"AN EXPERT VIEW FROM ISRAEL"

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Special election report

SUMMARY OF A 'MIDDLE EAST FORUM' WEBINAR ENTITLED 'ISRAEL UPDATE'

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Alex. Selsky served as an advisor to Prime Minister Netanyahu from 2010-1013. He is a member of the Board of Directors of Middle East Forum-Israel.

SUMMARY OF ALEX SELSKY'S COMMENTS

- Selsky began by saying that today (23 November) had been a tragic day in Jerusalem with a 1990s type terror attack using a remote-controlled device that killed one 16-year-old boy and injured some 19 others.
- Selsky said that the attack had somehow served the purpose of accelerating ongoing talks for the formation of a new government that was stalling because of excessive demands on the part of some of Netanyahu's coalition partners.
- Selsky said that while discussions between Smotrich and Netanyahu had been quite tense, there were signs that progress might possibly be achieved before long, especially since the Shas Leader had agreed not to insist on having the Finance portfolio and getting his old position at the Interior Ministry along with responsibilities for the Ministry that deals with religious affairs(thus possibly allowing Smotrich to move to Finance).
- Selsky noted that it was also becoming clear that coalition members did not have a great deal of choice: it was either accepting to work with each other or facing the prospects of another unwanted election.
- While in previous times, Netanyahu, in his different spells as PM, had the luxury of having certain figures in his cabinet that were not part of the right-wing coalition (e.g., Benny Gantz or Ehud Barak), this time his choices were limited only to having right wing elements.
- Selsky noted that while in any event Netanyahu was on his 'last hurrah'
 as PM and head of government, the present situation provided an
 opportunity for future leaders of the right to make themselves felt as
 members of the cabinet. Therefore, for them, it was a question of
 needing this opportunity for purposes of building their futures.
- According to Selsky, for all these reasons, it made sense to assume that a new government would soon be formed.
- Selsky said that Netanyahu's choice for Foreign Minister in the person of Ron Derman (former Israeli Ambassador to Washington), was a reflection of his need to have someone of experience in dealing with the

current US administration (especially as there was a perceived huge interest on his part for having the Republicans and possibly Trump back in the White House in 2024). Nonetheless, Selsky was of the view that this choice was not a popular one within the Likud Party for which Netanyahu would ultimately have to pay a price.

- According to Selsky, the new government's biggest challenge will be the economy and having to deal with runaway inflation that had now made Tel Aviv the most expensive city in the world.
- This did not mean that dealing with the Palestinians, especially in the wake of the recent terror attack, as well as other security issues such as dealing with Iran had become less of a concern. What it meant was that those issues were one's over which there was general consensus in the country, while dealing with social and economic issues were more challenging for the new government.
- Another key matter of concern according to Selsky was the issue surrounding the status of 'religion and the state' in the country. This issue was increasingly becoming a major area of contention between forces of the 'Left and Right' in Israeli politics and as such, reaching any agreement over an acceptable definition for the Jewish character and identity of the state very difficult.
- Having said all that, Selsky said that it was unclear at this stage whether Netanyahu could seriously change things.

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