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Politics

Netanyahu's Government Passes Law Weakening Israel's Judges

- Law has divided the country and prompted mass protests
- Opposition leader to appeal to High Court to overturn measure







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WATCH: Israel's parliament approves a law to limit powers of the courts. Source: Bloomberg

By [Gwen Ackerman](#) and [Ethan Bronner](#)
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Israel's parliament on Monday approved a law that will curb the oversight powers of the courts, a measure that has divided the nation, prompted mass protests and drawn rare US criticism.

The shekel fell – recording the biggest daily loss among a basket of major currencies tracked by Bloomberg – while tens of thousands of protesters converged on the Knesset building. Opposition lawmakers boycotted the session, allowing Prime Minister Benjamin Netanyahu's ruling coalition to pass the bill with 64 votes to 0.



The Big Take

Israel's Leader Wants To Weaken The Courts.

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Advocates of the measure, which curtails the ability of the courts to overrule government decisions and appointments on the grounds of reasonableness, argue that the judiciary has grown too powerful and is controlled by the left.

But the plan has drawn fierce opposition from a broad swath of Israel's establishment, from tech entrepreneurs to CEOs and military reservists. They say it'll undermine the country's democratic checks, the rule of law and the economy.

On Monday reports of a potential compromise strengthened the shekel, but those gains reversed after the vote. The currency fell 1.1% to 3.67 per dollar as of 5:50 p.m. local time.

Israeli Shekel Goes to Worst From Best on Judicial Overhaul Bill

Think tanks have warned that the government's approach risks damaging Israel's ties with US President Joe Biden's administration, which had urged it to take time and build consensus.

“It is unfortunate that the vote today took place with the slimmest possible majority,” said White House Press Secretary Karine Jean-Pierre, adding that the administration supports efforts to reach a broader consensus through dialogue.

The unprecedented standoff over a single piece of legislation has come to represent a broader battle over Israel's identity and what it means to be a Jewish democracy. Opponents fear the law is the first step toward a religious autocracy, while supporters see it as permitting their once-marginalized voices to be heard.

Why Israel Is Bitterly Split by a Judiciary Overhaul: QuickTake



Israeli police use water cannon to disperse protesters blocking a road outside the Knesset, Israel's parliament, in Jerusalem, Israel, on Monday, July 24, 2023. *Photographer: Kobi Wolf/Bloomberg*

There was little sign that Monday's vote would end the crisis. The government, the most right-wing in Israeli history, has indicated it will push ahead with a broader package of changes that have alarmed foreign investors and secular Israelis.

"This is the first step in a historical process," said Justice Minister Yariv Levin, the architect of the judicial overhaul.

Netanyahu addressed the nation afterward, promising to reach out to the opposition to start a dialog.

"We are ready to discuss everything," he said. "If needed, we will add more time till the end of November."

Opposition leader Yair Lapid said he planned to appeal to the Supreme Court to overturn the law. The Movement for Quality Government in Israel, a watchdog, tweeted that it had already filed a petition. More appeals are expected in the coming days.

“The battle isn’t over, it is only beginning,” Lapid said. “This is greatest and most dangerous national crisis that we have ever had to deal with.”

Supreme Court Appeal

How the Supreme Court will respond is unclear but most scholars believe it is likely to accept an appeal and hold hearings with an expanded panel of 11 justices, instead of the usual three.



Benjamin Netanyahu attends a session at the Knesset on July 24. *Photographer: Ronaldo Schemidt/AFP/Getty Images*

Yuval Shany, a professor of law at Jerusalem’s Hebrew University, said he would be surprised if the court struck down the law, since it is what is known as a basic law, meaning one with quasi-constitutional authority. Instead, he expects the judges to weigh in on how the law should function.

“The Supreme Court has never struck down a basic law although it says it has the power to do so,” he said. “It would probably have to do so based on incompatibility with basic democratic principles. To me, it would be a stretch.”

Israel has no formal constitution and its basic laws serve as one.

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The prospect of a prolonged battle is already making businesses nervous.

Over two-thirds of tech companies have taken financial and legal steps to safeguard their assets since the reform plans were unveiled in January. A report by Startup Nation Central, which tracks the sector, said 22% of 500 companies surveyed moved funds abroad and 8% moved their headquarters.

More than 10,000 reservists joined 1,200 pilots from the air force threatening to suspend service if the bill goes through without wide public consensus. They've been supported by dozens of top former security officials, alarming the military leadership as it grapples with growing tensions with Iran and its proxies on Israel's borders.

– *With assistance by Marissa Newman and Alisa Odenheimer*

(Updates throughout. Adds White House comment in 7th paragraph. Adds Netanyahu in 11th.)

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