

The Rise and Demise of the Two-State Paradigm

by Efraim Inbar

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Abstract: The conventional wisdom recommends the establishment of a Palestinian state to bring about an end to the Israeli-Palestinian conflict (the two-state paradigm). This article first reviews the confluence of domestic and international factors that led to the resurgence of the two-state paradigm. Next, it concludes that a peaceful outcome in accordance with this paradigm is unlikely to emerge in the near future: the two national movements, the Palestinian and the Zionist, are not close to a historic compromise, and the Palestinians are not able to build a state. Finally, the article analyzes the policy options available to policymakers. State-building is unlikely to succeed. Similarly, a binational state, where Arabs and Jews live peacefully together is not within reach. A regional approach that advocates a greater role for Arab states in Palestinian affairs has better chances of stabilizing the situation than the previous options. Finally, in the absence of a solution, the most realistic policy appears to be conflict management.

Introduction

The Arab-Jewish or the Israeli-Palestinian conflict over Palestine (The Land of Israel) has evolved over the past hundred years. At present, most attempts to solve this simmering ethnic conflict in Palestine revolve around the two-state paradigm.¹ This conventional wisdom recommends dividing the territory of the area called Palestine into Jewish and Arab states that will coexist

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¹For an ethnic prism on the Arab-Israeli conflict, see Milton J. Esman, *Ethnic Politics* (Ithaca: Cornell University Press, 1994), pp. 111-46; for the persistence of ethnic nationalism, see Jerry Z. Muller, "Us and Them: The Enduring Power of Ethnic Nationalism," *Foreign Affairs*, March/April 2008, pp. 18-35.

peacefully. While this paradigm has a long pedigree and current popularity in contemporary academic and political circles, it has not always been a politically relevant option on the international agenda. This article reviews the confluence of domestic and international factors that put this paradigm on the table. Next, it analyzes its current status. Unfortunately, a stable and peaceful outcome in accordance with this paradigm is unlikely to emerge in the near future for two reasons. The two national movements, the Palestinian Arab and the Zionist, are not close to a historic compromise, and the Palestinian Arabs have proven unable to build a state. Finally, it examines the various policy options currently available to policymakers. State-building is the preferred option by the international community, but it is unlikely to succeed. A second option, a bi-national state endowed with political mechanisms to allow Arab-Jewish peaceful coexistence, is not within reach. A regional approach advocating a greater role for Arab states in Palestinian affairs requires Egyptian and Jordanian participation, and has greater chances of stabilizing the situation than the previous options. Finally, in the absence of a solution, the most realistic policy option appears to be conflict management.

A History of an Idea

The first stage of the Arab-Israeli conflict (1917-1948) was characterized by an inter-communal struggle, pitting two distinct ethnic communities against each other over a single piece of land. Each group was striving both to establish its own political structures and expand the area under its control. During this period, the Arab states showed little interest or involvement.² Nevertheless, the political reverberations of the inter-communal struggle became less bearable for the United Kingdom. In August 1936, the British government noted the deterioration of the situation in Palestine and convened a Royal Commission, headed by William Robert Peel, to investigate the situation and to devise policy recommendations. In July 1937, the Peel Commission recommended partitioning the land between the Jews and Arabs into two unequal states, followed by a population transfer. The rationale was that if the two ethnic communities could not live together, separation was the best option.³ This was the same recommendation the British government made in the case of India several years later, in the hope of limiting turmoil in the subcontinent.

² See Shmuel Sandler, "The Protracted Arab-Israeli Conflict, A Temporal Spatial Analysis," *The Jerusalem Journal of International Relations*, Vol. 10, No. 4 (1988), pp. 54-78.

³ For the stabilizing effect of partitions in ethnic conflicts, see Chaim D. Kaufman, "When All Else Fails: Ethnic Population Transfers and Partitions in the Twentieth Century," *International Security*, Fall 1998, pp. 120-56; and Alexander B. Downes, "The Holy Land Divided: Defending Partition as a Solution to Ethnic Wars," *Security Studies*, Summer 2001, pp. 58-116.

The Arabs in Palestine, however, rejected the Peel Commission's proposal because they denied the Jews' right to reestablish a Jewish commonwealth. A decade later in 1947, another partition plan was suggested, this time by a UN-nominated commission. The Arabs of Palestine, as well as the leaders of the surrounding Arab states, again rejected the proposal because they could not countenance the emergence of a Jewish state. This time, however, the British government decided to end its presence, creating a political vacuum. In May 1948, the Jewish community declared statehood, ending the stage of inter-communal ethnic conflict.

The conflict's second stage was primarily inter-state. It began with Israel's establishment and the subsequent attacks by the armies of the surrounding Arab countries on the new entity. The War of 1948 resulted in a de-facto partition of Palestine, which reflected the power differential between the two sides. Israel held 78 percent of the territory and the invading Arab armies took the rest; the Jordanians governed the West Bank, the Egyptians controlled Gaza, and the Syrians held slices of territory in the north. Egypt and Jordan, which ruled the Palestinians from 1948 until 1967, made no attempt to establish a Palestinian state and no domestic or international pressure was applied on them to do so. Palestinian nationalism was weak in the 1940s and a Palestinian state never existed.⁴ When Jordan annexed the West Bank in 1949, its inhabitants became Jordanian citizens. In contrast, Egypt kept Gaza under military rule.

During the inter-state conflict period from 1948-1967, the Palestinians played a limited role. The two-state paradigm was conspicuously absent from the international agenda. Rather, the conflict was between the Arab states and the "illegitimate" Jewish state. Relations between Israel and its neighbors were punctuated with violence, including two large scale inter-state wars, (October 1956 and June 1967). The UN Security Council Resolution 242, adopted in November 1967 dealing with the 1967 War's outcome which became the reference document for peacemaking thereafter, did not mention the "Palestinians" at all. Rather, it urged the solution of the refugee problem. The Palestinians were seen as a humanitarian problem rather than an ethnic group entitled to collective political rights deserving a separate state.⁵ During this stage of the conflict and onward, the Palestinian issue, always a pawn in inter-Arab politics, was subordinated to the interests of the Arab states.

⁴To this day, attachment to non-national identities such as families or village is strong, particularly in rural areas. In the 1940s, many nationalist Arabs in Palestine espoused the "Southern Syrian" political identity. For its origin and widespread acceptance, see Yehoshua Porat, *The Emergence of the Palestinian-Arab National Movement* (London: Frank Cass, 1974), pp. 70-122.

⁵For an account of the diplomatic negotiations leading to this resolution, see Gideon Rafael, "UN Resolution 242: A Common Denominator," in Walter Lacqueur and Barry Rubin, eds, *The Israel-Arab Reader: A Documentary History of the Middle East Conflict*, 5th Edition (New York: Penguin Books, 1995), pp. 197-212.

During the third stage, between the June 1967 War and the September 1993 Oslo Agreement, the conflict took on both interstate and inter-communal dimensions. During this period, several interstate military encounters occurred, including the War of Attrition along the Suez Canal (1969-70) and the October 1973 War on the Egyptian and Syrian fronts. During the 1982 Lebanese War, the fighting, while primarily involving Israeli and Syrian troops, also involved Palestinian militias, underscoring the ethnic dimension of the conflict. In 1979, the intensity of the inter-state dimension declined after Egypt, the strongest and most important Arab state, signed a peace treaty with Israel in March of that year. Egypt's defection from the Arab military coalition, in the mid-1970s, also brought about a decline in the use of major force. After 1982, there were no large-scale wars between Israel and its neighboring states.⁶ During the 1991 Gulf War, Iraq launched missile attacks against Israel, but the Israelis did not respond.

As the interstate dimension of the Arab-Israeli conflict declined, and with Palestinian Arabs in the West Bank and Gaza living under Israeli rule, the ethnic dimensions now took center stage. Immediately after 1967, Israel tried to pursue a Palestinian option by entering into dialogue with the leadership of the Palestinian Arabs. For various reasons, Palestinian leaders refused to take responsibility for trying to reach a deal with Israel. Palestinian Arabs living in the West Bank also contended that they were Jordanian citizens.⁷ Subsequently, Israel adopted a "Jordanian orientation," which attempted to reach a new partition with the Hashemite Kingdom, in order to deal with a common enemy—the Palestinian national movement.⁸

Yet, the growing institutionalization of the Palestinian national movement gradually eroded the Jordanian claim to represent the Palestinians, as well as the credibility of the Israeli Jordanian orientation. This led to the "Palestinization" of the conflict, which meant that the Palestinians now became a political issue with a higher public profile as well as a growing political threat to Israel.⁹ Subsequently, the two-state solution paradigm reemerged. The sources for this change were multifold.

⁶For the changes in the Arab-Israeli dispute, see Avraham Sela, *The Decline of the Arab-Israeli Conflict. Middle East Politics and the Quest for Regional Order* (Albany: SUNY Press, 1998); Hemda Ben-Yehuda and Shmuel Sandler, *The Arab-Israeli Conflict Transformed: Fifty Years of Interstate and Ethnic Crises* (Albany: SUNY Press, 2002).

⁷For an account of this contacts, see Shlomo Gazit, *The Stick and the Carrot: The Israeli Administration in Judea and Samaria* [in Hebrew] (Tel Aviv: Zmora Bitan, 1985), pp. 131-61.

⁸The best account of the Israel-Jordan relationship is Moshe Zak, *Hussein Makes Peace* [in Hebrew] (Ramat Gan: Bar-Ilan University Press, 1996).

⁹See Naomi Chazan, "Domestic Developments in Israel," in William B. Quandt, ed., *The Middle East: Ten Years After Camp David* (Washington: Brookings Institution, 1988), pp. 161-4. Ben-Yehuda and Sandler also argue convincingly that the ethnic dimension became more pronounced in the Arab-Israeli conflict after 1973. See their *The Arab-Israeli Conflict Transformed*.

First, there was a crystallization of Palestinian identity, resulting from the fact that the Palestinians were no longer under Arab rule, but under the governance of Jews, a people religiously and ethnically different. During this period, the Palestinian Liberation Organization (PLO) received international recognition. In 1974, the PLO was recognized at the Cairo Arab Summit as the “sole” representative of the Palestinians and was also awarded UN observer status.¹⁰ Moreover, the Camp David Accords of 1978 between Israel and Egypt recognized the “legitimate rights” of the Palestinians and suggested self-rule (autonomy) for the Arabs living in the West Bank and Gaza, linking the two areas into a single political unit, despite their spatial and cultural separation. The autonomy offered to the Palestinians by the Likud-led government was intended to prevent a Palestinian state, but was interpreted in most quarters (even in Israel), as an embryonic Palestinian entity. Indeed, the two-state paradigm gained currency as the international community started viewing the PLO as a liberation movement entitled to a national state. However, the Palestinians rejected autonomy, still opposing the existence of a Jewish state. In retrospect, this constituted a grave political error, since the territories contained only 20,000 Jewish settlers at that time. Second, the Palestinians’ struggle gained further international support after the outbreak of the Intifada, the Palestinian uprising in the Israeli-governed territories, in December 1987. The Intifada helped solidify the perception that the Palestinians were under occupation—an increasingly unpopular political arrangement. It also signaled that the Arab-Israeli conflict was no longer a large-scale military conflict, but rather a “low-intensity” conflict, in which the arsenals of states are of less utility.

Third, the Intifada brought a new leadership to the Palestinian national movement—Palestinians who fought Israeli occupation inside the territories.¹¹ Although nominally deferential to the PLO, the “insiders” believed that their intimate knowledge of the Israeli enemy placed them in a better position to formulate the Palestinian national strategy. They infused a greater sense of realism into the Palestinian national movement, in terms of understanding what could be achieved, and a sense of urgency in dealing with Palestinian problems. The influx of Israeli settlers into the territories after 1977 led to a realization that time was not necessarily on the Palestinian side. The “insiders” advocated accepting Israel’s 1967 lines and negotiating for a withdrawal from the occupied territories. They were instrumental in pushing the PLO away from its original platform, which denied Israel’s right to exist, toward adoption of a two-state formula. In November 1988, the PLO accepted the UN 1947 partition plan (Resolution 181). This new stand signaled that the Palestinian

¹⁰ For the PLO, see *inter alia* Barry Rubin, *Revolution Until Victory: The Politics and History of the PLO* (Cambridge: Harvard University Press, 1994).

¹¹ Helena Cobban, “The PLO and the Intifada,” in Robert O. Freedman, ed., *The Intifada* (Miami: Florida International University Press, 1991), pp. 70-106.

national movement could potentially become a partner for partition and peace with the Israelis.

Paralleling these developments on the Arab side, Israeli attitudes changed towards the Palestinians, reflecting a greater appreciation of Palestinian political aspirations, as well as a greater willingness to accommodate them.¹² Opposition on the part of the Israeli political elite to the establishment of a Palestinian state eroded and a “Palestinian Option” gradually supplanted the Jordanian option—a deal with the Hashemite Kingdom. The Jordanian declaration of July 1988, relinquishing all claims to the West Bank, signaled official Jordanian reluctance to speak on behalf of the Palestinian issue and further undermined the Israeli preference for a Jordanian partner.

More Israelis recognized the appeal of the Palestinian national movement under the PLO’s leadership. Eventually, Yitzhak Rabin, a supporter of the Jordanian option, was convinced that the PLO was ripe for a deal. The change in Rabin’s convictions led to the September 1993 Oslo Accord that seemingly conformed to his general outlook on dealing with the Israeli-Palestinian conflict. Signed on the White House lawn, the agreement embodied an incremental step-by-step approach, leaving the nature of the Palestinian entity and its borders to be decided at a second stage. In the meantime, overall security was left to Israel. In addition, Jerusalem was placed outside the area of Palestinian jurisdiction.¹³

This agreement heralded the fourth stage of the conflict (1993-2000). For Rabin and most Israelis, the Oslo agreement amounted to the beginning of a process of separating from the Palestinians, a process that would eventually lead to partition.

The status of the PLO seemed to resolve the perennial problem for Israel of finding a partner for pursuing partition. Rabin’s concept of tradeoff primarily involved exchanging territories for security, while the architects of the Oslo process, Shimon Peres and Yossi Beilin, espoused ideas of peaceful interactions and integration in the region.¹⁴ The two-state solution emerged again as a panacea, and attempts were made to implement this paradigm. The interstate dimension of the Arab-Israeli conflict was further diluted after the 1994 peace treaty with Jordan, with whom Israel shared the longest border.

Although dominated by “outsiders,” the Palestinian Authority (PA), which took the place of the PLO in 1994, was supposed to take over the territories that the Israeli military evacuated. The new proto-state was to fulfill

¹²For the move of the Israeli elite toward dovish positions, see Efraim Inbar and Giora Goldberg, “Is Israel’s Political Elite Becoming More Hawkish?” *International Journal*, Summer 1990, pp. 631-60.

¹³For Rabin’s attitude toward the Oslo agreements, see Efraim Inbar, *Yitzhak Rabin and Israel’s National Security* (Washington: Wilson Center and Johns Hopkins University Press, 1999), pp. 149-56.

¹⁴See Shimon Peres, *The New Middle East* (New York: Henry Holt, 1993), and Yossi Beilin, *Touching Peace* [in Hebrew] (Tel Aviv: Yediot Aharonot, 1997).

the national aspirations of the Palestinians, to provide law and order, and to prevent terrorism against Israel. To these ends, the PA was allowed to have a strong police force. Indeed, many of the Palestinian military units in the Palestinian Diaspora were allowed to enter the PA, which received weapons from Israel. Finally, the PA was expected to negotiate a permanent settlement with Israel, bringing about a historical compromise between the two national movements.

This envisioned peace process was fraught with problems, however.¹⁵ The final attempt to salvage the process was made at the Camp David Summit in July 2000. However, this effort ended in failure,¹⁶ followed in September 2000 by a campaign of Palestinian violence.

This “Second Intifada” marked the beginning of the fifth stage of the conflict, the end of which is still not in sight. This stage is characterized by several conflicting trends. On one hand, the Israeli governments and the PA, supported by the “international community” continue to adhere formally to the two-state paradigm. This international consensus was buttressed in October 2001, when for the first time a U.S. President (George W. Bush) called for the creation of a democratic Palestinian state. In March 2002, the United States pushed through UN Security Council Resolution 1397, (the first since the original 1947 partition plan) which explicitly called for creating a Palestinian state alongside Israel. In November 2007, the United States restarted Israeli-Palestinian negotiations over the core issues of dispute (the Annapolis process) hoping to reach a comprehensive treaty to be implemented at an appropriate time in the future (“a shelf agreement”).

On the other hand, a pattern of frequent violence in the low-intensity conflict between Israel and the Palestinians emerged. The structure of Palestinian violence gradually became more decentralized as additional organizations participated in the terror campaign against Israel.

In tandem, the ruling party in the PA, Fatah, was discredited due to corruption and poor governance, creating a fertile ground for the growing appeal of the radical Islamist Hamas—an organization adamantly opposed to the existence of the Jewish state. Hamas succeeded in filling the vacuum left by an inept PA. It developed a system of services for the population and projected an image of an honest leadership dedicated to the people’s needs. Indeed,

¹⁵ For an insightful analysis, arguing that the process has suffered because of the conceptual flaws of its architects, rather than because of problems of implementation, see Jonathan Rynhold, *The Failure of the Oslo Process: Inherently Flawed or Flawed Implementation?* Mideast Security and Policy Studies No. 76 (Ramat Gan: Begin-Sadat Center for Strategic Studies, Bar-Ilan University, March 2008).

¹⁶ For various accounts of the reasons for failure, see Dennis Ross, *The Missing Peace* (New York: Farrar Straus Giroux, 2004); Ron Pundak, “From Oslo to Taba: What Went Wrong,” *Survival*, Fall 2001, pp. 31-45; Rob Malley and Hussein Agha, “Camp David: Tragedy of Errors,” *New York Review of Books*, August 9, 2001; Gilad Sher, *Within Touching Distance* [in Hebrew] (Tel Aviv: Yediot Aharonot, 2001).

Hamas won the January 2006 Palestinian elections, and in June 2007 took over Gaza by force, following a political crisis in the PA. The ascendance of Hamas in Palestinian politics undermines the perennial search for a suitable peace partner.

The Failure of the Two-State Paradigm

As the history of the two-state solution to the Arab-Israeli conflict indicates, the paradigm is based on two main assumptions that have failed to materialize. The first is that an historic compromise between the Palestinian national movement and the Zionist national movement is within reach (and that this Palestinian state will live peacefully next to Israel). The second postulates that given the opportunity to build a state, the Palestinian national movement would accomplish this goal. Both assumptions are divorced from current political reality.

The protagonists' attitudes on the core issues of Jerusalem, refugees and borders, are too far apart and bridging the differences appears impossible. It is not clear that the Israeli government would have survived an attempt to implement the "Clinton Parameters" of 2000, which included dividing Jerusalem. What might have been possible then, however, is no longer an option in Israeli politics. Israel's positions have hardened after the outbreak of the Second Intifada; threat perception has increased, leading to a noticeable decline in Israeli support for Israeli concessions to the Palestinians.¹⁷ After 2000, a majority of Israelis stopped believing that the PA could deliver peace. More than two thirds of the Jews in Israel oppose relinquishing sovereignty over the Temple Mount, the holiest place to the Jews. Over 60 percent of Jews do not believe that concessions in Jerusalem will end Palestinian terrorism or additional Palestinian claims. At such levels of threat perception, partition of urban zones, especially a highly-contentious capital, is unlikely to breed stability.

Ehud Barak, the Israeli Prime Minister, who went to such great lengths to accommodate Palestinian demands at the 2000 Camp David Summit, coined the term "no partner" for describing Palestinian intransigence. Most Israelis believed this and doubted negotiations could bridge the gap. Therefore, without a perceived peace partner, unilateralism has become the preferred option. This is why the building of the security barrier and the unilateral withdrawal from Gaza in 2005 were popular. The promise for additional unilateral withdrawals was the key to the electoral success of the newly-established Kadima party in 2006. Unilateralism expresses

¹⁷ For a June 2000 poll, see Joint Israeli Palestinian Public Opinion Poll, June 2008, www.pcpsr.org/survey/polls/2008/p28joint.html. For a systematic account of the views of the Israeli public on the peace process, see the Peace Index, Tami Steinmetz Center for Peace Research, www.tau.ac.il/peace.

disenchantment with the peace process and a sober realization that there is no Palestinian partner ready for a historical compromise with the Zionist movement, even at the cost of painful Israeli concessions.

As recent events in Gaza indicate, the Palestinians have also not mellowed enough to enable a compromise.¹⁸ It is inconceivable that the Palestinians, backed by the Muslim world, could ever grant the Jews the right to control what is for Muslims the Haram al Sharif. Currently, the Palestinians are engaged in an intensive campaign to deny historic Jewish links to the Temple Mount. Similarly, the PA still seems committed to demand the “right of return” for Palestinian refugees into Israel, an issue of extreme importance in the Palestinian ethos, however, a taboo even for very dovish Israelis.

It is unrealistic to expect that “creative diplomacy” can overcome territorial disagreements, always easier to resolve in theory than in practice. Israel’s political system has demonstrated its capability to remove settlements from the Sinai and from Gaza. Yet, it is not realistic to expect Israel to return to the 1967 borders, thereby transferring hundreds of thousands of Jews from Judea and Samaria. One possibility is for Israel to compensate the PA with territory in the Negev (adjacent to Gaza) for parts of the West Bank that it would annex (the “settlement blocs”). The future of the Jordan rift (about 15 percent of the West Bank that is sparsely populated by Arabs), which is important to Israel’s security, is also in dispute. Finally, a return to the 1967 borders will give Palestinians only 22 percent of what they consider to be their homeland, begging the question of whether such a compromise would be acceptable to the Palestinian national movement or simply plant the seeds for the emergence of a revisionist entity. Would the Palestinians be able to prevent their territory from continuing to serve as a terrorist base and/or a Qassam launching-pad?¹⁹ Recent events in Gaza seem to provide a negative answer to this question, an assessment supported by the fact that 75.8 percent of Palestinians believe that even after the establishment of a Palestinian state, reconciliation is impossible in this generation.²⁰

Again as Gaza illustrates, partition will not necessarily produce a Palestinian state living peacefully next to Israel. The proposition that statehood inevitably produces responsible behavior is doubtful considering the number of leaders who have led their states into abyss. Palestinian political culture displays extremism, i.e. adhering tenaciously to the ethos of “the right of return” for the refugees. The current Palestinian education system and official media incite hatred of Jews, who are blamed for all Palestinian misfortunes. A survey of the Palestinian educational system does not indicate great

¹⁸ For Palestinian attitudes, see the polls taken by the Palestinian Center for Policy and Survey Research, <http://www.pcpsr.org/about/names.html>.

¹⁹ See Efraim Inbar and Shmuel Sandler, “The Risks of Palestinian Statehood,” *Survival*, Summer 1997, pp. 23–41.

²⁰ PSR Poll No. 28, June 12, 2008, www.pcpsr.org/survey/polls/2008/p28e.html.

willingness for compromise.²¹ Moreover, after 2000, the role model for young Palestinians is the *shabheed* (martyr) who blows himself up in the midst of Jews. The Palestinians' level of support for acts of violence against Israeli targets is staggering.

At this historic juncture, Palestinian society, under the spell of a nationalist and Islamic ethos,²² is unable to do what is necessary to end the conflict: compromise with the Zionist movement. Palestinian rejectionism has won the day whenever a concrete partition was on the agenda, the 2000 Camp David proposal being the most recent example. The tragedy is that with the progression of history, Israel has less territory to offer to the Palestinians, thereby only increasing their bitterness and despair. The hope that history can be rolled back is an illusion. All this will turn a Palestinian entity into an irredentist polity, dissatisfied with its borders and intent on using force to achieve the establishment of a Palestinian state that includes the current state of Israel.

Indeed, the essence of the two-state paradigm—one state for the Jews and one state for the Palestinians—has not been internalized by the PA leadership. Even the “moderate” Mahmoud Abbas rejects the idea that Israel should be a Jewish state. He categorically objected to including any references to Israel as a Jewish state in the concluding statement of the Annapolis Summit in November 2007²³

Finally, the greater political role of Hamas that views Israel's mere existence as a religious sacrilege undermines the slim chances for reaching a compromise. As the Gaza affair makes clear, Hamas' growing influence hardens Palestinian positions against Israel, making an agreement more difficult, if not impossible, to reach. There is little reason to believe that empowering radical Islamists will lead to moderation. This pushes the Palestinians further away from a compromise. Indeed, the continuous attacks on Israel from Hamas-ruled Gaza seem to indicate that the “end of occupation” and the “removal of settlements” are not sufficient conditions for putting an end to the conflict.

The two feuding societies still have energy to continue fighting and most importantly to bear the pain necessary to attain their respective political goals. Nationalism inspires people to endure pain and hardship in the course of national wars. Often, societal exhaustion brings an end to protracted ethnic conflict rather than an opportunity for an optimal compromise. If pain is the most influential factor on the learning curve of

²¹ See the reports by Middle East Media Research Institute (MEMRI), www.memri.org/; and Palestinian Media Watch (PMW), www.pmw.org.il/.

²² For the growing Islamic discourse in Palestinian politics, see Hillel Frisch, *The Islamic Dimension in Palestinian Politics*, Mideast Security and Policy Studies No. 61, (Ramat Gan: Begin-Sadat Center for Strategic Studies, Bar-Ilan University, September 2005).

²³ A briefing by PA President to the editorial staff of *Al-Dustour* (Amman), *Al-Dustour*, March 6, 2008; MEMRI, Special Dispatch, No. 1861, March 6, 2008.

societies, it seems that Israelis and Palestinians have not suffered enough to reach a compromise.

The second problematic assumption of the two-state paradigm is that given the chance to build a state, the Palestinian national movement will be successful in such an endeavor. Unfortunately, Palestinian state building has not happened. Not every ethnic group has state building capabilities. Given the opportunity for self-rule, Yasser Arafat and the PLO established a corrupt, inefficient, lawless and authoritarian political system. Arafat's PA was a Byzantine system in which he ruled by divide-and-rule tactics. By allowing competition between leaders, agencies, and even militias, he made himself the ultimate arbiter and dispenser of jobs and remuneration. This decentralized system eventually degenerated into chaos and disorder (*fawdab*).²⁴

The system's main failure lay in the area most critical to state-building – monopoly over the use of force. The plethora of armed militias defied central authority and preserved a fractured Palestinian community. After the outbreak of the Second Intifada, the political order collapsed, transforming the PA into a “failed state.” This category of states is characterized by absence of monopoly over the use of force; delivery of only partial justice; inability to sustain a legal and regulatory climate conducive to private enterprise, open trade and foreign investment; and difficulty in meeting the basic needs of the population in terms of health, education and other social services.²⁵

Mahmoud Abbas, elected in January 2005 to head the PA, could not transcend Arafat's political legacy. A man with far less political standing among the Palestinians than his predecessor, Abbas shied away from confronting the armed gangs and failed in centralizing the security services. Indeed, the *fawdab* continues unabated.

The PA was further weakened and fractured by the ascendance of Hamas in Palestinian politics. As events in Gaza illustrate, the growing strength of Hamas makes it unlikely that it will dismantle its armed wing, which in turn, renders the PA's quest for monopoly over the use of force in the Palestinian areas a more distant goal. Indeed, Hamas' takeover of Gaza in June 2007 was the culmination of the PA's fragmentation. Noteworthy, even Hamas has failed to acquire monopoly over the use of force in Gaza, allowing the existence of armed organizations and clans.

The intermittent “national unity” negotiations between Hamas and the PA are unlikely to result in the establishment of PA control over Gaza. Actually, it is the IDF's forays into the West Bank which prevent Hamas from taking over cities there as well. The emergence of Gaza as a separate political entity is a *fait*

²⁴ For a daily documentation of the disregard of law and order in the Palestinian territories see the website of the Palestinian Center for Human Rights, www.pchrgaza.org.

²⁵ For an analysis of this phenomenon, see Robert I. Rothberg, ed., *When States Fail: Causes and Consequences* (Princeton: Princeton University Press, 2004). For the collapse of political order in African states, see Robert H. Bates, *When Things Fell Apart* (Cambridge: Cambridge University Press, 2008).

accompli, which further undermines the two-state paradigm. Moreover, the radical Islamist dimension of Hamas and the emergence of Pan-Islamic groups in Gaza are weakening Palestinian nationalism. Such Islamic movements advocate the emergence of an all-embracing Pan-Islamic political structure, rather than a particular national identity. Secular Palestinian nationalism is in decline, as is the case with secular nationalism in other parts of the region, as well.

The understanding that the PA is not a functioning political entity has gradually penetrated the international community's consciousness. For example, the Foreign Minister of Turkey, Ali Babacan, attending a 2008 donors' meeting for Palestine in Berlin, identified the PA's main challenge: "Having their own security forces and legal institutions is very important for the future of the Palestinians."²⁶ The international media, for the most part pro-Palestinian, is also increasingly questioning the feasibility of the two-state formula. This includes the prestigious *London Times* and *New York Times*.²⁷ Even the current international diplomatic discourse acknowledges the inability of the PA to serve as a peace partner for Israel, by advocating negotiations for a draft peace treaty to be put on the "shelf." This is a tacit admission that the PA is currently unable to implement any accord and more time is needed for the PA to develop the capability for playing such a role.

Indeed, well-wishers of the Palestinian cause have also grasped the Palestinian deficiencies in state-building. To remedy this situation, some have suggested an international trusteeship to groom the Palestinians into shape for statehood. This means the transfer of governmental responsibility in the West Bank and Gaza to a U.S.-led alliance and the introduction of American and/or international forces to keep the peace.²⁸

Policy Options

What can be done about the PA's chaotic situation and the ascendance of Hamas? The international community currently still subscribes to the two-state paradigm, assuming that such a political arrangement is a recipe for peace and stability. The international community believes that state-building is needed. This option will be critically examined. A second theoretical option is a bi-national state in Palestine. A third option is "the regional arrangement,"

²⁶ *Turkiye*, June 25, 2008, TrkNwsE@yahoogroups.com, June 25, 2008, 7:32 pm.

²⁷ Violence in Gaza Calls into Question Plans for a Palestinian State, *London Times*, March 4, 2008; Thomas L. Friedman, "Time for Radical Pragmatism," *New York Times*, June 4, 2008.

²⁸ Martin Indyk, "A Trusteeship for Palestine," *Foreign Affairs*, May/June 2003. For an analysis of this mechanism, see Richard Caplan, *A New Trusteeship? The International Administration of War-torn Territories*, Adelphi Paper 341 (London: IISS, 2002); James D. Fearon and David D. Laitin, "Neotrusteeship and the Problem of Weak States," *International Security*, Spring 2004, pp. 4-43.

where Egypt and Jordan share the burden of dealing with the Palestinian issue. Finally, in the absence of an immediate solution, a more realistic conflict management strategy is sketched. This strategy aims at minimizing the cost of the protracted war and at buying time for the potential development of more attractive alternatives.

Building a Palestinian State. The literature on the “failed state” phenomenon prescribes increasing efforts toward state-building and strengthening governability as the preferred means for addressing the problem.²⁹ However, international efforts to restore Palestinian political order have failed to produce the desired result. Moreover, Hamas’ ascendance has further strengthened the centrifugal trends in Palestinian politics. Transition to statehood requires monopoly over the use of force, which cannot be achieved until a civil war or a military showdown resolves the issue. The U.S.-trained Palestinian security units succumbed to the Hamas offensive in Gaza, and have refrained from disarming civilians in the West Bank. The weak PA leader Abbas can hardly play the role of agent for change.

The attempt to help the Palestinian economy alleviate the state-building enterprise is problematic. It is doubtful whether the corrupt Palestinian system can produce widespread economic benefits. Massive foreign aid rendered in the previous decade—per capita one of the highest in the world—has failed to filter down to the masses. The existing lack of law and order is inimical to the creation of a climate that encourages economic activity and growth and is likely to hinder the efforts of the international community to deliver aid to the Palestinians. Outside economic aid is “only as good as the ability of a recipient’s economy and government to use it prudently and productively.”³⁰ Moreover, the steep rates of economic growth needed to match the fertility rate of the Palestinians are clearly improbable, and actually doom the Palestinians to greater poverty in the near future.

An international trusteeship—neo-colonialism by another name—is also not a promising device for state-building. It is not clear whether the Americans are prepared for an involvement of this kind. Seemingly, the United States will first try to complete their missions in Afghanistan and Iraq. Washington’s priorities prior to dealing with Palestinian terror apparently require focusing attention on Iran, a state with nuclear potential and far-reaching consequences for international security. The United States does not share the prominent assumption that solving the Israeli-Palestinian conflict is of the utmost urgency for reducing tensions in the Middle East.

²⁹ For an exception, see Jeffrey Herbst, “Let them Fail: State Failure in Theory and Practice: Implications for Policy,” in Rothberg, *When States Fail*, pp. 302-18.

³⁰ Nancy Birdsall, Dani Rodrik, and Arvind Subramanian, “How to Help Poor Countries,” *Foreign Affairs*, July/August 2005, p. 143. For the World Bank aid policies and the persistence of poverty, see William Easterley, *The Elusive Quest for Growth: Economists’ Adventures and Misadventures in the Tropics* (Cambridge: MIT Press, 2001).

Even if it were possible to lure the Americans and/or Europeans into assuming responsibility for ruling the Palestinians, their chances of success would be minimal. An historical survey of the last few decades on the use of foreign forces for peacemaking—as opposed to peacekeeping—is not encouraging. Peacekeeping forces are put in place after an agreement between two sides, generally following exhaustion (Bosnia) or the defeat of one side (the Serbs in Kosovo). Moreover, the relative success in former Yugoslavia and East Timor came after large waves of ethnic cleansing that led to reduced friction between the rival populations.³¹

In the case at hand, the Palestinians, especially the extremists, still have considerable energy. The proposed foreign forces are to come *in place* of a bilateral agreement. In addition, peacekeeping forces placed in the Arab-Israeli arena routinely have failed to accomplish their goals in the past, e.g. UN forces on the Egyptian border in 1967. Ignoring Israel's concerns, they were evacuated upon Egyptian demand. UNIFIL forces in south Lebanon have also been unsuccessful in providing an efficient buffer. At times they even cooperated with Israel's enemies.

Nor has the U.S. attempt at peacemaking been promising. Willingness to suffer losses in cases not defined as vital to U.S. security is extremely low.³² The United States retreated from Lebanon in 1982 and from Somalia in 1992 due to local resistance. The short military involvement of the United States in Haiti in 1994 did not achieve its goal. The U.S. takeover of Afghanistan did not totally eradicate terror centers, nor achieve stability. Similarly, the American experience in Iraq is not encouraging. In general, American imperial capability and determination to bring order to various parts of the world, especially hostile Muslim regions, is still in question.

In short, the expectations that the Palestinians will build a modern state in the near future, even with Western assistance, are naïve. It took centuries to build nation states in Europe. With the exception of Egypt, an historical entity possessing a level of cultural coherence, attempts at state-building in the Middle East have met only partial success. Lebanon, Iraq and Somalia are all examples of political entities grappling with the problem of establishing central authority and with modernity.

A Binational State. There is a school of thought that denies the wisdom of partitions.³³ A variety of political schemes have been offered to stabilize

³¹ For a sober analysis of peacekeeping, see Dennis C. Jett, *Why Peacekeeping Fails* (New York: St. Martin's, 1999). See also Kimberley Zisk Marten, *Enforcing the Peace* (New York: Columbia University Press, 2004).

³² For a discussion of the literature on this subject, see Christopher Gelpi, Peter D. Weaver, and Jason Reifler, "Success Matters: Casualty Sensitivity and the War in Iraq," *International Security*, Winter 2005, pp. 10-17.

³³ See Nicholas Sambanis, "Partition as a Solution to Ethnic War: An Empirical Critique of the Theoretical Literature," *World Politics*, July 2000, pp. 437-83; and Radha Kumar, "The Troubled History of Partition," January 1977, pp. 22-34.

multiethnic states such as “consociationalism,” autonomy, or federalism, power-sharing arrangements that have not been successful in the face of enduring ethnic rivalries.³⁴ In Palestine, the two national movements seem intent on creating their own separate states. It is difficult to imagine the two cooperating within a unitary state. Absent a modicum of trust and a desire to share a common fate, centrifugal forces might prove too powerful to forestall recurrent political crises and an eventual breakup. The international community is also not inclined to prefer such an arrangement or to impose it.

Yet, according to some of dovish circles, the binational state would inevitably arise as a result of continuing the *status quo* because of demographic trends. Taking into consideration the greater birthrates of Arabs, Jews will be a minority in the area west of the Jordan River. Moreover, the presence of many settlements, coupled with the political power of the settlers, creates a situation where partition is no longer possible. It is argued that these trends would mean the end of Israel as a Jewish state and a *de facto* transformation into a binational state. Such fears explain the sense of urgency and the territorial largesse displayed by these circles.

Such a view exaggerates the weight of demographic trends. There are fewer Palestinians in the West Bank than generally believed and their birthrate is decreasing.³⁵ More importantly, such an outlook underestimates the determination of the Israeli political system to preserve the Jewish and democratic character of Israel by disengaging from areas heavily populated by Arabs, and dismantling settlements there. In 1981, Israel removed its settlements in Sinai; in 2005, Israel dismantled all its settlements from Gaza and several from the West Bank. As noted, unilateral withdrawals have had appeal among Israelis and removal of additional isolated settlements is not a far-fetched scenario. Moreover, Israel has built a security barrier that mostly follows the 1967 borders, signaling the contours of the future line of separation from the Palestinians.

The Regional Approach. The difficulties in implementing the two-state paradigm have led Israelis to rethink the Palestinian issue. Since the Palestinians seem incapable of self-rule and the Israelis do not want to take on this role, who is a responsible actor that suits the job? Based on the colonial record of the United Kingdom and France in the Middle East, an international trusteeship is a problematic proposition. History shows that only Arabs can rule over Arabs by Arab methods. Egypt and Jordan appear candidates for playing a greater role in Palestinian affairs. These states have signed peace treaties with Israel and behave more responsibly than the PA leadership. Moreover, they were relatively

³⁴ For a theoretical and empirical critique, see Downes, “Defending Partition as a Solution to Ethnic Wars,” pp. 89-97.

³⁵ Bennett Zimmerman, Roberta Seid and Michael L. Wise, *The Million Person Gap: The Arab Population in the West Bank and Gaza*, Mideast Security and Policy Studies No. 65 (Ramat Gan: The Begin-Sadat Center for Strategic Studies, February 2006).

successful before 1967 in containing the Palestinian national movement while ruling the Palestinian Arabs. Additionally, Israelis usually identify Egypt and Jordan as the future partners for partitioning Palestine.³⁶ Currently, both states prefer keeping their distance, although there are indications that this may change.

Despite their misgivings, the Egyptians are slowly beginning to recognize that they cannot disengage from the Gaza Strip and that containing the radical Islamist regime is in their interest. An “Hamastan” in Gaza threatens domestic stability by encouraging the opposition of the Muslim Brotherhood. Egyptians exerted influence over Gaza following Israel’s unilateral withdrawal in August 2005. This influence increased after the June 2007 Hamas takeover. In January 2008, Hamas orchestrated a mass breeching of the Egyptian border—an ominous signal to the Egyptian leadership. Furthermore, Egypt played a major role in mediating an end to the Israel’s 2009 incursion into Gaza.

Such events could create the conditions for the gravitation of Gaza towards Egypt. Reluctantly, Cairo sees a return of Egyptian rule in the Gaza Strip as a lesser evil than the emergence of a strong Hamas-led entity there. Egypt is already supplying some electricity to Gaza and the Rafah crossing between the Strip and Egypt serves as a safety valve for the Gazans. In the summer of 2008, Cairo offered to send troops to Gaza as part of an Arab security force within the framework of a larger plan to stabilize the PA.³⁷ While Hamas opposes Egyptian interference, the PA leadership is willing to consider an Egyptian role.³⁸

The Jordanians may also decide that a revisionist Palestinian identity nourished in the West Bank is too threatening to their state to be left unattended, owing to their own demographic predicament created by a high number of Jordanian Palestinians. Deploying Katyushas or Qassams in the West Bank, with a range reaching Jordan, is a sobering possibility for the Jordanians, leading to a change in attitude. Many Palestinians are ready for a Jordanian role.³⁹ The idea of stationing Jordanian-led Palestinian forces (the Badr Brigade) in the West Bank is being aired again. Resuscitating the idea of a Jordanian-West Bank federation, with the Hashemites at the helm, is not

³⁶ See *inter alia*, Rafi Eitan, Minister for Pensioners’ Affairs in “Egypt, Jordan May Rule Gaza, W. Bank” *Jerusalem Post*, March 4, 2008, p. 3; Likud MK Sylvan Shalom, former Minister of Foreign Affairs, in “The No-Peace Plan,” *Haaretz*, Weekend Supplement, July 11, 2008, p. 20; Giora Eiland, “Back to the Jordanian Option,” April 16, 2008, www.ynetnews.com/articles/0,7340,L-3532489,00.html. Maj. Gen. (res.) Eiland served as national security advisor (2003-5).

³⁷ Hillel Fendel “Egypt Wants to Send Troops to Gaza,” August 19, 2008, www.israelnationalnews.com/News/News.aspx/127251.

³⁸ Barak Ravid and Avi Issacharoff, “Fayyad Presents Fatah, Hamas Reconciliation Plan,” *Haaretz*, July 4, 2008, www.haaretz.com/hasen/spages/998829.html; Reuters Published: 07.07.08, 20:16/Israel News www.ynetnews.com/articles/0,7340,L-3565208,00.html.

³⁹ See Mustafa Hamarneh, Rosemary Hollis and Khalil Shikaki, *Jordanian-Palestinian Relations: Whereto? Four Scenarios for the Future* (London: The Royal Institute of International Affairs, 1997), particularly the “functional” scenario.

without appeal among Palestinians thirsty for calm and stability.⁴⁰ The Jordanians can fill a vacuum within the framework of an Israeli removal of settlements from portions of the West Bank.

One result of the great disappointment by many Palestinians with their national movement could be to facilitate a transition from the two-state paradigm to an Egyptian-Jordanian regional approach. Clearly many Palestinians are frustrated with the performance of their political institutions. In March 2006, as many as 47 percent of Palestinians agreed to dissolve the PA.⁴¹ In May 2008, 66 percent of Palestinians believed their “society is heading in the wrong direction.”⁴² Moreover, Palestinian national identity is relatively young and fluid, and accepting a different national identity is possible. History provides many examples of changed group identities.⁴³

Redirecting Gaza toward Egypt and re-linking the West Bank to Jordan seems to be a more effective way of dealing with Palestinian nationalism than granting it statehood. It might be easier for Jordan and Egypt to become more involved under the cover of diplomacy. Their involvement could be legitimized by claiming they will play an interim role until the Palestinians are ready for self-governance. Such a regional approach does not necessarily offer a neat solution that would put an end to all violence. It would not eliminate ambiguity about sovereignty and borders. However, involving responsible states such as Jordan and Egypt is at least a realistic attempt to deal with what otherwise remains an unrealizable political dream.

Such a radical departure from international conventional wisdom would require only a modest role for the United States. Despite its Middle East setbacks, the United States remains a world power with interests in the region.⁴⁴ It shares the goal of limiting regional and international repercussion of the conflict. Moreover, it is the world power best suited to dispense incentives for responsible behavior, inducing Egypt and Jordan to play a more positive role in Palestinian affairs. The U.S. position is also important in maintaining a ban on recognizing Hamas in Gaza. Only the United States has the diplomatic clout to prevent international initiatives that may further exacerbate the ongoing conflict.

Conflict Management. Conflict management constitutes a fourth option for dealing with the conflict between Israel and the Palestinian Arabs. Unfortunately, not every protracted conflict has an immediately available

⁴⁰ Dan Diker and Pinchas Inbari, “Re-energizing a West Bank-Jordan Alliance,” *Middle East Quarterly*, Spring 2006, pp. 29-36.

⁴¹ Palestinian Center for Public Opinion, Poll No. 151, 26 March 2006, at www.pcpo.ps.

⁴² www.awrad.org/pdfs/Hamas%20-%20Poll%205%20Report_English.pdf.

⁴³ For such an argument, see Daniel Byman, “Forever Enemies? The Manipulation of Ethnic Identities to End Ethnic Wars,” *Security Studies*, March 2000, pp. 149-90.

⁴⁴ See Robert J. Lieber, “Falling Upwards: Declinism, The Box Set,” *World Affairs*, Summer 2008; Steven David, “American Foreign Policy towards the Middle East: A Necessary Change,” in Efraim Inbar, ed., *Israel's Strategic Agenda* (London: Routledge, 2007), pp. 1-28.

solution. In the absence of a negotiated agreement, the appropriate strategy for dealing with the Israel-Palestinian Arab dispute is conflict management. The objective of such a strategy is to minimize the cost of armed conflict and preserve freedom of political maneuvering. Its goal is also to buy time, hoping that the future may bring about better alternatives. The lack of a clear end goal is not inspiring; yet, this may be the best way to deal with a complex situation.

In operational terms, the goals are to contain terrorism, limit suffering to Israeli and Palestinian societies and prevent escalation. Dismantling additional isolated settlements could contribute to minimizing friction between Jews and Palestinian Arabs. Israel should show restraint, primarily in its use of force. There is little to expect from the PA, although changes in its media and education system are necessary for fostering a better atmosphere. Foreign aid to the Palestinians should be discriminate and focused. Egypt, Jordan and even other Arab states, while paying lip service to seeking a solution, may cooperate with Israel in limiting the reverberations of the Israeli-Palestinian dispute because they have an interest in isolating Hamas and in minimizing its influence. Indeed, another goal of the conflict-management strategy is to prevent the strengthening of the Hamas regime in Gaza.

This conflict management strategy requires patience, moderation, and flexibility, and is fraught with uncertainties. It is a trial and error process tuned to the evolving regional and international dynamics, similar to the “muddling through” approach for bureaucracies, as advocated by the public policy expert Charles Lindblom.⁴⁵

As long as each side in enduring conflicts are able to tolerate pain, any given dispute will not end. Allowing the protagonists to bleed might be a better course of action than premature involvement in the long run. The international community has to realize that minimal action is often a virtue. Governments are blunt instruments and should limit their activities in the international arena to prevent humanitarian disasters.

Conclusion

It has become increasingly clear that a two-state settlement in the Holy Land is elusive. An historic compromise between two national movements fighting for the same piece of land is not within reach. Moreover, the Palestinian national movement has failed to establish a viable state. The chaotic situation in the Palestinian territories is likely to continue in the near future. The political fortunes of Hamas are unlikely to change the direction of the main vectors in Palestinian politics. There is little the international community and/or Israel can do about improving the lot of the Palestinians and/or

⁴⁵ Charles Lindblom, “The Science of Muddling Through,” *Public Administration Review*, Vol. 19, No. 2 (1959), pp. 79-88.

changing their behavior. Only change from within can attenuate the negative effects of nationalism and Islamic radicalization among the Palestinians. Unfortunately, the Palestinian national movement has heretofore produced poor leadership. The chances of seeing in the near future Palestinian leaders capable of dealing successfully with modernization and state-building are dismal. The failure of the Palestinian national movement is obvious particularly if we note that it missed two historical waves which witnessed the rise of new states: the decolonization process in the aftermath of World War II and the emergence of new states in the post-Cold War era.

Only the gradual realization that the PA is a failure will allow the emergence of a new paradigm, ending the illusion of the two-state solution. Despite the failure of this paradigm to provide a suitable mechanism for solving the Israeli-Palestinian dispute, it is still difficult to overcome the inertia of outdated thinking and to accept a new intellectual paradigm.

The contours of a more stable arrangement that would replace the PA are already in place, although it may take some time for the international community to adopt a new partition plan—the “regional approach.” Egypt and Jordan are better partners for a renewed partition of the territories peopled by the Gazans, West Bankers and Israelis. In the meantime, conflict management is the best option to minimize the conflict’s costs and to buy time for better political options. With no end to the Israeli-Palestinian conflict in sight, the conflict management strategy—a fuzzy agenda in need of constant reevaluation—is probably the only realistic way to do some good in the Israeli-Palestinian arena.

