

Israelis who reject the social values

and economic practices of Labour Zionism and support ending Israel's rule over unwilling Palestinians may now have a new political address. The hitherto diverse political currents anticipating a post-occupation, post-Labour Zionist society coalesced in a joint electoral list that won a stunning victory in the Histadrut elections of May 10, 1994. The Histadrut combines the functions of a trade union federation, a corporate conglomerate, and a network of medical clinics (Kupat Holim) administered by a mammoth bureaucratic complex. These and many other Histadrut projects (a militia, a bank, an insurance company, a newspaper, a sports federation, and a theatre group) made up the institutional infrastructure that enabled the Labour Zionist movement to establish and dominate the newly formed state of Israel. Today these institutions are virtually empty of their historic ideological content. Nonetheless, the Histadrut bureaucracy remains the organisational core of the Labour Party, whose component elements and their antecedents have controlled an absolute majority in the Histadrut from its formation in 1921 until the recent elections.

Over two-thirds of all Israelis receive medical care from the Histadrut's Kupat Holim, and many are members for this reason only. For several years, Haim Ramon, an ambitious younger

figure in the Labour Party, campaigned to reform the Histadrut by establishing government-provided universal health insurance. This would permit those who join the Histadrut only for this service to sever their ties to an organisation widely regarded as moribund and corrupt. The decline in Histadrut membership would diminish the influence of its bureaucrats in the Labour Party. It would probably also further erode the bargaining power of Israel's trade unions, already severely constrained by a Histadrut with dual functions as the second largest employer in Israel and as a trade union federation.

Curbing the power of the Histadrut is key to the liberal reformation of the Israeli economy which Ramon and his colleagues in the Kfar Ha-Yarok circle of the Labour Party advocate. They seek to jettison the ideological and institutional encumbrances of the past in favour of pragmatic economic policies: an export-led, profit-driven economy, privatisation of public sector enterprises, free markets, and an orientation towards integration with Europe. They envisage a modern, secular, European Israel, and they believe that this cannot be achieved unless the conflict with the Palestinians and the Arab world is resolved.

Consequently, this group, whose best known members in addition to Ramon are Yossi Beilin and Yael Dayan, holds the most dovish positions in the Labour Party, not necessarily because they are committed in principle to the right of the Palestinian people to self-determination, but because they believe peace is necessary for Israel's future development. Although they do not make a point of calling for a Palestinian state, the prospect does not frighten them. They have little patience for the religio-national chauvinist fantasies of the settler extremists in the West Bank and the Gaza Strip and look forward to laying down the ideological and economic burden of the century-long confrontation between Zionism and the Arab world and getting on with business and pleasure.

Ramon's plan for a national health insurance program was adopted as part of Labour's electoral program and won broad public support. In recognition of his major contribution to the party's 1992 electoral victory, Prime Minister Yitzhak Rabin

appointed Ramon Minister of Health in his new government. With Rabin's approval, Ramon introduced a draft law for a national health insurance plan to the Knesset. The lacklustre Haim Haberfeld, the General Secretary of the Histadrut, marshalled his army of grey bureaucrats to resist Ramon's initiative. The Histadrut bureaucrats have generally backed Foreign Minister Shimon Peres in the internal struggles of the Labour Party. But they also tend to support the more hawkish policies of Yitzhak Rabin. Consequently, both of Labour's principal leaders felt obliged to them. Therefore, the Histadrut bureaucrats were able to force the Labour Party to withdraw its support for Ramon's bill, and the proposal died.

Ramon resigned from the cabinet in protest. Several weeks later he announced that he would form an electoral list to run against Haberfeld and the Labour Party in the upcoming Histadrut elections. Ramon originally hoped that he would not have to leave the Labour Party, but Haberfeld and his allies jumped at the opportunity to expel him, a move they may come to regret. Most of Ramon's colleagues in the Kfar Ha-Yarok circle did not join his electoral list because they were afraid to risk their positions in the Labour Party. But they announced publicly that they agreed with all his political positions except the decision to oppose Labour in the Histadrut. The Meretz bloc, despite some opposition from its socialist Mapam component, rapidly agreed to form a joint electoral list under Ramon's leadership. A more unlikely partner was the Oriental Jewish ultra-orthodox Shas party, which had previously left the government coalition after repeated clashes with secularist Meretz. But Shas leader Aryeh Deri holds dovish views, and his economic outlook is compatible with Ramon's. After securing a financial payoff and a promise that a Shas candidate would be appointed as rabbi of the Histadrut, Shas agreed to join the list headed by Ramon. Shas's adhesion to Ramon's bloc is significant because the Oriental Jewish community has tended to favour the Likud since 1977, partly because they resented the treatment they received from the Labour Party when they were new immigrants in the 1950s and 1960s.

With some 94 percent of the votes tabulated, Ramon's list

won 46.09 percent of the vote. He will be elected General Secretary of the Histadrut when its convention meets on July 5th. The joint Arab-Jewish list of the Democratic Front for Peace and Equality and the Progressive List won 3.78 percent of the vote. The Labour Party, which won 55 percent of the vote in the previous Histadrut elections, received 32.8 percent of the 1994 vote, a sharp repudiation of Haberfeld and his bureaucrats. Ramon invited Labour to become the junior partner in the Histadrut coalition he will lead. This marks the end of an epoch.

The Likud attempted to turn the Histadrut election into a repudiation of the Labour government's peace policy by demagogic exploitation of the anxiety and fear created by several Hamas attacks on Jews following the massacre in the Ibrahimi mosque in Hebron. (In a particularly heinous bombing of a bus in Afula, a Palestinian Arab teenager, an Israeli citizen, was among those killed). Despite the atmosphere of public hysteria which it had actively promoted, the Likud received only 17.33 percent of the votes, down from 25 percent.

The Histadrut elections produced a decisive victory for the most consistently dovish forces in Israeli politics. Those who argued that Ramon's decision to oppose the Labour Party would weaken the peace process were proven wrong. In fact, the Labour Party itself contains many elements that cherish the illusion that Israel can have peace while it maintains all the Jewish settlements and continues to occupy substantial parts of the West Bank, the Gaza Strip and the Golan Heights. Labour's supporters in the Jordan Valley and elsewhere in the West Bank and those in Gush Katif in the Gaza Strip have been critical of the Gaza and Jericho first agreement. Labour Party affiliated kibbutzim on the Golan Heights oppose an Israeli-Syrian peace that would restore Syrian sovereignty to that territory, and they are supported by seven Labour Knesset members who have publicly stated that they will not vote to approve such an agreement. Ramon's victory in the Histadrut weakened these elements in the Labour Party and demonstrated that a young, energetic leader with media appeal can be an electoral success with dovish politics. Despite significant lapses since joining the government, Meretz holds a more principled dovish outlook than

any of the circles in the Labour Party. Its participation in Ramon's victory demonstrates that its positions are not an electoral liability.

The elections also confirm the public's distaste for the ossified and ineffective institutions of Labour Zionism. Ramon envisages major structural changes in the Histadrut: nationalising its Kupa Holim and pension programs and selling off many of its economic enterprises. These are popular measures. But he will only be able to secure the necessary two-thirds majority to implement them if he can reach an agreement with the Labour Party.

The combination of dovish politics and liberal economics represented by Ramon's bloc constitutes the first Israeli political formation founded on the presumption of regional peace and an end to the bureaucratic domination of Israeli society by the institutions of Labour Zionism. Ramon has the option of moving in either of two tactical directions. He can rejoin the Labour Party and turn his electoral appeal into a lever to dismantle Labour Zionism from within. There is also speculation that Ramon's Histadrut list may constitute the core of a new centrist political party which would attract the moderate elements of the Likud such as Tel Aviv Mayor Roni Milo, Knesset member Meir Shitrit, and the popular former Mayor of Tel Aviv, Shlomo Lahat, who has already resigned from the Likud because he supports the Israel-PLO Declaration of Principles. Some of Ramon's allies in the Labour Party would very likely join him in such a venture, though most of Mapam would probably not follow Ramon on this path. In either case, Ramon's Histadrut list represents a political orientation unconstrained by the institutional blockages that have prevented Rabin and the Labour Party from pursuing a more just and generous peace policy. Except for the kibbutzim of the Mapam component of Meretz, Ramon's bloc is also relatively unconstrained by the institutional structures and outlook of traditional Labour Zionism. In one form or another, this orientation is coalescing as a major force which may be capable of reshaping Israeli culture and politics.

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