



## **Authoritarian Management Style in the Likud Party Under the Leadership of Benjamin Netanyahu**

Yaffa Moskovich

*Kinneret College on the Sea of Galilee and the Zefat Academic College, Israel*

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This research examines the management style of Israeli Benjamin Netanyahu in the Likud party after his election to party chairman in 1992 compared with that of Yitzhaz Shamir by analyzing party structures that the leaders created. After Netanyahu's election as party chairman, he initiated organizational change within the Likud. He altered the internal election system, introducing primaries to replace the sevens system in order to weaken both the Central Committee and political rivals. This research used the qualitative method, taking the leadership of Netanyahu as a case study. The study was based on two methods of data collection: analyzing documents and interviews. Netanyahu also altered the party constitution. The Central Committee previously had elected most party positions; under Netanyahu, the party chairman himself nominated members to key administration roles. He created two new bodies within the party (the party bureau and the party management) and appointed their members as well. His changes aroused much opposition but were nevertheless passed by majority vote. The Likud party structure became more centralized under Netanyahu's leadership from 1993 to 1996. The party lost its factional nature; instead, one dominant coalition ruled the party. In conclusion, in this case, we see that democratic management within the Likud party was related to the power of the leader: when the leader was weak, his management style was more democratic because he sought support; when the leader enjoyed wide legitimacy in the party, he could choose to be democratic or oligarchic.

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**T**his research examined the management style of Israeli Benjamin Netanyahu in the Likud party after he was elected to the position of party chairman in 1993. The research questions were: Did Netanyahu lead his party in a democratic or an authoritarian way? Why did Netanyahu choose the approach he used, and what contextual factors contributed to its success?

In this research, it was assumed that management style was reflected in the changes that the leader initiated in the structure of the party. First, there is a review of the history of the Likud party until 1992 which serves as a background to the analysis of Netanyahu's style of leadership.

### Historical Background

Israeli society underwent political and social change from the time of its establishment at the beginning of the 19th century until 1977. Israeli pioneers came from Russia with socialistic ideology. Their leader, Ben Gurion, founded the basic political, social, and economical mechanisms together with the representatives of the pioneers: the Historic MAPI (Labor party) and union federation (Histadrut). These organizations helped MAPI to dominate Israeli society for 70 years.

Gradually, MAPI lost its special influence, mainly after the Six Day War in 1967 and Yom Kippur War in 1973. These events affected the Israeli public which became more militant against the Arabs with national and hawkish orientation. Finally, in 1977, for the first time, the right wing Likud party succeeded in winning the general election, governing until 1992. In this year, Yitzhak Rabin returned to power and built a Labor government.

Following electoral defeat, the Likud party underwent changes at the leadership level. The founders' generation, led by Begin, Shamir, and Sharon, was replaced by the younger leadership of Netanyahu and his supporters. Intergenerational struggles took place in the Likud party. It will be useful to take a look at them in order to understand the dynamics of leadership change that took place in the party.

#### *Likud Leaders and Policy*

The party was founded by its charismatic and militant leader Ze'ev Jabotinsky. He was opposed to the conciliatory views of the dominant Labor party MAPAI and called for fighting against the British and for driving them out of pre-State Israel. Menachem Begin continued along this path and was also an ardent and charismatic speaker. Begin was the commander of the National Military Organization (the ETZEL) and a member of the Revisionist Party.

In 1948, he founded the Herut (*freedom* in Hebrew) Party. Begin was often surrounded with his fighter friends and, at the time, enjoyed the support of most party members. Begin and Sharon founded the Likud party (*unity* in Hebrew) in 1973, absorbing the Liberal party LA'A (Hebrew acronym for *independent liberals*) and the Free Center.

In 1977, he reached the pinnacle of his political career when he was elected as the head of the first Likud government and succeeded in being re-elected in 1981. However, following the death of his wife and, in particular, seeing the consequences of the Lebanon War, he decided to relinquish all political activity.

A successor, Yitzhak Shamir, follower of Begin and former leader of the National Military Organization LECHI, was chosen as leader and party chairman after defeating David Levy, a young hopeful, who came from the periphery. In the 1984 general elections, with Shamir as chairman of the Likud, the result was a political tie: 41 seats for the Likud and 44 for Labour. Subsequently, the two big parties established a National Unity Government with an agreement on rotation between the two chairmen. Shimon Peres was the prime minister until 1986, and Shamir replaced him. In the 1988 elections, Shamir enjoyed a victory over the Labor Party and served as Prime Minister until 1992.

The Likud underwent an organizational fusion, initiated by Shamir, with the Liberals and the Independent Liberals and small right wing parties such as Telem, Rafi-Ometz, and Tamy (a small religious party). They formed a single organizational unit which is the way the Likud functions to this day.

Shamir was not a leader supported by all party factions, and Levy and Sharon were among his key opponents. They institutionalized factional activity within the Likud, to the extent that the party entered the 1992 elections divided. In the elections, the Likud party suffered a crushing defeat, losing 11 mandates, down from 43 to 32. Members of the party and its leaders blamed the factional structure of the party for this painful defeat.

Following the election result, factional activity increased. Within the Shamir–Arens camp, new factions were formed: the Netanyahu faction and the Katzav faction (Moskovitch, 2004). The Netanyahu faction enjoyed the support of his patron, Moshe Arens (the defense minister), riding on the success of his role as Israel ambassador to the U.N.

There was also the Katzav faction which relied on a group of activists and mayors from southern Israel. Another group of leaders enjoyed special status within the party—Princes, nicknamed for the generation following the founding leaders of the Likud whose parents filled senior positions within the party, most of whom were previously attached to the dominant Shamir–Arens camp. The split within the party reached its peak as the 1993 internal elections approached. Netanyahu succeeded in overcoming his rivals, becoming chairman of the party.

### Literature Review

The literature has focused primarily with the topic of management style and leadership in organizations and political parties. As an introduction to leadership styles, definitions of democracy and oligarchy are provided first.

Democracy means the rule of the people, referred to by Dahl (1971) as polyarcy. The principles of democracy are based on decision making by the majority and on man as a political being, free to express his interest and views. Power in society is decentralized, and there are pluralistic organizations in which the citizen can be involved. In an oligarchic regime, most of the power is centered in a small number of groups or people. Oligarchy has been mentioned in literature as authoritarianism or autocracy, and its legitimacy is based on tradition with power bestowed by god or a powerful family. The people in countries under this system are controlled by the government.

Although there is a strong connection between the regime and power distribution, oligarchy and centralized structure need to be distinguished: oligarchy is a regime that limits the freedom of the citizen and affects his or her lifestyle in every aspect. It is a wider definition than the structure. Centralized structure often exists in democratic countries managed by a small number of powerful elite (Katz, 1997; Kimerling, 1995; Lipset, Trow, & Coleman, 1956; Michels, 1949; Moore, 1966; Saward, 1994). The features of democracy and oligarchy are reflected in styles of leadership.

In the classic study on leadership style by Lewin, Lippert, and White (1939), we find that authoritarian leaders determine policy and dictate working methods and the direction of group activity, while democratic leaders behave in the opposite way and allow great freedom to the members of the group.

The democratic leader in organizations is referred to as supportive or participatory. Democratic leadership includes “consultation, joint decision making, power sharing, decentralization, empowerment and democratic management” (Yukl, 2005, p. 82). The leader’s behavior is guided by orientation towards the employee and general supervision of workers (Filley & House, 1969). Group structure and organization tend to be decentralized, and the atmosphere is pleasant and unpressurized (Avolio, 1999; Bass, 1998; Hall, 1998; Likert, 1967;

Nancy, 2005; Northouse, 2001). Subordinates enjoy freedom, satisfaction, and greater productivity, and the democratic leader is more desirable than an authoritarian one in the eyes of the group (Filley & House; Hall).

The democratic approach was described by Blasé and Anderson (1995) as a “power with” (p. 15) model that “encourages the development of close relationships with subordinates. It also empowers subordinates to expect democratic participation as a right” (p. 15). The leader needs the ability to understand the needs of his or her members and subordinates (Seagren, Creswell, & Wheeler, 1993) and is characterized by human resource development orientation in managing the department (Scott, 1990).

On the other hand, authoritarian leadership style has been defined as “behavior that asserts absolute authority and control over subordinates and demands unquestionable obedience from subordinates” (Cheng, Chou, Huang, & Farh, 2004, p. 91). This style is characterized by a centralized and traditional hierarchical structure that creates distance between the leader and subordinates (Hall, 1998; Silin, 1976; Westwood, 1997). The authoritarian style has been referred to as oligarchic or autocratic (Hall; Kimerling, 1995; Michels, 1949). Unlike the democratic style, here the leader decides alone without the involvement of team members. This may create a stressful climate where complaints and blaming are common (Filley & House, 1969; Hall).

The power base varies from one style of management to another (French & Raven, 1959). The authoritarian leader typically uses compulsion and is more punishment oriented, whereas the democratic leader focuses on legitimacy and transparent behavior, thus creating a sense of identification with the enterprise among the group (Hall, 1998; Yukl, 2005).

Management style needs to be appropriate to the society and culture of the group members (Hollander, 1978; Wright, Szeto, & Geory, 2000). Culture has become an important factor in recent research on leadership. Schein (1992) and Hofstede (1997) defined organizational culture as ideas, norms, symbols, heroes, values, artifacts, and hidden assumptions that affect the organization and its leadership. According to Hofstede, power and distance are expressed as a primary feature in every culture and determine how members of a culture accept the distribution of power: Is the authority of people and leaders unequal (oriented by authoritarian style and centralized structure) or equal (more democratic style and decentralized)?

In Europe and the United States, democratic management is more common in business and educational organizations (McArthur, 2002). The most participatory managers were found to be German, Austrian, and Swiss, while Polish and Czech managers were the most autocratic. The U.S. and French managers lay somewhere between the extremes (Jago et al., 1993). The degree of subordinate participation is also dependent on culture. In Western societies, the worker tends to demand more involvement and the sharing of information (Bass, 1998; Osland, Monteze, & Hunter, 1998; Torres, 2000). In China, the group members do not expect to be involved in the decision-making process. However, leadership style is changing now in Eastern countries such as China, Taiwan, and Hong Kong as a result of modernization, industrialization, and globalization which tend to weaken the influence of authoritarian leadership. Instead, management style is becoming more characterized by benevolent leadership and consideration of employees needs (Cheng et al., 2004; Wright et al., 2000).

In general, cross-cultural studies tend to support the democratic style which is understandable in light of its consideration of subordinate needs which contributes to greater work satisfaction (Dorfman & House, 2004).

### Leadership in Political Parties

A party leader is a primary mover for change and for the adaptation of the party to the environment in which it exists (Janda, 1990; Katz, 1997; Mishima, 2007; Muller, 1997; Wilson, 1989). Leaders in recent years have become more professional and flexible, and the party is more dependent on them (Mair, 2000; Muller, Plasser, & Ulrama, 2004). Most research into the organization of parties has found that the more powerful and important the role of the leadership in a party becomes, the weaker its administration and ideology (Katz; Katz & Mair, 1995; Panebianco, 1988; Webb, 2004). The party organization became an “empty vessel,” and the leadership replaced it (Katz & Kolodny, 1994).

Parties are now more elitist in nature than in the past (Mair & Katz, 1994), and leaders wish to reserve their domain as far as possible in order to maximize their scope for strategic games of party competition. Leader’s autonomy is growing, and the election campaign becomes a candidate-centered “presidential” style of leadership (Scarrow, 2004; Webb, 2004). Moreover, the strength and importance of the leader endows him or her with the ability to create change within the party (Janda, 1990; Janda, Hatmel, Heo, & Tan, 1995; Muller, 1997; Muller et al., 2000; Webb; Wilson, 1989).

The power of the leader within the party is a direct result of his or her ability to win an election (Moskovich, 2004; Muller et al., 2004; Von Beyme, 1996). Usually, in Europe and the U. S., when a party loses an election, a power struggle ensues, bringing about changes in the structure of the dominant coalition. One of the results of defeat may be the replacement of the party leader (Janda, 1990; Panebianco, 1988; Wilson, 1989).

There is a strong connection between power relations and organizational structure (Mintzberg, 1983; Pfeffer, 1981). The social actor who acquires the most power can manipulate the party or organization structure to his or her advantage (Samuel, 2005; Yukl, 2005). Leaders in political parties promote changes in party organization, their goal being to strengthen their position. Party structure that was once decentralized tends to be more centralized after the reform.

The victories of Jorg Haider with the Freedom party in the Austrian election enabled him to shape party profile and to make all important decisions (Muller et al., 2004). Similarly, in the New Labor Party (Mair, 2000; Smith, 1998; Webb, 2004), Tony Blair instituted a constitutional revolution in which the leadership tried to establish more control over party decisions and activists. The Japanese Prime Minister Koizumi succeeded in strengthening his status in the Liberal Democratic party by centralizing the party system significantly (Mishima, 2007).

Based on this, we can learn about the leader’s management style from his development of a democratic or oligarchic structure in his party. The result of a democratic/oligarchic leadership will be reflected; to this end, I established criteria that were used to analyze the character of party structure.

#### *The Criteria for a Democratic Versus Oligarchic Structure*

The following criteria were based on the work of Michels (1949) and researchers who followed in his footsteps (Hall, 1998; Hall, Harley, & Tomkins, 2000; Katz, 1997; Katz & Mair, 1995; Lipset et al., 1956; Mair, 2000; McCartin, Compa, & Sheldon, 2005; Panebianco, 1988; Saward, 1994; Stepán–Norris, 1997; Voss & Sherman, 2000).

1. Changes in leadership – If party leaders are changed frequently, the organization tends to develop in a democratic direction. However, if the leadership stays unchanged for a considerable period of time and other members of the party are unable to attain the position of leader, the party is more oligarchic (Lipset et al., 1956; Michels, 1949).
2. Electing the leadership – If party regulations forbid or make it difficult for candidates to be elected to party positions, the party tends to be more oligarchic. If the opposite is the case, then the tendency is democratic (McCartin et al., 2005; Voss & Sherman, 2000).
3. Control of information – In every party, there are bodies which control the distribution of information about decisions, jobs, and nominations. If only one dominant coalition is exposed to the information, the party tends to be oligarchic, but if there is a free flow of information to different factions, the nature of the party is obviously more democratic (Hall et al., 2001; Michels, 1949).
4. Internal opposition – If internal opposition is allowed to exist within the party and alternative leaders can compete for the chairmanship, the structure is democratic. But if internal opposition and alternative leaders are denied existence, the party is oligarchic (Lipset et al., 1956; Michels, 1949; Saward, 1994).
5. Centralized/decentralized party structure – A centralized structure is dominated by one person or small group who handles and determines the issues and nonissues in the party. Therefore, the leadership style tends to be more oligarchic. But, when the structure is influenced by several members of the group and power is shared on an equal basis, it can be defined as decentralized. If the leader tends to consider and consult the views of other people in the group, he or she tends toward the democratic leadership style (Hall, 1998; Katz, 1997; Lipset et al., 1956; Samuel, 2005; Saward, 1994).

This element can be evaluated according to the following indicators:

1. Elected positions in the party – Does one dominant coalition enjoy access to jobs and positions (centralized), or are party benefits divided among several factions (decentralized)?
2. The decision-making process in the party – Who takes part in the decision process? Is one dominant coalition (centralized) or several factions involved in the process (decentralized)?
3. The status of local branches – If the local branch is independent and decides policy without interference from the central administration, then the party tends to be more decentralized. But, if central party policy dictates to the local branches, then the party is more centralized.
4. Party factions – If the party is divided into factions, it tends towards a decentralized structure. But, if the party has few factions or one dominant controlling faction, it tends to be more centralized and oligarchic.

## Research Method

This research was based on the qualitative method, taking the leadership of Netanyahu as a case study during the years of 1993-1996. I chose these periods for my research, because Netanyahu instigated radical change in the party constitution and regulations, and I wanted to understand the factors that led to this. I found the leadership style of Netanyahu intriguing. In order to understand more deeply the background to his leadership style, a method of data comparison with the former chairmen, Shamir, was used. The research method was based on two methods of data collection: analyzing documents and interviews.

### *Data*

*Documents.* Most documents were collected from the Jabotinsky Institute. They included party rules and regulations and minutes from meetings of the Central Committee and the Secretariat and party conventions. For additional information, newspaper articles describing the events at the various conventions were also used.

*Interviews.* Some of the interviews were open (i.e., the interviewees were asked some general questions), and a casual conversation ensued. In most cases, however, the interview was planned, focused, and followed a structured questionnaire, adapted to each interviewee. A total of 30 people were interviewed, together representing a wide variety of party members. These included Likud party leaders, ministers from various governments, Knesset (Parliament) members, members of the party's Central Committee, and spokesmen and assistants in Likud governments. All the interviewees had participated in or observed directly the events referenced. The key figures in the party interviewed were Yitzhak Shamir and Moshe Arens, Minister of Defense. Knesset members interviewed included Yossi Ahimeir, a member of the dominant Shamir–Arens camp; Reuven Rivlin, a member of Levy's camp; Meir Shitreet, former mayor of Yavne and a minister in Shamir and Netanyahu's governments; David Reem, former mayor of Kiriath Ata; Michael Kleiner, a member of Levy's camp; Israel Katz, who built the Sharon camp but later became identified with Netanyahu's faction; Yoram Aridor, Minister of Finance during Shamir's government; and Uzi Landau, a member of the Shamir–Arens faction. All those mentioned by name gave permission to be quoted. However, most interviewees wished to remain anonymous; therefore, their names are not mentioned in the article.

In this study, I established criteria for democratic versus oligarchic structure which helped me to determine the style of management. The criteria are presented as an ideal type. Sometimes the findings contradict the model (as presented in the first criteria during Shamir's period), because reality is inconsistent and complicated. The nature of the leadership style was determined by the summary and analysis of all the criteria together.

## Findings

The findings were analyzed according to the criteria for democratic or oligarchic party structure focusing on Shamir's leadership (1988-1992) compared to Netanyahu's leadership.

### *Changes in Leadership*

It was during Shamir's chairmanship of the party that he was elected to the position of Prime Minister. The ministers in his government were as follows: Minister of Foreign Affairs, Moshe Arens; Minister of Commerce and Industry, Ariel Sharon; Minister of Justice, Dan Meridor; Deputy Prime Minister and Minister of Housing, Roni Milo; Minister of Transport, Moshe Katzav; Minister of the Environment, Ehud Olmert; Minister of Tourism, Gideon Pat; Minister of Economy and Planning, Yitzhak Modai; and Minister without Portfolio, Moshe Nissim.

Most of the appointments to these posts were unchanged during Shamir's premiership. Shamir led the government from his vantage point of head of the ruling faction within the party, and his ministers belonged to this group. Although this finding supports an oligarchic structure, other appointments indicate that Shamir's leadership style tended to be more democratic. Shamir's appointment of new young members of the Knesset to cabinet ministers, such as Milo, Olmert, Meridor, and Magen, reflects a tendency towards democratization, as these new members of the government brought influence to bear on the leadership.

In contrast, after Netanyahu was elected as head of the party in 1993, he worked rapidly to overcome opposition to his leadership from Benny Begin, Moshe Kaztav, and David Levy. However, Netanyahu did not make new appointments because his party was in opposition following defeat in the election (Janda, 1990; Mair & Katz, 1994).

### *Electing the Leadership*

In Shamir's time, opponents within the party could compete with him for the leadership. According to party regulations Nos. 54 and 56 of the old constitution, all party positions from the chairman down were elected by the Central Committee. This can be described as democratic procedure.

After Netanyahu was appointed chairman of the party, he worked actively towards changing its charter. At a time when the Central Committee alone dealt with constitutional issues, Binyamin Netanyahu proposed that the chairman be granted sweeping authority in these matters (National Liberal Likud Movement, 1993b).

In order to achieve this, he created two bodies under the chairman's sole supervision: the Administration (an executive body enjoying broad authority) and the Bureau (a body focusing on handling economic and social important issues). Netanyahu also initiated change in the internal party election system. Although some members of the Central Committee were opposed to altering the party constitution, the Central Committee approved Netanyahu's proposals by an overwhelming majority.

Disagreements voiced by Netanyahu's opponents illustrate the power struggles taking place within the party. Sharon expressed the following in his speech at the Likud Convention: My comment regarding the constitution was [made] out of concern for the party. In a democratic political party, there must be genuine democratic balances of power. It cannot



be that the party chairperson becomes the only body making all the decisions in the Likud, and that all other bodies turn into empty vessels. (Minutes of the Likud Constitution, May 17, 1993, p. 57)

Some party members were angered by the fact that the Bureau had been established as it was a body whose members were appointed rather than elected. As put by Dr. Zin at the same convention: "A Bureau which in fact is not elected is some kind of hybrid creature, which is not under the authority of the Central Committee" (National Liberal Likud Movement, 1993b, p. 35). David Cohen spoke cynically about the same issue:

If the Chairperson wants someone, then he will appoint him? If he doesn't want him, then he won't? This is the ultimate in democracy, a Bureau that is not elected. Which is why I demand that it be elected by members of the Central Committee. (National Liberal Likud Movement, 1993b, p. 37)

Netanyahu also initiated substantial changes in the internal party electoral system. Originally, a system was established whereby candidates were listed by groups of sevens and voted for in seven such groups; subsequently, a list of 50 candidates to the Knesset was compiled. Netanyahu changed this system to one of primaries, and this gave rise to opposition. Many of the party members who voiced opposition were supporters of Levy, Sharon, and Begin. David Cohen commented at the Convention: "It is a gross undermining of democracy and will lead to Americanization. . . . The party is turning into an aristocracy for the rich. What are these Primaries? . . . nothing but lots of money" (National Liberal Likud Movement, 1993b, p. 40).

The effects of the primaries were complex. On the one hand, they gave the members of the party the power to determine the leader. On the other hand, they weakened the ability of Knesset candidates to be elected. Only candidates with sufficient financial resources could be elected, thus compromising the principle of equality before the law.

Attorney Motti Mishani also criticized the constitution sharply. Referring to the older, 1979 constitution, he said, "It's an old wine, but it's good" (National Liberal Likud Movement, 1993b, p. 57). Some of the interviewees who had attended the convention claimed that Netanyahu did not respond to any of the issues they raised in criticism but pushed for a quick vote on the new constitution.

Netanyahu's radical alteration of the internal election system led to the erosion in importance of the Central Committee. In this way, Netanyahu dismantled the power of Levy's supporters and encouraged his main rival to leave the party. Some members of the Central Committee voted to approve Netanyahu's proposals even when they threatened to undermine their very significant power. However, a majority of the members of the Central Committee supported Netanyahu's moves because they believed that he had the ability to bring them back to power following the painful election defeat of 1992. Party members saw Netanyahu as their savior. They believed that they had no choice if they wished to not remain in opposition. In fact, Netanyahu was subsequently elected Prime Minister in 1996. The change in the party structure is demonstrated in Figures 1 and 2.

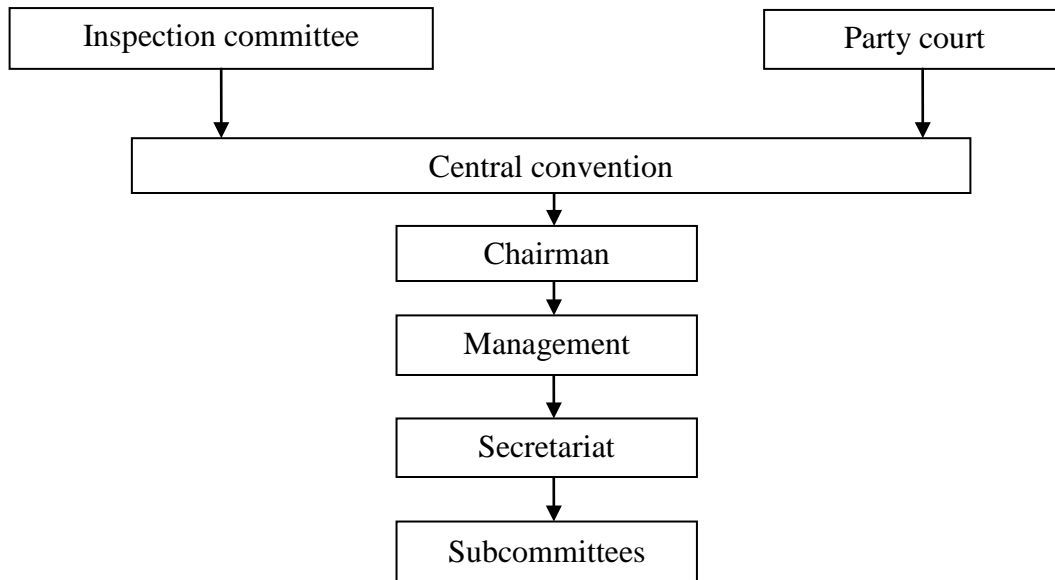


Figure 1. The formal structure of party bodies according to the old Constitution of 1979.

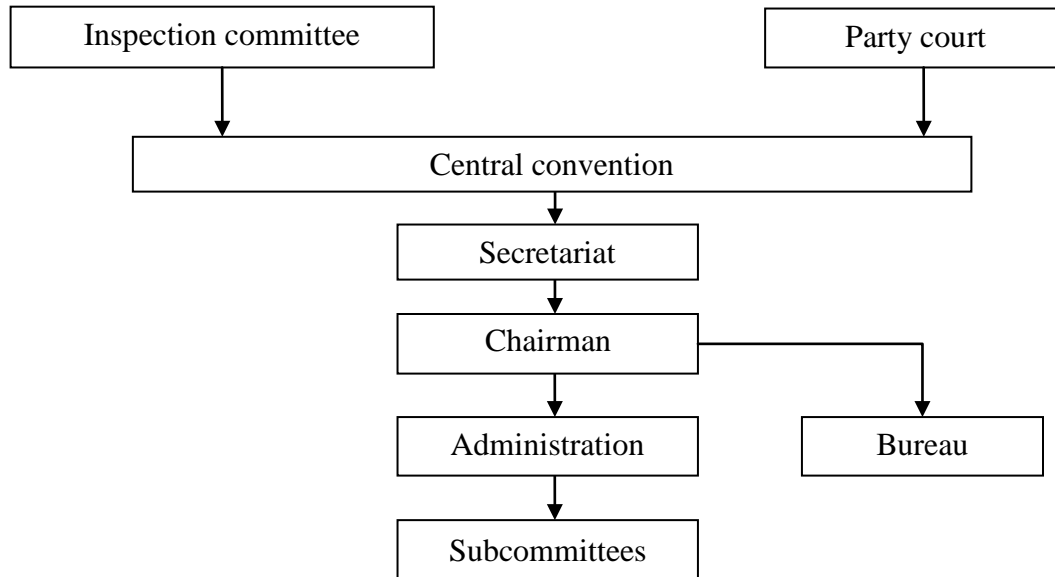


Figure 2. The formal structure of party bodies according to the new Constitution of 1993.

*Control Over Information Within the Party*

During the period of Shamir's leadership, the most important body in the party, in terms of control of the flow and distribution of information, was the Secretariat. It was a small body made up of only 12 members. All critical decisions were made in the Secretariat, and most ministers and members of the Knesset wanted to belong to it. Those that were excluded from the Secretariat felt that they did not know what was going in the party. The head of the Secretariat at this time was Moshe Arens, a key figure in the party along with Shamir, the Prime Minister. But, members of Sharon's and Levy's factions were also present, and information was available to opposing camps.

In contrast, Netanyahu's leadership saw a great reduction in the significance of this body. Netanyahu inflated the Secretariat to an unwieldy 60 members. It was opened up to the press and significant decisions were taken elsewhere in a new body that Netanyahu created—the Administration. Furthermore, at the head of the Administration stood his loyal friend and aide, Avigdor Lieberman, who worked hard to exclude Netanyahu's opponents from all sections of party organization including the Administration.

*Internal Opposition*

Under Shamir, party opposition was institutionalized (Moskovich, 2000, 2004). His opponents controlled important committees in the party. For example, David Levy along with Ruby Rivlin dominated the very important subcommittee in charge of party organization.

The influence of opposing groups was evident also in the local branches. Many in the northern and southern provinces of Israel were identified with Levy. He built his power base by dealing with the ethnic problem of immigrants from Asia and North Africa. These immigrants felt discriminated against by the dominant elite whose origins lay in Europe. The leadership of David Levy was strengthened by his role in assuming the fight for the lower classes in Israel.

Sharon's camp, though smaller, wielded influence in local branches in the center of the country. As a result of this support, Levy and Sharon were even able to challenge Shamir for the chairmanship of the party, although they failed to defeat him in the internal elections.

Coming to Netanyahu, we see that he managed to destroy the factional structure of his party, such that his opponents were stripped of any real power. After he became party chairman, most members of other camps joined Netanyahu, seeing him as a savior who would solve all their problems within the party.

Only David Levy remained a threat to his leadership, and Netanyahu managed to affect his departure from the party. In the years following 1993 power struggles, the Central Committee focused on the rivalry between Binyamin Netanyahu and David Levy. The hatred between them developed when Netanyahu served as Levy's deputy at the Ministry of Foreign Affairs. According to Central Committee member Yitzhak Regev, David Levy never forgave Netanyahu for accusing him in the "affair of the tape." (National Liberal Likud Movement, 1995, p. 80)

Prior to the election for Likud leadership, rumors were spread about a sensational tape in which Netanyahu supposedly starred. Netanyahu accused David Levy of spreading rumors about the tape, without mentioning him by name directly. Following this affair, Levy boycotted meetings of the Central Committee and threatened to resign from the party. According to one interviewee, the fact that Netanyahu turned out to be a talented diplomat and spokesman abroad

(partly thanks to his command of English) cast a shadow over Levy as Foreign Minister who was notorious for his ignorance of English.

Levy finally resigned from the party after the Central Committee authorized Netanyahu's changes regarding the election of delegates. The party delegates were elected by the branches. The Likud delegates chosen to participate in the convention were members of the party's Central Committee and had been elected as follows: all members of the branches and of the Central Committee were entitled to choose 60% of the branch members. This enabled minority groups to operate and prevented any one branch or the Central Committee from gaining total control. Netanyahu wanted to change the balance of votes to an 80%–20% basis in order to guarantee that if he were elected party leader, he would be able to introduce delegates and branch members who supported him (National Liberal Likud Movement, 1995).

According to some interviewees, this was the final straw for Levy who was already thinking about resigning from the party (National Liberal Likud Movement, 1995). Members of the Knesset like Shitreet and Limor Livnat tried to prevent Levy from leaving. Most members of the Central Committee voted in favor of Netanyahu's proposal. The election results led to Levy's resignation from the party, and he went on to set up the new Geshet Party. After Levy's departure, Netanyahu was left without any other internal opposition.

### *Centralized/Decentralized Party Structure*

*Elected positions in the party.* In the years between 1988 and 1992, the most important positions in government and the party were divided between opposing groups. Therefore, opponents such as Sharon, Levy, and Modai had important roles in Shamir's government and appointed their own people to influential positions.

One reason for this was that during this period, the Likud party merged with the Liberal party at the national and local levels, leading to much friction between the two parties. Consequently, many committees were formed which provided the forum for conflicts to be aired and worked out. For example, a special committee in the Secretariat was created where all factions in the party were represented: Rivlin (from Levy's camp), Ovadia Ely (from Shamir–Arens camp), and Ben Porat (Telem party, another party which had merged with the Likud).

Moreover, the Secretariat decided to create a new committee whose duty it was to accept new members from the merged parties (National Liberal Likud Movement, 1989). Its members were Kadosh (Shamir–Arens' camp), Rivlin (Levy's camp), and Landau (Sharon's camp). Even later in this period, a move to create a new constitution was made in the Secretariat (National Liberal Likud Movement, 1991) and as a result a constitution committee was formed with the following members: Meridor, Arens, and Kadosh (Shamir–Arens' camp); Hanegby (Sharon's camp); and Rivlin (Levy's camp).

Thus, it is clear that members of the Secretariat in this period represented all camps and parties which had been merged into the Likud party: Rafi Lalkin and Igal Horovich from the former Rafi–Ometz party, Ben Porat from the former Telem party, as well as Abu Hatzera and Azriel from the former Tami party. Leaders of the former Liberal party factions participated in this body: Izchak Modai, Moshe Nissim, Gidon Pat, and Pesach Gruper as well as leaders from the main Likud party factions (Shamir–Arens, Sharon, and Levy). These were a few examples to demonstrate how key positions were decentralized during Shamir's chairmanship. We will now see how it changed very drastically under Netanyahu's leadership.

After Netanyahu's election, the Secretariat was replaced by a new body called the Administration. At the head of this body stood only loyal members of Netanyahu's faction. Avigdor Lieberman became chairman of the new body and also director of the party, replacing Kadosh, a loyal relative of Shamir. Thereafter, Lieberman placed people loyal to Netanyahu in the party administration and its subcommittees. Thus, the party became more centralized.

*The decision-making process in the party.* In Shamir's time, all party factions participated in the decision-making process. As has been shown, all factions and former parties were involved in the process. The overriding issue of the day was how to carry out the incorporation of Liberal and Likud party representatives at the local branch level. It was agreed that candidates would be appointed according to the relative power of the two parties in each branch.

At the central level as well, many problems arose as a consequence of the merger of parties. In all discussions, the members of the Secretariat were required to consider and relate to the many and varied points of view. Even the slightest issue could be the catalyst for conflict, such as determining a date for central convention meetings. Acceptance by all the factions was required, and sometimes a meeting was cancelled after having been agreed upon. As Rivlin reported in a meeting: "it is ridiculous to send out invitations and then cancel them. This is not a good situation" (National Liberal Likud Movement, 1992).

However, the existence of these lively power struggles between the factions necessarily brought about a democratization of procedures in which acceptance between all factions was needed before making any decision. This situation was a direct result of all the mergers that had taken place in the Likud party. And, as a result of this process, the Shamir-Arens camp lost its dominance and control. In Netanyahu's period, all decisions were made without consideration for Levy's camp's interests. Moreover, in the Administration, the decision-making body at this time, only members of Netanyahu's camp participated in the process (Moskovich, 2000, 2004).

*The status of the local branch.* In both periods, local branches were dependant on the central party organization. An old regulation determined that internal elections and local candidates for municipalities would be controlled by the central party organization (National Liberal Likud Movement, 1993a).

*Party factions.* In the first period, the party was divided between several camps. Party mergers brought new factions into the picture. In addition, the entrance of the Liberal party introduced members of this party. So, based on this criteria, we can conclude that the party was decentralized. However, under Netanyahu, most members of the factions allied with him, with the exception of David Levy's camp with Levy subsequently leaving the party. Therefore, a review of most of the criteria show support for the conclusion that the party under Netanyahu's leadership became more oligarchic. The findings are summarized in Table 1.

Table 1: A Comparison Between Shamir's and Netanyahu's Leadership

Shamir	Netanyahu	Criteria
Occurred more often	Occurred very rarely	Changes in leadership
Party regulations permitted election to party roles and positions	Party regulations impeded election to party positions	Electing the leadership
Information was available to opposing groups (Levy, Sharon, Modai, Pat, Gruper)	Information was not available to opposing groups	Control of information within the party
Existed	Did not exist	Internal opposition
Participated in party committees and in central roles and positions	Were controlled by Netanyahu's dominant coalition	Elected positions in the party
All factions were involved in the process	Only Netanyahu's dominant coalition was involved in the process	Decision-making process in the party
Dependent on the central party organization	Dependent on the central party organization	Status of local branches
Many factions divided the party: Levy, Sharon, Modai, Pat, Nissim Gruper, Horovich, Ben Porat, Abu Hatzera	Netanyahu's faction dominated	Party factions

### Discussion

It is evident that changes in the party were promoted by Binyamin Netanyahu in order to deliberately develop an oligarchic party structure. Therefore, it can be said that his management style was authoritarian.

As Wilson (1989), Panebianco (1988), Janda (1990), and Mishima (2007) said, when a leader wins a general election, he enjoys great support from within his party. This was indeed the case with Netanyahu who received huge support from within the party. However, there were other factors which contributed to his popularity within the party, namely his professionalism as a leader coupled with his ability as a public speaker, enabling him to exploit the mass media to his advantage (Muller et al., 2004; Scarow, 2004; Von Beyme, 1996). Consequently, during his leadership, he enjoyed much positive publicity, building on his established reputation from former duties.

Netanyahu used his chairmanship to affect serious changes in the party constitution. Similar changes were conducted in the Labor party during Blair's leadership (Mair, 2000; Smith, 1998; Web, 2004) and in the Liberal Democratic party under Japanese Prime Minister Koizumi

(Mishima, 2007). These developments demonstrate the importance of control of regulations in order to influence the nature of the party (McCartin et al., 2005; Voss & Sherman, 2000) which made the Likud a more elitist party than in Shamir's time (Katz, 1997; Mair & Katz, 1994; Mishima, 2007).

Netanyahu's authoritarian style found expression in the way decisions were made: he made decisions alone, and the party structure became much more centralized. This management style incited a lot of criticism (Avolio, 1999; Bass, 1998; Hall, 1998; Nancy, 2005; Northouse, 2001) which Netanyahu used strong-arm tactics to overcome (French & Raven, 1959).

A condition of democratic leadership is the existence of internal opposition (Lipset et al., 1956; Michels, 1949; Saward, 1994) whose duty it is to supervise and criticize the leader. The latter is obliged to consider his opponents. The outcome is a more democratic style of management. But, Netanyahu dismantled the power of his rivals, the party remained without any real opposition, and the structure became more oligarchic.

The centralized structure that leaders create is effected by the culture of a political organization—the party. In nonpolitical organizations, the leader must not use power tactics when he is strong and the amount of overall power that is necessary is smaller. On the contrary, the more the leader uses power and compulsion, the more it reveals a position of weakness. Political tactics may damage the leader and harm his popularity, which is the reason that leaders often play political games on a hidden level (Minzberg, 1983; Samuel, 2005; Yukl, 2005).

The values, norms, and behavior are completely different in a political organization when the struggles and conflicts are so intense. A political party is like a battleground where the leader needs to defend himself or herself all the time. He or she cannot be sure of his or her position because opponents are constantly seeking to replace him or her. Under these conditions, the leader needs to demonstrate his or her control over the party. A democratic style of leadership, in these circumstances, can be interpreted as weakness.

Netanyahu's management style was suited to the Likud party whose culture was characterized by power struggle during Shamir's chairmanship. There were arguments at all levels, from government ministry positions and the Central Committee down to local branches. Party atmosphere was characterized by rivalry, conflicts, and animosity. Netanyahu was successful because his authoritarian style of management provided a means of resolving disputes within the party. After the weakness of Shamir's leadership, the authoritarian leadership could unite the divided party (Hofstede, 1997; Moskovich, 2000, 2004; Schein, 1992).

We can understand Netanyahu's behavior if we examine carefully the unique features of the Likud party before his appointment. Under Shamir's leadership, the factional system initiated a decentralized structure between the internal Likud party camps and factions of the merged parties. The factions worked against each other, and the result was party paralysis and the lack of an effective decision-making procedure. Shamir had been unable to control all the different camps and was forced to consider their wishes. He was so weak that he could not even decide the dates of the meetings of the Central Committee. Thus, we can understand his willingness to allow the participation of others.

The democratic leadership style in a political party can lead to collapse in a general election, as described during Shamir's chairmanship. Netanyahu, his successor, learned the lesson and initiated radical changes in party constitution and regulations and created a centralized structure. He succeeded in reviving the party and returned the Likud to power, but the party paid the price of becoming more elitist and oligarchic (Mair, 2000; Mishima, 2007; Scarow, 2004; Webb, 2004) under the authoritarian management style of the leader.

We can learn from this study that a democratic leader allows for the development of a factional structure that is more decentralized. The main reason that leadership becomes more democratic or oligarchic is connected to the distribution of power within it (Hofstede, 1997; Samuel, 2005). Destroying the factional structure of an organization or political party creates an authoritarian management. We can assume that if the leader is strong enough, he or she can prevent the creation of rival camps or internal opposition (Lipset, 1998; Lipset et al., 1956; Michels, 1949; Panebianco, 1988; Saward, 1994).

The Netanyahu case study helps us to understand that leadership is connected to situational factors. In this research, I did not focus on the personal aspect of the leader. Based on Katz (1997), Smith (1998), and Webb (2004) who studied Blair's leadership; Mishima (2007) who studied Japanese Prime Minister Koizumi; and Muller et al. (2004) who researched Haider's leadership; similar conditions in the party can be noted: (a) a new elected leader, (b) a popular leader who enjoys a great deal of power, and (c) a decentralized party structure. These factors lead to similar changes in the party: (a) wide ranging reform of party regulations, (b) the creation of a centralized structure, and (c) the empowerment of leadership and more authority passing to the chairman.

The party cases described by Katz (1997), Smith (1988), Web (2004), Muller et al. (2004), and Mishima (2007) dealt with party change and showed the influence on the leader's distribution of power but did not focus on leadership style directly. This case study of Netanyahu's leadership examined his style of management and explained the factors that led him to behave in an authoritarian way.

### Conclusion

First, the management style of a leader is related to his power in the party. A weak leader has little choice but to lead his party in a democratic style, while a strong leader who enjoys support in his or her party can choose either to be democratic or authoritarian. Second, there is interaction between the leader and the structure. The authoritarian/democratic style of management is affected by factional structure. A factional structure obliges the leader to consider the wishes of his or her opponents; in a party dominated by one faction, the leader can ignore them. On the other hand, a strong leader can impact the structure by preventing factional activity within his or her party. Third, Netanyahu formed a centralized party structure with authoritarian regulations that helped him to overcome his rivals. He succeeded in manipulating the party to his advantage. Next, Netanyahu's management style was well suited to the political culture of his party. Finally, the leadership style in political organizations tends to be more authoritarian than democratic.

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### About the Author

Dr. Y. Moskovich earned her Ph.D. in Organizational Sociology from Bar Ilan University, Israel. Her research interests are political sociology, public organizations, political parties, trade unions, and leadership. She published several articles on these issues and a book about the Likud party. She is a lecturer and head of sociology at Kinneret College, Israel.  
Email: mosko777@gmail.com





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## Appendix

### Questionnaire

1. What were the conflicts between the factions during Shamir's period?
2. What was the procedure for election of candidates to the Knesset under the constitutions of 1979 and 1993?
3. Can you describe the party structure during Shamir's and Netanyahu's periods?
4. Why did Netanyahu initiate the changes he did?
5. The factional system party affected the activity of party policy and the process of decision making, can you describe this affects?
6. What was the nature of the conflicts between Binyamin Netanyahu and David Levy? How did Netanyahu succeed in removing opposition to his policies?
7. Why did he change the party electoral system in 1993?
8. How was constitutional change carried out?