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SNAPSHOT

## Same Netanyahu, Different Israel

The Demographic Challenges to Peace

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When Israeli Prime Minister Benjamin Netanyahu addresses the U.S. Congress on Tuesday, much will look familiar to the last time he was accorded this honor, 15 years ago, during his first term as prime minister. Then, Netanyahu felt more at home in a Republican-led Congress (the GOP held both houses in 1996) than at Pennsylvania Avenue in a Democrat-inhabited White House. And he did little to disguise his willingness to play adversarial politics on the president's home turf.

Back in the mid-1990s, Netanyahu offered no flexibility on peace. This week, he will likely serve up more of the same. Yet as much as Netanyahu himself remains constant, Israel has undergone some dramatic changes over the last 15 years. In some respects, these changes have made Netanyahu more representative of the country he leads; in others, less so. Israel's parliament, its politics, and its public discourse have all shifted to the right, in the direction of Netanyahu's Likud party. The rump Zionist left-of-center in Israel's Knesset has shriveled from 43 members in 1996 to just 11 today.

The leaders of Israel's three largest political parties today -- Tzipi Livni of Kadima, Avigdor Lieberman of Yisrael Beiteinu, and Netanyahu himself, the leader of Likud -- are all descendants of the revisionist or right-Zionist ideological tradition. Yet Netanyahu as a person has become less reflective of Israeli society. He is a descendant of Western-oriented, secular Ashkenazi stock: the stuff from which Israel's old elites were drawn, not its new and ascendant communities.

The shift in Israel's socio-demographic reality over the last 15 years has great implications for the future of the country's democracy and economy -- not to mention for any thought that might be given to living in peace with Israel's neighbors. In 1996, Israel's population was 5.7 million people; today, that number is 7.75 million. The two

fastest-growing population groups are the Palestinian Arab community and ultra-Orthodox Jews (known as the Haredi). Today, there are 1.59 million Palestinian Arabs in Israel, compared to 1.03 million in 1996.

More dramatically, the Haredi population has [grown](#) [2] more than threefold over only 20 years, from 3 percent of the population in 1990 to over 10 percent today. Estimates suggest that by 2028, Haredim will represent a quarter of all children in Israel under 14 years old and roughly a third of Jewish children that age.

One notable phenomenon in the past decade and a half has been the rapid expansion of the state-funded but independent education system established by the ultra-Orthodox Shas party. Shas is often a pivotal, if not decisive, player in Israel's governing coalitions, which over the years has given it the power to direct state resources toward the Shas-run school system.

In many provincial Israeli towns and neighborhoods, Shas schools have come to trump the state-school system in the provision of certain services, such as transportation and hot meals (one benefit of the Shas budgetary bargaining power). Even many parents who are not ultra-Orthodox send their children to Shas schools. Over the past 20 years, the number of Jewish primary school students enrolled at ultra-Orthodox schools [has grown](#) [3] from just over seven percent to more than 28 percent.

This trend has great implications for Israeli society and its economy: the Shas system and other ultra-Orthodox schools teach a narrowly religious curriculum that is less geared to providing pupils the skills necessary to compete in a modern economy. A combination of state policies and cultural norms has meant that both the Haredi and Palestinian-Arab communities have low rates of labor-force participation: for example, only [40 percent](#) [4] of Haredi men and [19 percent](#) [5] of Palestinian-Arab women work. To further compound the strain on Israel's economy, Haredi men often spend a lifetime in state-subsidized religious education centers, or yeshivot. A 2009 report by the Metzilah Center, a think tank in Jerusalem, concluded that without a strong state effort to economically and socially integrate these populations, the "rapid growth of two economically weak population groups ... Haredim and Muslims ... may deal a blow to Israel's future as a developed and prosperous state."

Israel prides itself on being a democracy -- a proposition that always appeared somewhat tenuous for the 20 percent of Israel's citizens who are Palestinian-Arab, who lived under a military governorate from 1948 to 1966 and continue to face entrenched structural discrimination. Many older, more established elite groups in the Israeli secular political establishment, academia, and media have a growing concern over what they see as Israel's fragile democracy, driven by a sense that Israel lacks a set of universally shared democratic values among its increasingly self-segregated population. These elites fear that the country may lack a thriving democratic ecosystem, with a clear and binding rulebook for the majority of Israelis, be they ultra-Orthodox, traditional Orthodox, national religious, Palestinian-Arab, or Russian-speaking. The influence of the Russian population is especially worth noting: almost 20 percent of Israeli citizens are immigrants from the former Soviet Union who have arrived over the past two decades. This Russian-speaking community, coming from authoritarian states, is relatively less at home with democratic politics than other communities are; at the same time, the Israeli state was ill-equipped to pass along democratic norms as part of the absorption process.

Democratic frailty plays out most worryingly in the arena of majority-minority or Jewish-Arab relations, something that is being exploited by the current governing coalition (and especially Foreign Minister Lieberman's Yisrael

Beiteinu party) with a slew of anti-democratic and at times unashamedly racist legislative initiatives targeting the Palestinian-Arab community. This political trend has found great resonance in the Israeli public: according to a [2010 survey](#) [6] by the Israel Democracy Institute, 86 percent of the Jewish public believe that decisions critical to the state should be taken only by a Jewish majority; 53 percent support the government's right to encourage Arabs to emigrate from Israel; and 55 percent say that greater resources should be allocated to Jewish communities than to Arab ones.

This changing landscape carries over to relations between Israel and its neighbors, in particular toward the Palestinian territories. In the 15 years since Netanyahu last addressed the U.S. Congress, the population of Israeli settlers in the West Bank alone has [more than doubled](#) [7], from 142,000 in 1996 to over 300,000 today. The settler population in East Jerusalem, meanwhile, has grown from 160,000 to over 200,000 in the same period, including the establishment of the new settlement at Har Homa/Jabal Abu Ghneim and the proliferation of Jewish settler enclaves embedded in Palestinian neighborhoods such as Ras al-Amud, Sheikh Jarrah, and Silwan.

The demographic makeup of the settlements themselves has also changed. Whereas settlements catering to the ultra-Orthodox population barely existed when Netanyahu first became prime minister, the two fastest-growing settlements today -- Modiin Illit and Beitar Illit -- are both ultra-Orthodox. (Their combined population is 80,000 today, compared to 10,000 in 1996.) It is worth noting that the [average age](#) [8] in Modiin Illit is ten years old, the lowest of any Israeli city. Clearly, the political influence of the ultra-Orthodox settlers will only grow in the coming decades.

Of course, not all settlers are cut from the same ideological cloth, and many are responding to financial inducements and state subsidies. Yet it is beyond doubt that the settler lobby has become a powerful and entrenched political machine, relying on a narrative that credibly claims to being the country's authentic Zionist voice.

Finally, the Israel Defense Forces -- the state body responsible for the security of those settlements and for any future evacuation of the settlements -- has itself undergone quite a transformation. Beginning in the 1990s, the number of religious soldiers (national-religious or modern Orthodox, as opposed to ultra-Orthodox) in infantry units and among the officer class has grown steadily. (Exact statistics are difficult to find, but [research published recently](#) [9] in the Israeli military journal *Ma'arachot* estimates that roughly a third of IDF officers today are religious.)

The image of Israel evoked by the familiar style of Benjamin Netanyahu bears little resemblance to this changing Israeli landscape. It is incumbent on policymakers to be aware that although Netanyahu may still be singing from the old songbook, Israel itself has moved on. In some vitally important ways, Israel is a country of distinct sub-communities. U.S. officials and diplomats should spend more time engaging the new elites that represent these sub-communities and understanding what makes them tick, how they interpret the world around them, and what leverage points the United States might deploy in influencing their behavior and politics. Recognizing these realities will also likely color the way in which Washington might design and pursue any peace plan.

In discussing Israeli-Palestinian peace in two speeches last week, President Barack Obama was, at least in part, directing his words to Israel, perhaps intending to encourage a more realistic conversation about Israel's options in a changing region. That Netanyahu gave such a blunt, bordering on dismissive, rejoinder to Obama's remarks says something about these new Israeli realities. The United States' peacemaking efforts often appear stuck in a time warp. Once this week's speechmaking is over, new thinking should begin, including an appreciation of the Israel that actually exists in 2011, not some mythical Israel of yesteryear.

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