netanyahu and Barak had very large coalitions with many competing demands. Neither prime minister was able to satisfy all the competing demands from within his coalition. These results support the argument that larger coalitions have more difficulty reaching a consensus on policy change because there are more interests to satisfy.

This analysis shows that ideological polarization hinders the government's ability to reach a consensus on peace legislation for three reasons. First, coalition members' demands for controversial ministries set the stage for later conflicts within the government. For example, when Barak gave the Housing Ministry to the NRP, he unwittingly jeopardized his government's ability to negotiate with the Palestinians. Second, ideological polarization often meant that the prime

ministers faced opposition to their peace plans from within their own governments. Netanyahu and Barak both formed coalitions with parties that were opposed to the prime ministers' peace agendas. These parties worked from within their respective coalitions to undermine peace efforts, leaving little possibility of the prime minister being able to broker a government consensus. Third, ideological polarization caused many parties to defect from the coalitions, leaving the prime ministers with minority governments that were unable to achieve policy change in peace-related areas. These findings support my model, which states that polarization impairs the government's ability to implement policy change because parties from a wider swath of the political spectrum have a harder time finding common ground.

In both Netanyahu's and Barak's coalitions, volatile parties made up over 40 percent of the government's seats. These parties' real and threatened defections from the coalitions effectively paralyzed the prime ministers' efforts to broker a government consensus on peace legislation. For example, despite their initial office-policy tradeoffs, none of the volatile parties in Barak's coalition supported his land-for-peace strategy at the crucial moment; rather, they left the coalition secure in the benefits they had already gained from their ministries. Thus, as my model predicts, volatility hindered the government's ability to reach a consensus.

The discussion of party cohesion in Netanyahu's Likud shows that uncohesive parties do create obstacles to the government's ability to reach a consensus on policy change. However, the effect of party cohesion on consensus was much more subtle than the effects of the other four variables. In Barak's case, high party cohesion was unable to compensate for the negative effect of the other variables. Therefore, although cohesion does influence the policy-making process, its influence is less significant than that of the other variables.

In both case studies, system competition exerted the greatest influence over the government's ability to reach a consensus. The political environment during both Netanyahu's and Barak's tenures was highly competitive. This competitiveness empowered the opposition and

prevented the prime ministers from forming new coalitions that would have been more amenable to their peace agendas. Because the level of system competition was so high, they had no second chances after their governments' failures. As my model predicts, high system competition hindered both prime ministers' ability to broker a consensus on peace among government parties.

This discussion of two cases of failed consensus illustrates some of the mechanisms by which the five independent variables influence the policy-making process. To further clarify our understanding of their impact, I now analyze a case of a successful consensus.

A SUCCESSFUL CONSENSUS: THE DISENGAGEMENT FROM GAZA

In the summer of 2005, Ariel Sharon's government implemented the disengagement from Gaza. This success came about after more than a year of debate and conflict both within Israeli society and within Sharon's government. The plan was so divisive, in fact, that it brought about the fall of Sharon's first coalition. An examination of his eventual success, compared with the failures of Netanyahu's and Barak's governments, enhances our understanding of how the variables affect the government's ability to reach a consensus.

Sharon's original coalition included four parties. Ideologically, they ranged from centrist (Shinui) to religious (NRP) and included the ultra-right-wing National Union. As Sharon sought to build support for the disengagement plan (DP) in the Knesset, he faced a conundrum: leftist parties from outside the coalition supported the plan, while the NRP and National Union were resolutely against it. Sharon also met with resistance from a faction of Likud rebels, led by Benjamin Netanyahu. These thirteen MKs opposed the disengagement proposal, and they consistently worked from within the government to undermine the plan.

Sharon sought to bypass his cabinet's opposition to the DP by taking it to a referendum of Likud voters. When the voters refused to support the plan, the only way to implement the DP was to force it through the divided cabinet. To deal with his coalition's opposition to the DP, Sharon

fired the National Union ministers, leading to the party's departure from the government. Two NRP ministers also resigned from the cabinet, though the party did not leave the government. Although these departures left Sharon without a majority in the Knesset, they enabled him to pass the DP in the cabinet by a vote of 14 to 7 (*Middle East Economic Digest*, 11 June 2004).

Meanwhile, Sharon was working to defeat continuous no-confidence motions brought by opposition MKs and often supported by members of his own government (*Jerusalem Post*, 22 Mar. 2004, 7 June 2004). The Likud rebels frequently abstained from voting or walked out of the proceedings, despite Sharon's order for all Likud MKs to support the government. These rebels vowed that Sharon's orders "had not deterred them from actively working against the disengagement plan whenever possible" (*Jerusalem Post*, 15 June 2004). The culmination of the Likud faction's rebellion occurred when Benjamin Netanyahu introduced a bill in September 2004 that called for a national referendum to be held on the DP. The NRP backed Netanyahu's call for a referendum, but despite this resistance to the DP, it passed its first reading in the Knesset with Labor's help. Two weeks later, the NRP resigned over Sharon's refusal to hold a referendum on the plan. Sharon's weakening coalition was finally dealt the death blow by Shinui's departure over opposition to the 2005 budget in December 2004.

At this point, the government was in disarray. Sharon's coalition had disintegrated, Likud had only 40 seats in the Knesset, and although the coalition had been functioning as a minority government since June, the situation could not go on. Sharon, against the wishes of party hard-liners, recruited Labor (with its nineteen seats) to join the coalition. To round off a majority, he got the support of United Torah Judaism (UTJ), which later split into Degel Hatorah and Agudat Yisrael. The new government won the approval of the Knesset in a 58-56 vote, with the Likud rebels voting against the coalition (*Jerusalem Post*, 11 Jan. 2005). With renewed government support, the DP moved ahead. However, the Likud rebels and several opposition parties continued to work against the plan. In July 2005, the final attempt to delay the Gaza disengagement came

before the Knesset. The bill proposed postponing the disengagement for several months, and while it had no chance of passing, it caused yet another split within Sharon's coalition. Degel Hatorah's spiritual leader, Rabbi Shalom Yosef Elyashiv, instructed the party to vote in favor of the postponement bill.¹⁶ Knowing that compliance with the Rabbi's orders put the party at risk for losing both its only ministry and its generous budget allocations, Degel Hatorah decided to follow its religious values (*Jerusalem Post*, 20 July 2005). However, with Labor's support from within the coalition, the government was able to successfully implement the DP in August 2005.

Size of the coalition: Although the evidence from Barak's and Netanyahu's governments suggests that large coalition size is an important factor in the government's failure to reach a consensus, both Sharon's successful coalition and his unsuccessful coalition were significantly smaller than Barak's and Netanyahu's coalitions, with four parties each. Thus, size could not have been a factor in the government's eventual success.

Ideological polarization: Polarization played a large role in the failure of Sharon's first coalition, which had a polarization rating of 2. Both the NRP and the National Union actively worked from inside the coalition to undermine the DP and the government itself. Their eventual departure left the government functioning without a majority from June to December 2004. Thus, as my model predicts, the ideological polarization of this coalition undermined the government's stability and created significant obstacles to its ability to reach a consensus on the DP. However, this case study also reveals a problem with our understanding of this variable, for Sharon's second (successful) coalition was actually more ideologically polarized than the original one. Why was this highly polarized coalition able to successfully implement the DP? The answer may lie in the coalition's lack of volatility.

Coalition volatility: Unlike the peace agreements of previous governments, the DP did not have to rely on the support of any volatile parties. Agudat Yisrael and Degel Hatorah, the two volatile parties in the coalition, held only seven percent of the government's seats. Thus, their

dissent could not have had a large effect on the government's ability to reach a consensus on the implementation of the DP.¹⁷ The small influence of volatile parties in Sharon's second coalition made the coalition much more stable than both the original one and than Barak's and Netanyahu's coalitions. This stability was conducive to a government consensus; without constant threats of defections, the government was able to reach an agreement on the implementation of the DP.

Party cohesion: During the disengagement debate, Likud's cohesion was the lowest of any dominant coalition party in the time period under consideration. Thirteen Likud MKs, or one third of the party's Knesset entire delegation, actively fought Sharon in all his disengagement efforts. They called for a national referendum on the DP, tried to postpone the disengagement, and refused to support the government in several no-confidence votes, even though their victory would have meant Likud's fall from power. Upon the government's confirmation, Likud MK Uzi Landau said the government "reeks," and many Likud MKs questioned the coalition's legitimacy (*Jerusalem Post*, 11 Jan. 2005). Although many conflicts over the DP could have been avoided if Likud's Knesset base had been unified, low party cohesion could not derail the DP.

System competition: In December 2004, Sharon was trying to pass controversial peace legislation with a minority government. Both Netanyahu's and Barak's governments were destroyed when they lost their majorities, but Sharon was able to survive the upheaval.¹⁸ The reason for Sharon's ability to remain afloat after he had lost a majority in the Knesset is the low level of competition that characterized the party system at that time. Competition was at the lowest point of all the cases in this study: Likud had a power index of 48.45, compared to Labor's index of only 12.26. This meant that despite the upheavals in Sharon's coalition, Labor had almost no chance of forming a rival coalition or toppling the government.¹⁹ Thus, low competition was a significant factor in the successful implementation of the disengagement, as it prevented the government's overthrow and allowed for continued coalition negotiations among Knesset parties even after the government's majority had been eroded. Had it not been for the low level of

competition, the government would have fallen after the defections of the NRP, National Union and Shinui, and new elections would have been called, possibly leading to the DP's failure.

A comparison of this case study with the previous two shows the relative importance of each of the variables. System competition is the most important factor, followed by ideological polarization and volatility. Size exerts an indirect influence on consensus (by influencing the coalition's polarization and volatility), while party cohesion is a much less significant variable.

Competition emerges as the most important variable in this study. Not only does it have one of the highest correlations with successful consensus in all nine of the case studies, we can also see its important effect in the micro-level analysis. Sharon's ability to broker a consensus among government parties was primarily due to the low level of system competition and the low degree of volatility in his coalition. As noted earlier, the low level of competition gave Sharon the time and the job security he needed to assemble a new coalition after the fall of his first one. Thus, the effects of ideological polarization and volatility in his first coalition were overwhelmed by the influence of system competition: where polarization and volatility appeared to favor the failure of consensus, the low level of competition gave Sharon the political space to assemble a new coalition. In this respect, Sharon stands in stark contrast to Barak and Netanyahu, who were unable to rebuild their collapsed coalitions due to the high level of system competition at the time. The ability of system competition to explain how the political environment influences peacemaking is a key contribution of my model.

After competition, ideological polarization was the second most important factor in the failure of consensus. As the cases of Barak and Netanyahu show, polarization hinders the government's ability to reach a consensus because demands for controversial ministries sow the seeds of later conflict within the coalition, because polarization creates opposition to the prime minister's peace efforts from within his own coalition, and because real and threatened defections paralyze the government's ability to act on its peace agenda. These factors were present in

Sharon's first (failed) coalition, but absent in his second (successful) coalition, which was even more ideologically polarized than the first one. As discussed above, the effects of polarization were mitigated by the lack of volatility in Sharon's government.

Volatility goes beyond the concept of ideological polarization to explain the variance in outcomes of cases where the governments were highly polarized. Sharon's second coalition, though highly ideologically polarized, had a low degree of volatility. The small number of volatile parties made his coalition more stable and allowed for a successful government consensus on the DP. Netanyahu and Barak, on the other hand, had highly volatile coalitions. The instability of these volatile coalitions prevented the governments from reaching a consensus. The capacity of volatility to enhance our understanding of ideological polarization is one of my model's major contributions to the study of policy-making.

While competition, polarization, and volatility exercised strong direct influences on the outcome of government consensus, the influence of coalition size was primarily indirect. Larger coalitions were also more ideologically polarized and more volatile. Thus, size, polarization, and volatility interact to affect the government's ability to reach a consensus.

Of all the variables in this study, cohesion is the least important factor in the failure of consensus. Although it did create obstacles to the peace process, it does not have a systematic relationship with the outcome of the case studies. This effect may be due to the hybrid electoral experiment, which caused both Likud and Labor to lose heavily to small, special-interest parties (Hazan 1999). The new electoral system fragmented Israel's coalitions to such a degree that the senior coalition party's influence declined dramatically and with it, the importance of the party's cohesion as a variable in the ability of governments to capitalize on opportunities for peace.

CONCLUSION: PEACEMAKING IN ISRAEL, 1992-2005

From 1992 to 2005, Israel faced a series of historic opportunities for peace. However, its

governments were unable to generate consistent political support for peace. Looking at Israel's governments through my model of government decision-making provides a partial explanation for their frequent inability to reach a consensus on peace legislation. As I have argued, the government is more likely to reach a consensus when: (1) there are fewer than four parties in the coalition, (2) when ideological polarization is low, (3) when there are few volatile parties in the coalition, and (4) when system competition is low. Party cohesion does not appear to have a strong relationship to the outcome of the case studies.

My model moves beyond the veto player theory by adding coalition volatility and system competition to the theory's original three variables. This approach addresses some of the insufficiencies of the veto player theory, enhancing our understanding of how coalition dynamics affect peacemaking in Israel. System competition is the most important factor, for low competition allowed for a successful consensus even when the other variables were aligned against it. Polarization is the second most important variable. Demands for controversial ministries, opposition to a prime minister's peace agenda from within his own government, and increased likelihood of defections are the three key results of polarization that impair the government's ability to reach a consensus on peace legislation. However, even ideologically polarized coalitions may be able to reach a consensus if they do not include a large proportion of volatile parties. Coalition size exerts an indirect influence on government consensus; larger coalitions also tended to be more polarized and more volatile. Party cohesion is a less important variable in these case studies, though it did create obstacles to the peace process.

Israel's failure to generate consistent political support for peace cannot be explained entirely by looking at its coalition dynamics. In fact, the five variables outlined in my model are only a small part of the reasons the Arab-Israeli-Palestinian conflict has continued for so long. However, if peace is ever to be achieved in this conflict, Israel must learn how to harness the divisions in its governments to maximize the government's ability to reach a consensus on peace.

APPENDIX A: Placement of Israel's Parties on the Political Spectrum

Table 1 displays the ideological orientation of Israel's largest parties from 1992 to 2005. (Sources: Peretz et al. 2000 & 2003, *The Knesset in the Government System*, Jewish Agency for Israel.)

Table 1:

<i>Orientation</i>	<i>Party Name</i>
Religious/Right	Agudat Yisrael (<i>formerly part of UTJ</i>) Degel Hatorah (<i>formerly part of UTJ</i>) Shas National Religious Party (<i>a.k.a. Mafdal</i>) United Torah Judaism (<i>split into Agudat Yisrael and Degel Hatorah</i>)
Right	Likud Molodet National Union (<i>a.k.a. Ichud Leumi</i>) Tzomet Yisrael B'Aliyah (<i>Right/Russian</i>) Yisrael Beiteinu (<i>Right/Russian</i>)
Center	Center Party (<i>formerly Israel in the Center</i>) Gesher Shinui Third Way Yi'ud
Left	Am Ehud Labor (<i>merged with Meimad to form Labor-Meimad</i>) Meretz (<i>changed name to Yahad</i>) One Israel (<i>alliance of Labor, Gesher, Meimad</i>) Yahad (<i>formerly known as Meretz</i>)
Arab	Balad Hadash United Arab List

Parties were classified as “volatile” based on the frequency of their partnerships with each side of the ideological spectrum throughout their entire history in the Knesset.

Volatile parties: Agudat Yisrael¹
Degel Hatorah
National Religious Party
Shas
Shinui
United Torah Judaism
Yisrael B'Aliyah

¹ Agudat Yisrael and Degel Hatorah were formed in the 16th Knesset and do not have an electoral history on which to determine their volatility. However, UTJ, their former party, was a highly volatile party. Therefore, I categorize these parties as volatile.

APPENDIX B: Banzhaf Power Index

The Banzhaf Power Index was created in 1965 by John F. Banzhaf. The index measures the share of pivotal coalition positions among all voters in a weighted voting system. To find the pivotal positions for each player, first calculate all winning voter combinations. Of each winning configuration, find the pivotal members by subtracting each voter's number of votes and determining whether the resulting coalition is still a winning coalition. If it is, the voter was not a pivotal player. If the resulting coalition is *not* winning, the voter is a pivotal player. Once all the pivotal players in all the winning coalitions have been identified, calculate each player's share of all pivotal positions. This share, given as a percentage, is the Power Index for that voter (Banzhaf 1965). Although this calculation was originally used for weighted voting systems such as the United States Electoral College, it also applies to coalition formation in parliamentary governments. An example of the Banzhaf Power Index in a simplified simulation of the Knesset is given below:

1. Distribution of seats

Party A: 50 seats
 Party B: 30 seats
 Party C: 25 seats
 Party D: 15 seats
 Total = 120 seats

2. Winning coalition configurations:

Winning Formation	Pivotal Players
AB	AB
ABC	AB
ABCD	AB
AC	AC
ACD	A
AD	AD
ABD	A
BCD	BCD

3. Each party's share of pivotal positions, Banzhaf Power Index

Party A: 7/15, 46.7
 Party B: 4/15, 26.7
 Party C: 2/15, 13.3
 Party D: 2/15, 13.3

A calculation of the actual Power Indexes for all the parties in the Knesset is much more difficult than this simplified example. For the calculation, I used a program provided on the National Science Foundation and Temple University's Calculus on the Web website (<http://cow.math.temple.edu/~cow/cgi-bin/manager>).

Table 2: Power Indexes of dominant Israeli parties

<i>Event</i>	<i>Party</i>	<i>Number of Seats</i>	<i>Power Index</i>
Disengagement (2005)	Likud	40	48.45
	Labor	19	12.26
2003 Elections	Likud	38	44.55
	Labor	19	12.95
1999 Elections	Likud	19	17.45
	Labor	26	26.24
1996 Elections	Likud	32	25.42
	Labor	34	28.81
Jan. 1995	Likud	32	16.06
	Labor	44	42.66
1992 Elections	Likud	32	16.06
	Labor	44	42.66

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Notes

¹ For example, see Husbands 1991 and Stein 1988.

² A government consensus is successful when it is agreed to by a majority of the government *and* implemented. In the following analyses, I often refer to “government consensus” as “the prime minister’s ability to broker a consensus” because the prime minister is the actor with the most responsibility for formulating and pursuing the government’s peace agenda.

³ See Appendix A for the orientations of each of Israel’s main parties.

⁴ An alternate way of measuring ideological polarization within a coalition is to find the mean of the parties’ distance from zero, using the same numerical scale articulated above. However, measuring polarization in this way yields strange results. For example, it suggests that Yitzhak Rabin’s coalition (in which Left parties held 56 of the 62 seats) was more polarized than Ehud Barak’s coalition (which consisted of many parties scattered all over the ideological spectrum). Because these results are so incongruous, I measure polarization by finding the numerical difference between the most polarized coalition partners.

⁵ “3” is the highest ranking for ideological polarization because no Israeli government has ever included Arab parties.

⁶ See Appendix A for a listing of all Israel’s volatile parties.

⁷ Many political scientists have used “Rice scores” to evaluate party cohesion. Rice scores measure the voting unity of a political party by determining the extent of cross-voting among members of a single party. John Carey has built on the concept of Rice scores, developing a sophisticated formula for party unity which incorporates the party’s official position on a vote, whether the party won the vote, how closely the vote was contested, and the number of non-votes from party members (Carey 2004). Both John Carey and Scott Mainwaring have discussed and calculated unity scores for the parties in many countries’ legislatures (Carey 2004, Mainwaring 1997, 1999). However, no such information is available for Israel’s parties. Due to the lack of information on unity scores in Israel, I make a subjective judgment of party cohesion based on my knowledge of the parties at the time.

⁸ See Appendix B for discussion and calculation of the Banzhaf Power Index, including the power index results for the dominant parties in each of the governments under consideration.

⁹ There is one case that lies outside of the general relationship trends between the independent and dependent variables: the withdrawal of troops from Lebanon. The independent variables in this case appeared to be aligned so as to favor the failure of peace: Barak’s coalition was large, highly polarized, and volatile, and there was a high degree of system competition. Nevertheless, Barak was able to win Knesset support for his withdrawal plan. Why was he able to do so? In May 2000, there was a large degree of public and military support for the withdrawal. The public was tiring of ongoing Israeli casualties in Lebanon, and it was this pressure that helped Barak overcome the internal pressures of his coalition (Kaye 2002). This case suggests that future studies could investigate the role of public pressure in overcoming the constraints imposed by size, polarization, volatility, cohesion, and competition.

¹⁰ See note 9 above.

¹¹ Possible intervening variables include strength of party leadership and public support for the peace process (Diskin 2001, Keren 1998, Shamir 1994. For information on the level of public support for the peace process in the 1990s, see Gamla 2001, Jewish Virtual Library, Shikaki 1999, and Tami Steinmetz Center for Peace 2004). Future studies could investigate the role of these variables in peacemaking and their relationship to the variables used in this study.

¹² See note 9 above.

¹³ The two coalitions had differing degrees of cohesion in their dominant parties. This low degree of cohesion did have detrimental effects on Netanyahu’s attempts at peacemaking, but Barak failed to broker a government consensus on the Israeli negotiations with both Syria and the Palestinians despite his party’s high cohesion. While an analysis of this variable in Netanyahu’s case may shed light on how low party cohesion affects policy-making, it was not a common factor in the two governments’ failure to reach a consensus on peace legislation.

¹⁴ In 1992, Israel adopted a hybrid parliamentary system in which the prime minister was elected separately from the party lists. This system was designed to give the prime minister greater control over the government through a direct mandate from the people. However, it further splintered the party system, as it enabled voters to choose their party of choice independently from the prime ministerial candidate they preferred (Hazan 1997, Samuels 2002). The hybrid system was abandoned in 2001.

¹⁵ Under Barak’s plan, Israel would retain about 14% of the West Bank as a temporary security control area, to be transferred to Palestinian control after about twenty years. Israel would also keep East and West Jerusalem, but would give the Palestinians control over Abu Dis, a suburb of the city (Rabinovich 2004, Smith 2004).

¹⁶ Religious figures often play an important role in political parties’ decision-making (Don-Yehiya 1998). For example, after the 1993 signing of the Oslo Accords, Shas’ spiritual leader, Rabbi Ovadia Yosef, ordered the party to quit Rabin’s coalition in order to dissociate itself from what right-wingers were calling “national suicide” (*Boston Herald*, 9 Sept. 1993). According to the *Boston Herald*, Yosef was a fundamentalist rabbi “who has, in the past, prayed publicly for the deaths of anti-religious [government] ministers and has called down the wrath of Heaven on

Shas opponents” (9 Sept. 1993).

¹⁷While Degel Hatorah voted against the government in favor of postponing the disengagement, Agudat Yisrael chose to side with the government for fear of losing its chairmanship of the Knesset Finance Committee (*Jerusalem Post*, 20 July 2005). In this case, Sharon was able use office benefits to buy the support of a volatile party. Nonetheless, office payoffs cannot always ensure the support of volatile parties. An analysis of office payoffs to junior coalition partners in each of the nine case studies shows that a government consensus was more likely to occur when the number of ministries received by junior parties was proportional to their share of seats in government. However, these results do not offer concrete proof that volatile parties can be bought with office payoffs. The results do not take into account the relative importance of the ministries received by junior parties. Policy output in a given area of government is strongly affected by the party affiliation of the minister holding that portfolio (Laver and Shepsle 1994, 1999), so we should expect the value of an important ministry to balance out inequalities in the number of ministries received by a party. Furthermore, as the case of Agudat Yisrael shows, there are several types of office payoffs that may entice a party to support the government’s peace agenda, such as budget allocations and committee chairmanships. Future studies could analyze the number and relative importance of ministries received, the size of budget allocations for a party’s pet causes, and the number and relative importance of committee chairmanships received in order to create a composite measurement of the extent of office payoffs. Such a study would greatly enhance my model, as it would allow us to better understand why and when volatile parties choose to defect from a coalition.

¹⁸Like Sharon, Yitzhak Rabin was able to survive the pitfalls of minority government because of a low level of system competition. At the time of the Oslo Accords, Labor had a power index of 42.66, while Likud’s power index was 16.06. This means that Labor controlled around 43 percent of all pivotal coalition positions in the Knesset, while Likud controlled only 16 percent. Thus, despite the loss of its majority, Rabin’s government continued to function due to Likud’s inability to muster a majority against him.

¹⁹An indicator of the low level of competition is the fact that the opposition parties were highly fragmented and could not effectively unite against the Likud-Labor alliance. Following the initiation of the new government, the *Jerusalem Post* reported on the Knesset’s reaction to opposition leader Yosef Lapid’s speech attacking both coalition and opposition parties:

Haredi MKs shouted at Lapid, calling him “Haider” after the Austrian far-right politician. UTJ MK Yisrael Eichler made an arm motion that resembled a “Heil Hitler” salute, and declined to deny he had done so. During Lapid’s long diatribe, Yahad [Meretz] MKs also got irritated and starting holding consultations on the possibility of supporting the candidacy of Shas leader Eli Yishai as opposition leader instead. Yahad MK Avshalom Vilan warned Lapid that if he does not “put an end to his arrogance,” the party would make Yishai opposition leader (*Jerusalem Post*, 11 Jan. 2005).

The fragmentation of the opposition, along with the huge difference in power indexes, reflects the low level of system competition at that time.