

A stylized map of Israel and the West Bank is shown in the background. The land area is colored in a light tan or beige, while the surrounding water bodies (Mediterranean Sea to the west and south, and Jordan to the east) are colored in a light blue. The map is partially obscured by a dark brown horizontal band at the top and bottom, which contains the title and footer information respectively.

Resolving the Israeli-Palestinian Conflict: The Viability of One-State Models

Pnina Sharvit Baruch

**Memorandum
217**

December 2021

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Institute for National Security Studies

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Executive Summary

In recent years, there has been increasing talk of the “demise of the two-state solution” and its replacement with a one-state framework. This single state, which would span the area from the Mediterranean Sea to the Jordan River, is posited as a solution to the Israeli–Palestinian conflict. Proponents of this idea claim that the two-state solution is no longer feasible, given that the Green Line has been blurred and Judea and Samaria (the West Bank) is inextricably connected to the State of Israel by extensive Israeli military and civilian activity. From a demographic perspective, adding the Palestinians living in Judea and Samaria to Israel’s population would mean that almost 40% of Israel’s residents would be Palestinian, doubling the current number of Israeli Palestinians residing in the state (including East Jerusalem). If the Gaza Strip is also included, then almost half of the state’s population would be Palestinian.

In the past, most of the supporters of the one-state idea were from the Israeli radical left or the Arab community in Israel and proposed a binational or a nationless state. Today, the idea of having one state as the preferred solution to the conflict has become increasingly prevalent among a considerable part of the political right in Israel and even among the political center. However, their idea refers to a state that preserves its Jewish character. At the same time, they contend that there is no intention to violate the democratic character of the state. Accordingly, various models seek to provide the Palestinians with a certain level of self-rule within the one-state framework.

The unfolding developments that are making the one-state idea more prominent, potentially erasing the two-state paradigm as a solution to the conflict, demand an in-depth analysis of this idea. It is particularly important to identify, as soon as possible, whether a one-state framework is indeed a viable solution to the conflict. This is the aim of this study.

The models for a one-state solution between the Mediterranean Sea and the Jordan River include:

1. A unitary state: A single state in the entire territory with no internal borders.
2. A state with a Palestinian autonomy: A state in which the Palestinians have self-rule within a Palestinian autonomous area.
3. A federal state: A state divided into Jewish and Palestinian districts, in which the districts have broad powers at the district level, but the central government has authority at the national level.
4. A confederation: A model with two states—one Palestinian and one Jewish (Israel)—with a defined and open border between them. A joint Israeli and Palestinian government would function at the confederate level in specific areas of authority, such as external security and foreign trade.

This memorandum attempts to go beyond the basic question of whether it is possible to have a single state that is both Jewish and democratic, an issue that has been at the center of the public discourse. Instead, the goal here is to examine the feasibility of the one-state models from a practical perspective. The analysis is conducted from an Israeli perspective, focusing on the interests of Israel and the concerns of the majority of the Israeli public.

Each model is examined according to an array of parameters: the territorial division; the status of the settlements; the status of Jerusalem; aspects of citizenship and residency; governmental authority; the involvement of the Palestinians in government; freedom of movement within the state; the refugee issue; security aspects; social aspects; economic and civil aspects; preservation of the state’s Jewish character; preservation of the state’s democratic and liberal character; the implications for Israel’s Arab citizens; the implications for the Palestinian Authority; the status of the Gaza Strip; and the execution of the model and its feasibility. After analyzing these factors, the likelihood of the model’s success as a permanent solution to the Israeli–Palestinian conflict is assessed.

Based on the insights of this memorandum, it becomes apparent that none of the models have any genuine prospect of being a permanent, stable, and successful solution to the Israeli–Palestinian conflict. One main reason is the high potential for friction due to the free movement that is allowed by all the models. Given the deep-seated hostility between the two populations over the past decades and their religious, cultural, social, and economic differences,

the models raise the concern that tension between the populations will lead to violent internal confrontations and ultimately to the state's instability.

The hostility between the peoples is prone to increase in the future in all the models in which the Palestinians become part of a state that has a Jewish identity without being able to realize their national identity. The confederation gives an adequate solution to this aspect; hence, friction might decrease with time in this model.

Denying the Palestinians full rights in the state, besides being a fatal blow to the democratic nature of Israel, will deepen feelings of animosity, leading to inevitable violence that could deteriorate into a full-fledged civil war. Granting the Palestinians full and equal civil rights could lead to their altering the Jewish identity of the state. Additionally, national tensions will continue to exist and could destabilize the state. The confederation is the only model that offers a solution to these concerns since each nation controls its own state.

All the models also impose a heavy economic burden on Israel, due to the imperative to provide for the needs of all the new Palestinian residents in the state. Although in the confederation the residents of the Palestinian state are not Israel's direct responsibility, their economic situation is of critical importance. Indeed, bridging economic gaps within the confederation is crucial for its stability. In addition, dividing the state into districts and regions, as suggested in the federation and autonomy models, creates duplication, complexity, and excess, especially given the small size of the country.

Furthermore, in order to implement the models, the consent of the Palestinians is required, and the two sides must manage to settle numerous controversial issues. It is difficult to see how this can be achieved. Moreover, all models (except, perhaps, the unitary model) require reaching agreement with the representatives of the Palestinians in a continuous fashion as part of the implementation of the model. This entails endless disputes.

In contrast to the models analyzed in this study, which are based on the idea of a continued connection between the Jewish and Palestinian peoples in the area between the Mediterranean Sea and the Jordan River, the two-state solution is based on the idea of separation. This model is not explored in this document but has been extensively analyzed over the years, including by the Institute for National Security Studies (INSS). This solution has significant shortcomings, as it requires dividing the land

and evacuating settlements, in addition to creating certain security risks. Nevertheless, the impossibility of a model based on the union of both peoples as a stable solution to the conflict—as the analysis in this document clearly demonstrates—inevitably leads to the conclusion that a solution based on separation, despite its shortcomings, is indeed the preferable solution for the Israeli–Palestinian conflict.

Introduction

For many years, the leading solution to the Israeli-Palestinian conflict in the public discourse has been the two-state solution—a Palestinian state alongside an Israeli state. Most of the Israeli public has expressed support for such a solution. This is also the accepted solution among most countries and international organizations, as can be seen in the numerous resolutions of the UN Security Council and General Assembly.

Nonetheless, in recent years, the belief that there is no practical way to separate Israel from Judea and Samaria (also known as the West Bank) has gained popularity. Accordingly, the public discourse has changed in both Israel and among the Palestinians to include an alternative solution to the conflict, namely the creation of one state between the Mediterranean and the Jordan River.

Some of the supporters of this alternative include Israel's Arab citizens and members of the left in Israel who perceive the one state as giving up its definition as a Jewish state. Rather, such a state can be bi-national, Jewish-Palestinian, or nationless.

The idea of shedding the state's Jewish identity is not acceptable to the majority of Israel's Jewish citizens. Therefore, within the Jewish public in Israel, most of the advocates of the one-state idea support a state that preserves its Jewish character. At the same time, most of the public is also interested in maintaining the state's democratic character.

The difficulty in creating a one-state reality that maintains both its Jewish and its democratic character stems primarily from the demographic composition of such a state. The expansion of the state's territory to include Judea and Samaria will increase the number of Palestinians within the population. As of December 2020, there are 9.3 million residents in the State of Israel (including the residents of the settlements), out of which there are about 1.95 million Arabs who reside within Israel, most of whom define themselves

as Palestinians. This includes residents of East Jerusalem, who constitute about 350,000 people. The exact number of Palestinians in the West Bank is controversial. Some estimate that there are less than 2 million, although according to most estimations, it is close to 2.5 million Palestinians, and likely even more. Whatever estimate is chosen, the addition of Palestinian residents of the West Bank to the State of Israel means that the State of Israel would have over 4 million Palestinians, including the Arab citizens of Israel, out of about 11 million residents total. In other words, Palestinians will constitute almost 40% of the population.

In most of the one-state proposals, the Gaza Strip is not included within the territory of the state. The logic behind that is clear. According to various estimates, around 2 million Palestinians live in the Gaza Strip (there are different estimates about this number as well). Therefore, including Gaza in the state would mean that Palestinians constitute almost half of the total population. In addition, including Gaza as part of the state would add a poverty-stricken and underdeveloped territory that requires a significant investment of resources. Moreover, Gaza does not have any ideological significance or strategic value from Israel's perspective, unlike the territory of Judea and Samaria. Furthermore, Israel does not currently control Gaza, nor is Gaza even controlled by a government that is willing to negotiate with Israel. Its inclusion in the territory of the state would require that it be recaptured by force. Yet, as long as there is no solution for the Gaza Strip, the conflict will not be fully resolved.

Whether or not Gaza is included in the territory of the state, the one-state framework leads to the creation of a large Palestinian minority. Given the desire to preserve the Jewish character of the state, this minority would have to abandon its national aspirations, which could create internal tension within the state. This tension and the resulting friction are expected to constitute a serious challenge to the stability of the state, particularly as it involves two peoples with a longstanding history of conflict, rivalry, and distrust. The violent confrontations between Arabs and Jews within Israel surrounding Operation Guardian of the Walls in May 2021 vividly reflect these tensions and their potential ramifications, even after decades of living together in the same state with full civil rights.

Moreover, if the Palestinians were granted equal civil rights in the state, then they could have significant influence on the national level, which would

be incompatible with Jewish national interests and could even lead to the demise of the Jewish identity of the state. Not granting full civil rights to the Palestinians in the state—including full citizenship and the right to vote and be elected to the state’s government, freedom of movement, and the right to choose one’s place of residence, equality of opportunity, and any other basic right enjoyed by the citizens of the state—would contradict the state’s democratic character.

Most of the public discussion of the one-state solution focuses on the question of whether it can be implemented while preserving the state’s Jewish and democratic character. The opponents of the idea claim that such a state can be either Jewish or democratic but not both, especially in light of its demographic composition. In contrast, its supporters claim that this combination is indeed possible. Alternatively, they feel that certain components of the state’s democratic or Jewish identity can be abandoned. Nevertheless, to have a serious discussion of the implications of the one-state alternative, it is worthwhile to evaluate beyond the question of whether it implies the end of the Jewish/democratic state, and to examine other related aspects as to how such a state would operate and its chances of success as a permanent and stable solution to the conflict. That is the goal of the analysis presented here.

The classic one-state alternative relates to Israel as a state whose territory stretches from the Mediterranean to the Jordan River (with the possibility of including the Gaza Strip) without any internal borders. Israeli law would apply to this entire territory, and the government and its institutions would have full and direct authority over all parts of the state. This model is known as the unitary state solution.

The unitary state solution raises concern about the state’s stability, given the expected opposition among the Palestinians to be part of a state with a Jewish character. Therefore, internal division of the state is proposed, with the goal of providing the Palestinians with a certain level of self-rule. The two main models in this context are the model of a Palestinian autonomy, in which there would be an autonomous Palestinian territory within the state, and the federation model, in which the state would be divided into Palestinian and Jewish districts and certain powers would be granted to the district governments.

Another model, which is presented as an alternative to the unitary state, is the confederation model, in which there would be two states—a Palestinian state and a Jewish state (Israel), with open borders between them, governed by a confederate government that has decision-making power in domains that apply to the entire territory of the two states. This model essentially extends beyond the one-state alternative toward a two-state solution. Nonetheless, the dividing line between the models of the federation and the confederation is in practice blurred; therefore, it makes sense to also consider this alternative as part of the discussion of alternatives to the two-state solution.

The idea of a Palestinian–Jordanian confederation is occasionally brought up in Israeli public discourse. This idea assumes the existence of a Palestinian state that is connected to the Kingdom of Jordan. This idea is not analyzed here, because it is fundamentally a two-state model rather than a one-state model, as it is contingent upon the creation of a Palestinian state having a defined border with Israel. Given that Jordan would adamantly oppose this model, clearly it would not be feasible. Should this reality change in the future, this solution should be reevaluated.

Another alternative idea that is raised—explicitly or implicitly—by members of the right in Israel is the annexation of part of the West Bank to Israel, so that the State of Israel would not encompass *all* the territory between the Mediterranean Sea and the Jordan River but rather only a significant portion of this land. The suggestion is to annex the majority of Area C, as defined in the Interim Agreement between Israel and the PLO of 1995 (“the Oslo Accords”). Area C covers over 60% of the West Bank and contains all the settlements and most of the open areas. It houses over 100,000 Palestinians (if the areas adjacent to Palestinian main localities are excluded). Under this idea, the rest of the West Bank, which comprises mainly Areas A and B, as defined in the Interim Agreement, where almost all Palestinians reside, will remain under Palestinian control, either in the framework of a Palestinian autonomy or as a state with limited powers. Israel will retain control over the external perimeter and the aerial and electromagnetic space and overall security powers.

If the Palestinian area is considered a state, then this is a two-state model. It is, however, highly unlikely that the Palestinians would agree to such a limited state. Area C is significant not just due to its size, but also because it contains most of the Palestinian economic assets, namely the areas enabling

agriculture, industry, and development of infrastructure, including for future expansion. A Palestinian state that is limited to Areas A and B would lack any prospect of economic independence and sustainability. If the Palestinian area remains an autonomy under Israeli control, this would be, in fact, a continuation of the current situation, at least in Areas A and B. Neither the Palestinians nor the international community would consider this as a permanent solution to the conflict. Therefore, this option is not analyzed in this document, which focuses on potential solutions to the conflict and not on models in which the conflict lingers on.

Accordingly, this document examines the following models:

1. A unitary state
2. A state with a Palestinian autonomy
3. A federal state
4. A confederation

In analyzing each of the models, the focus is on the interests of Israel and the concerns of the majority of the Israeli public. The common starting point is the preservation of the Jewish character of the state, as this is the solution on which the discourse in Israeli society has centered. In parallel, the extent to which the model also preserves the state's democratic character will be examined. The analysis pertains to the models as permanent solutions to the conflict rather than as interim steps implemented until the conflict is resolved.

The analysis does not cover all the issues related to a permanent solution. For example, the issue of the refugees is not directly connected to the various models; nonetheless, to the extent that resolving this issue is one of the conditions of the Palestinians to view any particular model as a solution to the conflict, then the issue will require some sort of resolution. It can include the return of a limited number of refugees, alongside mechanisms for compensation or any other arrangement that is agreed upon.

The study does not purport to cover all aspects of each model. It does not, for example, include the ramifications of a particular model on the state's foreign relations nor does it attempt to map all facets of life that would be influenced by the model. Rather, the goal is to highlight the way in which the model may be implemented and its main implications. The document also does not provide any analysis of concrete proposals on how to implement the various models, although some of these proposals serve as

the background for the analysis. Given that the document is only a conceptual analysis of the fundamentals of each model, it does not include references to existing documents that describe specific proposals. Accordingly, it also does not include a description of specific arrangements that might be used to implement each model (such as analyzing the distinction between dividing into two districts as opposed to several districts in the federation model). The document has a different purpose—to examine the general reality that would emerge in the aforementioned models, with the aim of determining the viability of each model, the extent to which each one maintains the interests of the State of Israel, and ultimately, the feasibility of the one-state concept in resolving the conflict.

Each model will be examined with respect to the following parameters:

1. Territorial division
2. Status of the settlements
3. Status of Jerusalem
4. Aspects of citizenship and residency
5. Governmental authority
6. Palestinian involvement in government
7. Freedom of movement within the state
8. The refugee issue
9. Security aspects
10. Social aspects
11. Economic and civil aspects
12. Preserving the Jewish character of the state
13. Maintaining the democratic and liberal character of the state
14. Implications for Israel's Arab citizens
15. Implications for the Palestinian Authority
16. The Gaza Strip
17. Execution of the model
18. Feasibility of achieving the model

After analyzing these factors, the model's chances of success as a permanent solution to the conflict will be assessed.

In the closing section, the document presents some general conclusions from the analysis of all the models. Finally, in the annex, a table offers a

comparative analysis of the models, including comparing them to the two-state model.

Many thanks to all those who have assisted with the analysis, and especially to Adv. Lior Zur, Adv. Nimrod Karin, Dr. Bell Yosef, and Adv. Ori Beerli.

Chapter 1

A Unitary State

The model: Israel is a single undivided state established on the entire territory, encompassing the existing territory of Israel and the West Bank and potentially also the Gaza Strip (see Figure 1).

The main idea: Avoiding a division of the territory of greater Israel while preserving the state's identity as Jewish and democratic.

Figure 1. Unitary state



1. The Territorial division

In the model, the Green Line (the demarcation line set out in the 1949 armistice agreement's between Israel and its neighbors, which delimits the territories captured by Israel in 1967) will be erased and Israeli law will be applied to the entire territory and to all residents of the state. Israel's territory will be undivided.

2. The Status of the Settlements

The settlements will remain in place like any other town or city in Israel.

3. Jerusalem

Jerusalem will remain the capital of Israel without any need to divide up authority. There will be a need to preserve access to the holy places of the various religions.

4. Citizenship and Residency

The Palestinians of the West Bank will become permanent residents of Israel, as residency is based on a factual basis of living permanently in the state. Residency will confer various rights, including the right to work anywhere in the state and social welfare benefits, such as National Insurance and participation in municipal elections.

In general, Israel's permanent residents have the right to request citizenship, although the citizenship process may include various criteria, including swearing allegiance to the state. If Palestinian residents are denied the possibility of obtaining Israeli citizenship, they will remain deprived of any citizenship. Such an outcome, as a permanent solution, will violate Israel's democratic character. Furthermore, a discriminatory regime will emerge with two types of residents, and that denies political representation to an entire group based on their ethnic identity. Apart from the impact on Israel's values, denying the right of citizenship from the Palestinians will leave them frustrated and hostile toward Israel, which could undermine its stability.

5. Governmental authority

Israel's official institutions, such as the Knesset and the government, will continue to operate in their current format. All citizens of the state will be able to vote and be elected to government.

On the operational level, it will be necessary to adapt government bodies to the significant addition of Palestinian residents. This includes establishing appropriate institutions, such as mechanisms for tax collection, licensing, and providing services to the residents of the territory added to the state. Language gaps will need to be addressed by enhancing the use of Arabic within the state, in order to provide an appropriate response for the requirements of the new Palestinian residents of Israel.

If the local Palestinian leadership refuses to cooperate, to the point of boycotting the state's government institutions, then the government of Israel will be forced to exercise its powers directly in the Palestinian territory. In the complete absence of cooperation, Israel might be compelled to appoint its own representatives to manage municipal affairs.

6. Palestinian involvement in government

As citizens of Israel, the Palestinians will have the right to vote and be elected to the state's institutions. Thus, the large Palestinian minority will have political influence and a possibility of being involved in the state's strategic decision making. This may have important consequences since the Palestinians will have significant electoral power—given the fragmentation among the Jewish public—particularly if they unite forces in the political arena.

Collective rights of the Palestinian minority in the state could be recognized. This includes nurturing Arab identity and culture and self-rule in domains such as education, religion, and culture. Such a move may enable the Palestinians to fulfill their national sentiments to a degree while residing in a Jewish-identified state; however, providing such rights is not a substitute for granting equal civil rights.

7. Freedom of movement within the state

As permanent residents in Israel, the Palestinians will enjoy freedom of movement within the state, including the right to choose their place of residence. Therefore, Palestinians will be able to move and live within the Green Line. In parallel, the citizens of Israel will be able to live anywhere the West Bank.

The government of Israel will retain full control of its borders and the international transit points, as well as full authority over entry and exit policy.

8. The refugee issue

The government of Israel will have the right to block the entry of Palestinian refugees from abroad into the country.

Descendants of the 1948 refugees who live in the West Bank (and Gaza Strip—if it is part of the state) could attempt to exercise the “right of return” to their families’ original homes. This may, for example, involve the physical “invasion” of these locations. Even if such an endeavor is prevented, there is, nonetheless, a major potential for tension.

As the sovereign in the entire territory, Israel will have to rehabilitate the refugee camps located in the West Bank (and in the Gaza Strip if it becomes part of the state).

9. Security aspects

The state security authorities will be responsible for internal security and public order in the entire territory, including the Palestinian territory that is added to the state. Although the Israel Police will assume the main responsibility, the Israel Security Agency (ISA) and the Israel Defense Forces (IDF) will have the right to operate in their areas of responsibility, namely fighting terror and protecting the borders. The powers of the state will be as specified in Israeli law and therefore will be more limited than the powers that Israel currently has in the West Bank.

Violent armed groups and terror organizations in the Palestinian territory will continue to threaten security. Some members of the Palestinian security forces might choose to join such efforts and offer

to share their weapons and experience. This could pose a significant challenge, given their large arsenal of weapons and level of organization. The freedom of Palestinian residents to move throughout the country could pose security risks due to the friction between the different peoples. Obviously, some Palestinians will oppose the idea of their integration within a state that maintains a Jewish identity and they could resort to violent means. At the same time, some members of the Jewish constituency might oppose the idea of granting full rights to Palestinian residents and may also turn to violence. In addition, given the economic disparities within the state, crime originating from the Palestinian territory is also expected to increase.

The issue of whether to draft Palestinians into Israel's security forces will need to be determined. Even if they are not subjected to the draft, as currently is the case for Israel's Arab citizens, the question will arise of whether to refuse an individual's request to be drafted.

If Israel is dragged into a confrontation with the Gaza Strip—should Gaza remain outside the state—there is a concern that the Palestinians will support—and even try to assist—their brethren there.

10. Social aspects

Consolidating Palestinian and Jewish societies into a unitary state will lead to greater interaction between the two peoples, particularly given the freedom of movement that all residents will enjoy. To maintain stability, processes of reconciliation between the two peoples will be essential; this may pose a significant challenge, however, due to the deep hostility and huge divide between them. To the extent that the Palestinian residents feel that they are in an inferior position relative to the rest of the population, the process of reconciliation is less likely to succeed.

11. Economic and civil aspects

The government of Israel will be responsible for the economy and infrastructure of the entire territory of the state, including areas in the West Bank populated by Palestinians. This responsibility entails ensuring an adequate standard of living and providing a reasonable level of services for all residents.

The government will have to work proactively to narrow economic gaps between the regions of the state. Most of the Palestinian areas are poorer and have less developed infrastructure compared to other parts of the state. Narrowing these gaps will require significant investment. This becomes even more pertinent if the impoverished Gaza Strip becomes part of Israel.

To provide the full range of services to the Palestinian population, it will be necessary to create appropriate institutions and mechanisms. Even if it is possible to build on existing Palestinian institutions, they will need to be modified to ensure that they operate according to the relevant laws of the state.

12. Preserving the Jewish character of the state

The involvement of the Palestinians in the state’s political processes as citizens with equal rights may lead to an attempt to alter Israel’s Jewish character. Although it is possible to anchor the state’s Jewish identity so that it will be difficult to change, such as by enshrining it as a constitutional principle, guaranteeing the state’s Jewish character indefinitely will be impossible, given the demographic composition of the state and pressures for gradual change.

13. Preserving the democratic and liberal character of the state

As already mentioned, any attempt to deprive the Palestinians of full rights within the state is not compatible with maintaining Israel’s democratic character.

Moreover, the model might challenge the liberal character of Israel, given that the Palestinian population is characterized as more religious and traditionalist. The adoption of the model will increase the relative weight of the more traditionalist sectors in Israel, such as the Arab and ultra-Orthodox populations. This may have significant implications for various issues, such as ensuring equal rights for women and the LGBTQ community, as well as allowing freedom of expression on controversial issues, such as the artistic use of religious symbols.

14. Implications for Israel's Arab citizens

Israel's Arab citizens may serve as a connecting link between the various groups in the state. Under this model, they may also benefit from the possible recognition of the Palestinians' collective rights, as mentioned above. Nonetheless, while today most of Israel's Arab citizens have accepted living with a double identity, namely Israeli and Palestinian, the model may force them to make a choice between having a connection to Jewish Israeli society and the desire to integrate within it or having a national and religious connection to the Palestinian residents who will become part of the state.

15. Implications for the Palestinian Authority

The Palestinian Authority (PA) will be dismantled and its powers will be transferred to the state's institutions. Certain bodies of the PA, such as the welfare, health, and educational services, could continue to exist under either the umbrella of the state or the municipal government, on the condition that they are amenable to that arrangement.

The Palestinian security services will be dismantled, and all their equipment and weapons will be transferred to the state. This process can be expected to arouse opposition.

All the organizations that represent the PA (or Palestine) at the international level will cease their activities, unless otherwise agreed upon during the establishment of the unitary state or subsequently. The cooperation of international organizations on this issue depends on the extent to which the establishment of a unitary state is accepted by the international community.

16. The Gaza Strip

If the Gaza Strip is included in the state's territory, all of its residents will also become residents of Israel and will have the right to request citizenship. The implications described above will apply to them. The state will be responsible for what occurs in the entire Gaza Strip.

Applying the model in the Gaza Strip will require recapturing it, since Israel does not currently have control there.

17. Execution of the model

The creation of the unitary state will follow the annexation of the West Bank (and potentially the Gaza Strip) by Israel and the imposition of Israeli law in the entire territory. The Oslo Accords will be officially annulled and all of the mechanisms it created will be discontinued.

This is a process with important implications and one that constitutes a fundamental change in the structure of Israel. Therefore, it will be critical to obtain the direct approval of the people by means of a referendum or elections centered on this issue.

If the creation of a unitary state is based on Palestinian consent, it will be imperative to reach an agreement that specifies the details of the new reality, including interim arrangements and the formal transfer of power.

If the PA opposes the creation of a unitary state, then Israel will have to take control of the entire territory, strip the PA of its powers, and dismantle the Palestinian security forces. It can be assumed that the PA and many of the Palestinian residents will violently oppose such a move, and therefore, it will involve a major military confrontation.

If Israel has already taken control of the PA's territory, due to the collapse of the PA, for example, then transition to a unitary state will not require recapturing the territory, but rather a legal act will be required to annex the territory to Israel. With respect to the Gaza Strip, it will be necessary to retake control of the territory, as already mentioned, unless Israel has already done so.

The creation of a unitary state will lead to a major and comprehensive transformation of the legal situation in the territory to be added to the state, since Israeli law will then be fully applied there. Transitional arrangements will be necessary, in addition to steps to implement the new legal status, including, for example, a process of registering all the unregistered rights to land (which accounts for the majority of land in the West Bank).

It will be necessary to establish institutions in Israel, including a government ministry and executive bodies, which will be responsible for interfacing with the Palestinian areas that have been added to the

state. The use of the military administration in the territory will be discontinued.

18. The feasibility of creating a unitary state

If it is the intention to create a unitary state with the consent of the Palestinians, then it is difficult to see how this model will be implemented. It is unlikely that the Palestinians will consent to joining Israel and becoming part of a unitary state with a Jewish character while giving up their national aspirations and agreeing to dismantle the PA and its institutions, unless they feel that they can take control of Israel from within and change its character over time. Furthermore, if the state has no intention to grant full rights to the Palestinians, then the chances of gaining Palestinian consent to this model are nonexistent.

Establishing a unitary state without Palestinian consent will, as already mentioned, require retaking control of the entire territory. Such a move will involve a major confrontation with the Palestinians.

The creation of a unitary state in which the Palestinians have full equality will meet opposition from large segments of the Israeli public, due to the fear that it will eventually lead to the end of the country's Jewish character. However, some of the Israeli public will oppose the creation of a unitary state without equal rights as they will feel that it will lead to the loss of Israel's democratic character. In any case, such a process can be expected to create tension and division within Israeli society, which could result in internal disorder.

An attempt to create a unitary state without the Palestinians' consent is likely to result in substantial international pressure on Israel to refrain from such a move.

The chances of success as a permanent solution to the conflict

1. The unitary state model envisions Israel as a state with a significant Palestinian minority (which would become even larger if the Gaza Strip is included). In the absence of genuine reconciliation between the Jewish and Palestinian populations and given the divides between the populations—religious, cultural, and economic—the presence of this minority, which will have freedom of movement within the state and will be

able to reside wherever it chooses, is expected to cause persistent friction between the two populations, as well as potential security threats due to the presence of terrorist elements who do not accept the establishment of the state. This fear will be exacerbated should the Palestinians feel that they do not enjoy full rights in the state and should the gaps in their integration within the state and economic disparities remain significant.

2. If the Palestinians are granted full civil status and the possibility of influencing the political process, they may attempt to use that influence to weaken the Jewish character of the State of Israel and also to shift strategic decision making in directions that are not necessarily in line with the positions of the Jewish majority. Such efforts will lead to opposition among large swathes of the Jewish public, which will increase the tension between Jews and Palestinians in the state and could lead to civil war.
3. If the model does not provide equal status to the Palestinians, Israel will deviate from fundamental democratic principles and will not be able to maintain its democratic character. This is expected to affect all facets of life in the state since it has the potential to undermine civil liberties in general and to weaken—and perhaps even neutralize—the gatekeepers of democracy, such as the courts and the media.
4. Giving all Palestinians residency and including all the Palestinian territory within Israel will create a heavy economic burden, given the poverty in the Palestinian territory and the need to meet the needs of the new residents of the state. This problem will be exacerbated if the Gaza Strip is also included in the state. The major economic disparity between the Jewish population and the Palestinian residents could also increase levels of crime in the state.
5. Should the Gaza Strip not become part of Israel, and if Israel finds itself in a confrontation with the Gaza Strip, then the state’s Palestinian residents could support the other side in the conflict or be suspected of doing so, which could generate additional tension.
6. The inclusion of Gaza in the state will create a particularly problematic demographic situation, in which the Palestinians will constitute a sizable proportion of Israel’s population; this would essentially change

the character of the state. This is in addition to the other difficulties described above in absorbing Gaza into the state. Leaving Gaza outside the boundaries of Israel, however, means that the conflict will not be fully resolved as Gaza will remain a focus of instability and a source of tension in the relations between Palestinians and Jews within the state.

7. There is no precedent for successful unification of two entities with different national characters into one state—especially in the case of a long and bloody conflict between them—and all the more so into a democratic state. On the contrary, there have been cases of secession on the basis of nationality, such as Yugoslavia and Czechoslovakia. Even in leading democracies and among peoples who are living in peace, there are still voices calling for secession. This includes, for example, Catalonia, which is trying to secede from Spain, and Scotland, which is considering secession from Britain.

Chapter 2

A State with a Palestinian Autonomy

The model: Israel is a single state on the entire territory of Israel and the West Bank (and potentially the Gaza Strip) that includes within it a Palestinian autonomous area (see Figure 2).

The main idea: Avoiding the division of the land while preserving the identity of the State of Israel as a Jewish and democratic country and providing the Palestinians with the possibility of self-rule by an autonomous Palestinian government (the Palestinian autonomy) in a defined area within the state.

Figure 2. Palestinian autonomy



1. The territorial division

The territory of the Palestinian autonomy will need to be clearly defined. It can be assumed that it will comprise areas currently administered by the PA (Area A and B), but it could also include additional territory, such as parts of Area C, where there are Palestinian economic assets, such as agricultural land or quarries. The addition of sources of income to the autonomous territory will make it less dependent on the central government of the state.

The territory of this autonomy should be contiguous, have clear borders, and should not have any enclaves of Jewish settlements. This will ensure the transfer of more powers to the Palestinian autonomy and enable it to administer its affairs with minimal intervention by the central government. Contiguity will also make it possible to demarcate a physical boundary between the territory of the Palestinian autonomy and the rest of the state and to establish crossing points to control the entry and exit of people and/or goods.

If the territory of the Palestinian autonomy is not contiguous, then the physical boundaries around the Palestinian areas will create an untenable reality that will encumber movement and could create friction. To resolve this problem, it is possible to define non-contiguous borders for the Palestinian autonomy on the conceptual level without creating an actual physical border. However, it would then be impossible to control the movement of people and/or goods between the Palestinian autonomy and the rest of state.

2. The status of the settlements

For creating a contiguous autonomous territory, a number of Israeli settlements will have to be moved, although most of them could be left in place. To prevent any evacuation of settlements, it has been suggested that separate concentrations of the Palestinian population could each become autonomous. This is, however, a problematic solution since it essentially implies autonomy only on the municipal level, therefore rendering the idea of independent Palestinian autonomous rule devoid of much substance.

Giving up on the idea of a physical border around the Palestinian autonomy will facilitate leaving all the Jewish settlements in place—including those surrounded by the autonomous Palestinian area—as enclaves that are not part of the autonomy while also permitting Palestinian enclaves to remain within the territory of the rest of the state but as part of the autonomy. A lack of territorial contiguity will make it difficult for the autonomy's government to exercise some of its powers.

In the process of determining the boundaries of the Palestinian autonomy, it will be necessary to find a solution to the Jewish settlement in Hebron, as well as places that are holy to Judaism that fall within the boundaries of the autonomy.

3. The status of Jerusalem

Jerusalem will remain the capital of Israel. The Palestinian neighborhoods in East Jerusalem may become part of the Palestinian autonomy. In contrast, it can be assumed that the Old City in Jerusalem, including the holy places, will not be included in the Palestinian autonomy. Perhaps arrangements can be devised that will give the Palestinian autonomy some kind of status within the Muslim holy places.

4. Aspects of citizenship and residency

Since the Palestinian autonomous area will be part of the State of Israel, its residents will become permanent residents of the state, having freedom of movement within the state and other rights, such as the right to work anywhere in the state and to receive social welfare benefits. In addition, they will have the right to request citizenship from the state.

Denying the residents of the Palestinian autonomy the rights that accompany permanent residency in Israel, or blocking them from attaining Israeli citizenship, would clearly violate Israel's democratic character. This would mean that within the territory of the state, there could be an enclave of residents who are "second class" and have only limited rights; such enclaves exist only in non-democratic countries.

5. Governmental authority

The government of the Palestinian autonomy will be given as much authority as possible. The guiding principle in dividing the powers between the central government and the autonomy will be the extent to which maintaining common standards and harmony within the state in a given field of operation is essential. Should the territory of the autonomy not be contiguous, then it will be more difficult to transfer certain domains, such as transportation, to the responsibility of the autonomy.

The ultimate authority on issues that relate to the entire state will remain in the hands of the central government. This will include external security, foreign relations, macroeconomic policy, immigration policy, and other issues related to the national level, as well as areas of interface between the autonomous Palestinian area and the rest of the state, such as environmental protection and public health. The central government will have the residual power; namely the power over any authorities that are not defined as being possessed by the Palestinian autonomy.

The Palestinian autonomy will have its own government and institutions. It will have legislative, executive, and judicial authority in all facets of life within the autonomous area, including infrastructure and internal security. It will also have enforcement agencies, such as police, civilian inspectors, and courts.

It will be necessary to define the division of authority between the Palestinian autonomy and the state on all levels. For example, there will be a need to determine the relationship between the courts of the territorial autonomy and those of the rest of the state and whether Israel's Supreme Court will have the authority to hear appeals over decisions made by the autonomy's courts.

It will be essential to determine—on the state level—the bodies and mechanisms that will interface with the Palestinian autonomy, including, for example, a government ministry and executive bodies. Furthermore, the residents of the autonomous area should have representation in the various state bodies, ranging from the Knesset, the courts, and governmental departments, particularly regarding issues that have implications also for the autonomous area. Israel will also have to expand the official use of the Arabic language to meet the needs of its new residents.

The government of the Palestinian autonomy will either be elected by the residents of the autonomous area, or chosen by some other method, such as by agreement reached among Palestinian representatives and the central government. Should elections be held, they would represent a realization of democratic principles as the residents themselves would choose their own government. If the government is merely the heir to the PA and no additional elections take place, then this will conflict with applying democratic values within the Palestinian autonomy.

If the autonomy's government ceases to function for any reason, the government of Israel will need to ensure the normal functioning of the autonomous territory, since it is part of the state. In such a situation, there may not be any alternative to establishing institutions on behalf of the central government that will operate directly within the autonomous Palestinian area, at least until the government of the autonomous territory is again fully functional.

6. Palestinian involvement in government

The question arises as to whether it will be possible to prevent residents of the Palestinian autonomy from participating in the elections for the central government and instead allow them to participate only in elections for the government of the autonomous area without detracting from their status as citizens of the state in any other respect. The problem with this idea is that although residents of the autonomous area will have a say at the level of the Palestinian autonomy, the government of the state will still be regulating many issues that pertain to them. Thus, not allowing them to participate in elections for the central government means denying them the right of representation at the state level.

It may, perhaps, be possible to create a government structure that allows the residents of the autonomous territory to be represented in the central government by representatives of the Palestinian autonomy, rather than by voting directly for the central government. These representatives of the autonomous area can be involved in decisions made by the central government that are relevant to the residents of the autonomy, including decisions regarding external borders, economic policy, and other issues in which the autonomous territory and the rest of the state must interface.

7. Freedom of movement within the state

As residents of Israel, and certainly as its citizens, the Palestinians will have freedom of movement within the state. If there is a physical boundary between the autonomous area and the rest of the state, it will be possible to control this movement, although without restricting it in any significant way.

In considering the freedom of movement, Palestinian residents will be able to relocate to areas outside the autonomous area; however, it could be decided that such a move should not change their status, at least for some defined period. In other words, an individual from the autonomous area will continue to be considered a resident of the Palestinian autonomy, for example, in terms of the right to vote in elections for the Palestinian autonomy and in being subject to rules that pertain in-persona to the residents of the autonomy. This logic will apply analogously to residents of the state who are not residents of the autonomous area but who wish to relocate to the autonomous area.

Israel will have full control over the external borders and the international transit points and will determine who can enter and exit the state.

8. The refugee issue

Israel will be able to prevent the entry of Palestinian refugees from abroad into the state. One possible condition for Palestinian acceptance of this model may be the absorption of a certain number of refugees in the Palestinian autonomous area.

To the extent that it will be possible to relocate from the autonomous area to the rest of the state, some descendants of the 1948 refugees who live in this area may attempt to exercise the “right of return” to their family’s place of origin, as described in the analysis of the unitary state. Any attempt to prevent this is liable to create additional friction.

9. Security aspects

Criminal enforcement in the Palestinian autonomous area will be handled by the police force of the Palestinian autonomy. It will be necessary to define the nature of this force and the scope of its powers. A mechanism

will be needed for coordinating the force's activity with that of the central government's security forces.

The security forces of the central government, including the Israel Police and the ISA, will have the power to handle criminal and security issues that have implications outside the Palestinian autonomous area, which includes operating within this area when needed.

The question of whether the residents of the Palestinian autonomous area should be allowed to join the state's security forces, including the Israel Police and the IDF, will need to be determined.

Given that the residents of the autonomous area will have freedom of movement within Israel, there will be a potential security risk, especially due to the absence of continuous activity by the state's security forces within the autonomous area. Another challenge will be providing security to Israeli settlements if these remain as enclaves within the autonomous area.

10. Social aspects

The formation of one state will significantly intensify the interaction between the Palestinian and Jewish societies, especially as a result of the freedom of movement. Although the existence of the autonomous area will allow each society to continue to manage its own affairs, supporting effective reconciliation processes between the peoples will be imperative for the model to stabilize over time. Reconciliation is a particularly serious challenge, given the deep hostility and the disparities between the two peoples. To the extent that the residents of the autonomous area feel that they are in an inferior position relative to the rest of the state's citizens, this will have a detrimental impact on the chances of achieving a successful reconciliation process.

11. Economic and civil aspects

The government of the Palestinian autonomy will be able to exploit the natural resources in the autonomous area and to regulate the economic, infrastructural, and civil aspects of the autonomy, as long as it does not conflict with the authorities retained by the central government of the state.

All of Israel will be a single economic unit with the necessary standardization, particularly on issues requiring harmonization, such as indirect taxation, monetary and fiscal policy, official standards, intellectual property, environment, public health, agriculture, communications, and energy. This means that the regulation of these domains will be at the state level and will apply in the autonomous area. Therefore, the inclusion of the Palestinian autonomy in decision making in these matters will have practical importance for it, beyond its fulfilling democratic values.

If a physical boundary exists between the autonomous area and the rest of the state, a certain amount of supervision over the flow of goods may be possible. Without such control, retaining competition would rely on adequate enforcement within the autonomous area.

The Israeli central government will have overall responsibility for the autonomous area, as it will be an integral part of the state. This will include ensuring that the government of the Palestinian autonomy provides for the needs of its residents and that their fundamental economic and civil rights are guaranteed.

Significant economic disparities between the autonomous area and the rest of the state will lead to tension, frustration, and instability. Large-scale investment will be required to narrow these gaps.

12. Preserving the Jewish character of the state

The model is meant to preserve the Jewish identity of the State of Israel while the Palestinian identity will find expression within the framework of the autonomous area; this can be anchored constitutionally. Nonetheless, if the Palestinians are able to influence the decisions of the central government, they may try to undermine the Jewish character of the state. Moreover, the very existence of such a large Palestinian minority in the state will affect its Jewish character on a practical level, and it is also expected to create pressure that could lead to a gradual change in its character.

13. Preserving the democratic and the liberal character of the state

To preserve the democratic nature of the state, the Palestinians must be granted full and equal citizenship. Since the Palestinian autonomous

area will be an integral part of the State of Israel, it will be subject to commitments made by the state in the international arena. It will also be required to honor the fundamental values of the state. Should the government of the Palestinian autonomy not honor basic human rights, such as the rights to gender equality, a fair trial, or freedom of expression, there will be tension between Israel's obligations—domestically and internationally—to guarantee these rights throughout its territory and its desire to minimize its intervention in the internal affairs of the autonomous area.

14. Implications for Israel's Arab citizens

When determining the territorial extent of the autonomous area, it must be decided whether to include Arab localities that are currently located within the State of Israel. Such a move would be contingent upon the consent of the residents of those localities.

The model poses a dilemma for the Arab citizens of Israel, whether they should maintain the existing trend of connecting with Israeli society or join their Palestinian brethren in the autonomous Palestinian area.

15. Implications for the Palestinian Authority

The establishment of the Palestinian autonomy could be based on the currently existing PA. However, this would require a significant change in the status of the PA. Instead of an independent authority that represents the Palestinian people in dealing with the government of Israel and presenting itself as a “state” on the international level, it would have to accept the status of an autonomous government and operate under the Israeli law and the ultimate authority of the government of Israel.

The likelihood that the PA would agree to such a model as a permanent solution to the conflict, which means giving up full sovereignty, is low. If the PA refuses to serve as the government of the autonomous area, the appointment of alternative officials will be necessary, either as elected officials or as appointees of the central government. Finding such officials will be a major challenge, to put it mildly.

The model makes it possible to leave the Palestinian police intact as the police force of the Palestinian autonomy. This will be the case

primarily if the PA maintains its status as the government in the autonomous area. However, since the police in the autonomy are meant to focus only on policing and law enforcement, and in order to prevent the existence of a semi-military Palestinian force, the structure of the Palestinian police will require changes, including the relinquishing of weapons and equipment in their possession that are not appropriate for their new role.

The implementation of the model will require the PA to discontinue its diplomatic representation in various countries and international organizations and to instead operate under Israel’s Foreign Ministry. However, it may be possible to allow the Palestinian autonomy a certain level of representation within specific international frameworks. International cooperation on this issue depends on the extent to which the establishment of the Palestinian autonomy has the consent of the Palestinian public and is perceived as a legitimate model.

16. The Gaza Strip

If Gaza is included in the model, it will become part of Israel. If a single autonomous Palestinian area is created, arrangements will be needed to connect the autonomous areas of the West Bank and the Gaza Strip, particularly if there is a physical border around the autonomous area. If Gaza is considered a separate autonomous area, then it will have its own government. In such a case, different arrangements could be established for Gaza, especially since it is easier to maintain a physical border between it and the rest of the state. However, the above analysis of the rights of the residents of the autonomous territory will also apply to the residents of Gaza, notwithstanding the existence of a physical boundary or not. In other words, they will enjoy freedom of movement and the right to work in all parts of Israel. They will also have the right to become citizens of the state and to benefit from the full rights of citizenship.

By including Gaza within the state, the Israeli government will be responsible for what happens in the Gaza Strip, including the obligation to provide for the needs of its residents.

17. The creation of the Palestinian autonomy

The establishment of the Palestinian autonomy will require annexing the entire West Bank (and potentially the Gaza Strip) to Israel and adopting a legal framework that will create and define the autonomy. This legal framework will be entrenched by Israeli basic laws that enjoy constitutional status. This will constitute a fundamental change in the structure of the state, one that justifies a referendum or elections on this issue.

The question arises as to whether the Palestinian autonomy can be established without an explicit agreement with the Palestinian leadership. On a theoretical level, the autonomy could be established unilaterally; however, on a practical level, it is impossible to implement such a model—which is based on the idea of Palestinian self-rule—without the consent of Palestinian representatives. In particular, if the PA and its bodies are expected to serve as the basis for the government of the autonomous area, then it will be crucial to negotiate the agreement with the PA.

The establishment of the Palestinian autonomy will lead to far-reaching legal transformations. In the autonomous area, Palestinian law could continue to apply in relation to matters within the autonomy's jurisdiction, although significant adjustments to the new reality will be required. In all other spheres within the jurisdiction of the central government, and also in the territory of the West Bank, which will fall outside of the autonomous area, Israeli law will be fully applied. Transitional arrangements will be necessary, as well as implementation mechanisms to adapt to the new legal situation. This includes, for example, an arrangement that will enable the registration of land located in the West Bank (and potentially in Gaza) within Israel's land records.

If the PA cooperates with this process, its existing institutions will need to be modified and adjusted. Should the PA not cooperate, new institutions must be created within the autonomous area.

It will be necessary to establish institutions in Israel, such as a government ministry and executive bodies that will be responsible for coordinating with the autonomous area; military and security frameworks will no longer be responsible for this coordination.

18. The feasibility of achieving a state with a Palestinian autonomy

It will be difficult, if not impossible, to implement the autonomy model without Palestinian consent. The adoption of the autonomy model as a final settlement of the conflict requires the Palestinians to give up their national aspirations for establishing their own state. The chances of this happening are slim. If the Palestinians are not granted full citizenship rights and full equality within the state, the likelihood of their consenting to the idea becomes even more miniscule. At the same time, however, the majority of the Israeli Jewish public would likely oppose an agreement in which the Palestinians gain full rights in a way that could lead to positions of power in the state.

19. The chances of success as a permanent solution to the conflict

Since the model does not fulfil the national aspirations of the Palestinians, it is difficult to imagine that they will acquiesce to it as a permanent and final solution to the conflict. Without their agreement, tensions will remain on the national level. Feelings of frustration will create a potential for hostility and violence. This concern will increase if the Palestinians feel that they do not have full rights and if they continue to face difficulties in their integration within the state as well as significant economic disparities.

The model creates one state with a large Palestinian minority (which will grow even larger if Gaza is also included). The idea that it will be possible to restrict this population to only the territory of the autonomous area is problematic. It contradicts democratic values and also raises practical difficulties, given that the feasibility of creating a physical boundary between the autonomous area and the rest of the state is questionable. The freedom of movement that the Palestinian residents of the autonomy will enjoy throughout the state inevitably will lead to friction between them and the Jewish population, as well as security threats from potential terrorist elements among them who do not accept the existence of the state.

Preserving Israel's democratic character will require giving the Palestinians political rights and the ability to influence the decisions of the central government, at least on issues affecting them. Their political

power might enable them to participate in strategic decisions in ways that do not align with the worldview of the Jewish majority. Such a situation could lead to strife between the two societies.

If the Palestinians are forced to accept the autonomy model but refuse to accept it as the end to the conflict, then Israel may find itself in a confrontation with the Palestinians within this autonomous area. Furthermore, even if the residents of the autonomous area do not pose a real threat to Israel, Israel could face a confrontation with Gaza—if it is not part of the state—or with other countries in the region. In this case, and particularly in the event of a confrontation with Gaza, the residents and the government of the Palestinian autonomy might support Israel's adversaries, or could be suspected of doing so, which would likely lead to additional tension.

Since the autonomous Palestinian territory will be part of the State of Israel, and all Palestinians will be residents of the state, Israel will be obligated to ensure that their needs are sufficiently met. This will create a huge economic burden on the state, given the poverty in that territory relative to Israel. This burden will become even greater if Gaza is included in the autonomy. Furthermore, if the government of the Palestinian autonomy ceases to function, full responsibility for the entire territory will fall on the government of Israel.

The inclusion of Gaza within the state, even as a separate autonomous area, will significantly increase the number of Palestinians in Israel, and the complexity of the situation in Gaza will undermine the state's stability. Yet leaving Gaza outside the boundaries of the state means that the conflict will not be fully resolved, and it will remain a focus of ongoing instability that will challenge the relations between Palestinians and Jews in the state.

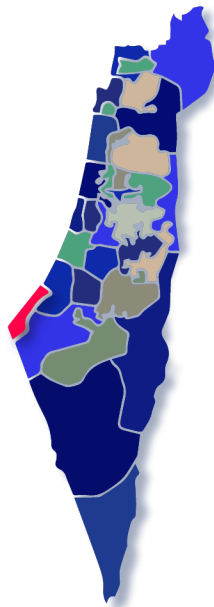
Chapter 3

A Federal State

The model: A single state with a central federal government that is composed of federative districts—some districts having a Jewish character and others having a Palestinian character (see Figure 3). The division can involve just one Jewish district and one Palestinian district or several districts of each type.

The main idea: Avoiding the division of the land and maintaining the identity of Israel as a Jewish and democratic state, while transferring broad powers to the district level, creating self-rule for the Palestinians and the Jews in a variety of domains.

Figure 3. Federation



1. The territorial division

The idea underlying the federation model is that there will be Palestinian districts and Jewish districts. The state can be divided into one Palestinian district and one Jewish district, or into several districts—Palestinian and Jewish. The latter case enables greater homogeneity in each district. If Gaza is part of the federation, it will constitute either a separate district or will become part of the Palestinian district; in the latter case, it will be necessary to define how the two parts of the Palestinian district will be connected.

Ideas have also been proposed for the creation of districts based on other characteristics, such as religious (Jewish) districts, ultra-Orthodox districts, secular districts, and so forth. This kind of setup, however, further complicates the already complex model.

Dividing the state into homogeneous districts according to nationality, namely districts whose residents are all Palestinian and others whose residents are all Jews, will be difficult, particularly if such districts are meant to have contiguous borders. However, if the territory of the district is not contiguous, this will create complexities in applying the different legal regimes of the separate districts and will necessitate giving the general government more authority.

If the idea of homogeneous districts is abandoned, then residents could live as part of a minority within a district. Since Palestinian districts will have a Palestinian national character and Jewish districts will have a Jewish national character, provisions are needed to ensure the rights of minority groups, so that they can preserve their identity, for example in the provision of educational and cultural services.

2. The status of the settlements

The Israeli settlements will remain in place and will become part of the various districts, like any other city or town. Nonetheless, the location of some of the settlements will make it difficult to achieve Palestinian contiguity in the Palestinian districts, especially if there is only a single Palestinian district. As a result, such settlements, unless relocated, will essentially become Jewish enclaves within the district.

3. Jerusalem

Jerusalem will require a separate solution. It could be decided that the city, or at least its sensitive areas (particularly the Holy Basin), should be given a special status with specific arrangements for the division of authority (like, for example, the city of Brussels in Belgium). It will be necessary to find creative solutions that will allow the Palestinians a certain status in some parts of the city and will take into consideration religious sensitivities.

4. Aspects of citizenship and residency

All those living within the federation will become permanent residents of the state and will enjoy freedom of movement and other rights to which they are entitled. Furthermore, they will have the right to obtain citizenship in the country. Permanent residents of a district will be able to vote for the district's government. Citizenship will include the right to vote and to be elected to the state's federal institutions.

5. Governmental authority

It will be desirable to provide as much authority as possible to the district governments to allow the two peoples to govern themselves to the greatest extent. Nonetheless, the federal government must maintain the power to decide on topics that relate to the national level and on interdistrict issues. The federal government will retain the residual powers, namely any authority that has not been conferred to the district.

There is no single formula for how to divide power between the federal government and the districts. Some responsibilities should clearly belong to the federal government, such as foreign affairs, national security, natural resources, macroeconomic policy, immigration policy, and aerial, maritime and electromagnetic control, while others should clearly be assigned to the districts, such as social welfare, municipal administration, local planning and construction, enforcement of criminal law, and local taxation. As for other responsibilities, such as setting official standards, communications, energy, and agriculture, the division is less clear and is affected by various considerations that lead in different directions. Given the small size of the State of Israel and the fact that

the district boundaries are likely to be convoluted, it makes sense to delegate powers to the federal government on issues where normative continuity is desirable, such as transportation, communications, and environmental protection. Furthermore, in some areas, such as education and culture, federal oversight might be necessary to ensure that the messages are consistent with the values of the state and also that the needs of the minorities in the districts are met.

Institutions that reflect the federal structure will need to be established. Thus, for example, it is common in federations for the legislature to be divided into two houses: a national council (or lower house), such as the Knesset, which is elected by all citizens of the state, and a district council (upper house) consisting of district representatives. The federal government can be elected separately (as in a presidential system) or can be assembled from the members of the elected houses. The method of elections to these institutions will affect the relative weight of the districts and of the general public in the government. A federal court system will adjudicate issues within the jurisdiction of the federal government. The federal government will be funded by federal taxes.

Since the federal government is to serve all the state's citizens and operate in all parts of the state, including the Palestinian districts, it will be necessary to ensure that the Palestinian community is represented within the bureaucracy and in the various mechanisms of power, including the court system. This is in line with democratic values and is also essential to encourage the Palestinians to agree to the federal model and avoid the frustration of non-inclusion over time. This means that Palestinian employees of the federal government will work in the Jewish districts and Jewish employees will work in the Palestinian districts. The federal government will need to operate in parallel in two languages—Hebrew and Arabic.

Each district will have its own institutions, which will include a government, a legislative council, and a judicial system that will have the power to adjudicate according to the district's laws. The district will also have policing powers to deal with criminal activity within its jurisdiction.

The government officials of the district will be elected from among the district's permanent residents. Should minorities reside in the various

districts, provisions must be made to protect their rights, such as ensuring adequate representation in the district's institutions. In addition, it will be important to address the concern that extremist elements who wish to undermine the state could be elected to power.

In the Jewish districts, the law will be based on Israeli law—with some changes and adjustments. In contrast, the Palestinian districts could potentially adopt existing Palestinian law in areas under district jurisdiction; this will be subject to adjustments in line with the legal framework applied at the federal level, which will be based on existing Israeli law, and will be aligned with basic constitutional rights and principles.

6. Palestinian involvement in government

All the citizens of the state will be able to vote for and be elected to the institutions of the federal government. The Palestinians are likely to have significant political influence, even though they will be a minority in the state; this is due partly to the rifts within Jewish society. As a result, they will have the ability to influence federal policy on strategic issues, including foreign policy, national security, economic policy, and so forth.

Some proponents of this model suggest that the Jewish majority should continue to effectively control the state's institutions, for example, by creating more Jewish districts than Palestinian ones and giving greater weight to the representatives of the districts. In parallel, and to make this outcome more palatable, it is proposed to give veto power to each group on certain decisions, such that the Palestinians might be able to block initiatives that directly affect them. However, attempting to prevent the Palestinians from being elected to positions of influence—whether through the institutional framework or by means of various formulas—and thus excluding them from the decision-making process is in direct contradiction with democratic values. Moreover, it is highly improbable that the Palestinians will agree to such an arrangement, and even if they do, it will ultimately create feelings of frustration and dissatisfaction that will eventually threaten the stability of the federal state.

7. Freedom of movement within the state

There will be no physical boundaries between districts, and freedom of movement will be guaranteed throughout the state. In the event of a concrete security threat, provisional checkpoints may be set up, as is possible today within the State of Israel.

Freedom of movement includes the right to reside anywhere in the state. Thus, Palestinians will be able to move to Jewish districts and Jews to Palestinian districts.

To preserve the character of a district, the setting of quotas on new residents that do not belong to the dominant group of that district could be considered. Alternatively, it may be decided that the right to move to another district does not automatically confer resident status in the new district nor the right to vote for the district's government, at least during a transition period. In this way, the original character of the district can be preserved, at least for a limited period of time.

Issues related to controlling the external borders and the international crossings, as well as policy regarding the entry and exit to and from the state, will be determined at the federal level.

8. The refugee issue

The federal government will define the policy regarding the entry of Palestinian refugees from abroad into the country. To the extent that the Palestinians have influence over federal decision making, they could exert pressure for the limited absorption of such refugees. Moreover, this could be one of the conditions for Palestinian acceptance of the model. Since there will be freedom of movement within the state, and to the extent that there will not be any restrictions on relocating from one district to another, descendants of the 1948 refugees living in the West Bank (and Gaza Strip—if it is part of the federation) could exercise the “right of return” to locations where their families originally resided, as discussed in the previous models.

Since the refugee camps in the West Bank (and Gaza Strip, if it is part of the federation) will be part of the state, they should be rehabilitated, with provision for the needs of their residents.

9. Security aspects

The federal government will be responsible for the state's overall security, including the fight against both internal and external threats, and the security of its external borders, its maritime domain, and its airspace. The security forces, including the IDF and the ISA, will be under the authority of the federal government and will also be able to operate in the territory of the districts when necessary.

The federal police will have the power to enforce laws that fall under federal jurisdiction, such as enforcing federal prohibitions. Therefore, the greater the powers of the federal government, the greater the reach of the federal police. The federal police will be comprised of both Jews and Palestinians, and hence Palestinian members of the police might operate within Jewish districts and vice versa. This is necessary, in part, to ensure equitable enforcement and to reduce the potential for conspiracy and corruption. At the same time, this setup has the potential to create friction.

The relationship between the security and police forces at the federal level and the police forces in the districts, as well as between the police forces in the various districts, must be defined. This becomes relevant in security incidents that occur within a district or in interdistrict incidents. Apart from the natural disputes over the division of power between the central government and the districts inherent in any federation, the national tensions add another dimension of complexity.

The question of whether to draft Palestinians into the military and security forces of the state will pose a dilemma.

10. Social aspects

Since a federation involves living side-by-side, its success will depend on whether Israeli and Palestinian societies can effectively reconcile. This will be a formidable challenge, given the deep-rooted hostility and the economic disparities.

11. Economic and civil aspects

Macroeconomic policy will be determined at the federal level. This is also the case for issues related to the development and exploitation of

natural resources, as well as any areas in which the lack of a uniform policy is liable to undermine fair trade due to the free movement of people and goods, including setting official standards, indirect taxation, intellectual property, and so forth.

Each district will decide on its own budget and on the economic development within its borders, including land planning and exploitation of the district's resources. The districts will be able to develop independent sources of revenue, including determining the local taxes.

The federal government will need to address the inherent economic disparities between the rich and poor districts and strive to narrow the gaps by investing in the weaker Palestinian districts, as well as in other weak districts in the state. This implies that the richer Jewish districts will essentially be subsidizing the poorer Palestinian districts.

As part of the federal framework, it will be necessary to harmonize the laws applicable to land and intangible property rights in all parts of the state. In addition, a process of consolidation and registration of land rights in the West Bank will be required, since most of the land there is not registered in the land registry.

12. Preserving the Jewish character of the state

The Jewish identity of the state can be anchored in a way that cannot be reversed, for example, by enshrining it within the constitution that creates the federation. However, this will not entirely prevent the identity of the state from changing, due to its demographic composition and pressures to alter its identity.

13. Preserving the democratic and the liberal character of the state

One of the most important aspects of a democratic regime is the protection of human rights in the state. The districts will need to respect the human rights of all their residents and of visitors within their territory. It could be challenging to ensure throughout the federation full respect for human rights, including the right to equal treatment and the prevention of religious coercion. In domains regulated at the district level, there could be tensions with the recognized democratic values of the state, especially if the districts have a religious and traditional outlook and

seek to introduce discriminatory regulations, for example, that relate to women or members of the LGBTQ community. However, if the regulation is at the federal level, and assuming it will adopt democratic–liberal values, it could be difficult to implement in some districts.

14. Implications for Israel’s Arab citizens

Whether to locate the Arab towns and villages that are currently within the State of Israel, such as the communities along the Green Line, within the Palestinian districts will pose a dilemma. The preference of the residents in these communities in choosing the district to which they will belong should be a determining factor.

The division into districts does not provide a solution to the national aspirations of the residents of the mixed cities, such as Haifa, Acre, and Jaffa, which will likely become part of the Jewish district, as well as Hebron, which will likely become part of the Palestinian district.

The model confronts Israel’s Arab citizens with the question of whether they should continue integrating into Israeli society and remain within the Jewish districts or join one of the Palestinian districts.

15. Implications for the Palestinian Authority

The PA in its present configuration will be dismantled, although it can serve as the basis for the government of the Palestinian district, especially if there is only one Palestinian district in the West Bank.

Implementing the federal solution will require the dissolution of the Palestinian security forces, which will be absorbed to some extent into the police forces of the Palestinian districts. Weapons and military equipment that are incompatible with the tasks of a police force will be handed over to the federation’s security forces.

The PA will have to give up its diplomatic representation in various countries and international organizations and will come under the auspices of the state’s Foreign Ministry.

16. The Gaza Strip

The Gaza Strip can be included in the federation as part of the Palestinian district or as a district on its own.

If Gaza is included in the federation, the number of Palestinians in the state will increase significantly. Furthermore, Gaza is an impoverished region and is plagued by problems, which will require solutions by the state.

17. The establishment of the federation

To create the federation, and so that it will function, an agreement must be reached with the Palestinians. If the existing Palestinian leadership is not amenable to the idea, it will be difficult to find an alternative representative body with whom to negotiate agreements that will obligate the Palestinian public.

The creation of the federation will make it necessary to draw up a constitution, which will define the relations between the districts and the federal government and between the districts themselves. Given that this will be a dramatic regime change, the decision should be approved directly by the people, either by means of a referendum or elections. Drafting a constitution for Israel is challenging even without the federative element, given issues such as religion and state, which have prevented the adoption of a constitution until today. The deep cultural and religious gaps between Jews and Palestinians in the state pose an additional major obstacle to creating a constitution. Therefore, reaching an agreement on the constitution would be a complex and confrontational process.

Beyond the constitutional framework, other federal law will be based on the existing law in Israel, with the necessary modifications to the new structure of the regime.

The founding of a federation will necessitate the establishment of new institutions, at both the federal and district levels, and will be a long and costly process. Although building on existing institutions is possible, significant revisions will be necessary.

The federation will constitute a fundamental and comprehensive change in both the structure of the regime and the legal framework, both on the Israeli side and even more so on the Palestinian side. Therefore, the creation of the federation will require detailed interim arrangements and a long transition period to facilitate the introduction and gradual implementation of the new arrangements.

18. The feasibility of a federation

A federation cannot be created without the agreement of the Palestinians. It is unlikely that they will agree to a model in which they give up their national aspirations and become part of a state that will maintain its Jewish character. Moreover, since the relevant partner in negotiations is most likely the PA, it is difficult to see how it will agree to a model that entails its dissolution and the dismantling of its security forces. Nonetheless, the Palestinians could possibly consent should the Palestinian districts be given a greater degree of independence and have more meaningful influence at the federal level, in addition to giving Palestinians equal rights in the state. The Jewish public in the state, however, is liable to oppose such concessions.

Apart from agreement to the model in principle, the two sides will have to agree on numerous and complex details about how the federation will operate, including the division of power between the districts and the federal government, the structure and composition of the courts, the level of Palestinian involvement in the various processes, the integration of Palestinians within the state's institutions, the division of power between the federal security and police forces and the district police, and so on. Thus, a long and detailed negotiation process will be necessary, and it is far from certain that such a complex agreement is attainable.

The chances of success as a permanent solution to the conflict

1. The model is based on the idea of bringing Jews and Palestinians into one state that necessitates numerous connections and ongoing daily interaction between them. Their deep cultural and religious differences, the many years of hostility between the populations, and the potential for violence will pose a major challenge.
2. The definition of the state as Jewish implies that the Palestinians must give up on realizing their national aspirations; this entails an inevitable tension within the federation. This tension is expected to increase should the Palestinians have limited ability to influence decisions in the federation and should they not be granted equal rights within the state. In addition, denying such rights will violate the state's democratic character.

3. Even if the Palestinians have full equality and full partnership in decision making, the federation does not necessarily represent a stable model. The fear will remain that the Palestinians will want to secede from the state or alternatively use their political power at the federal level to transform the state into a binational or even a Palestinian state, instead of one with a Jewish character.
4. Full freedom of movement, including the possibility of moving one's residence within the state, could potentially cause daily friction between Palestinians and Jews. It could culminate in violence and attempted terror attacks by Palestinians who oppose the existence of the state and by Jews who oppose the full integration of the Palestinians within the state. It will be difficult to monitor and control the movement between districts without obstructing the territorial continuity of the state.
5. Granting broad powers to the districts and limiting the intervention of the federal government will make it possible to expand the scope of self-rule for the Palestinians and will make the model more acceptable to them. However, this would lead to lack of harmony, overlaps, duplication, and complications in dealing with issues that concern more than one district, in moving between the districts, and in the relations between them. In addition, it will be necessary to create separate and parallel institutions in each district, such as bureaucracies for professional licensing, for tax collection, and for enforcement, which is a waste of resources for such a small country. The more districts there are, the greater this problem will become.
6. Including all the Palestinian territory as part of the state will create a heavy economic burden on the state due to the under development of most of these territories in comparison to Israel and the need to provide for the needs of the new residents. This problem will be exacerbated if the Gaza Strip is included in the federation.
7. The economic disparities between the districts are liable to lead to instability. Any attempt to bridge the gap will require the residents of the “rich” districts to essentially subsidize the “poor” ones. Since the Palestinian districts are poorer than the Jewish ones, the economic

disparities will cause tension, that will likely exasperate the nationalistic tensions.

8. For the federation to function, ongoing cooperation between the districts and the central government will be essential. If the Palestinians decide to cease their cooperation with the federal government, internal conflicts will ensue and possibly lead to the breakup of the federation.
9. The inclusion of Gaza in the federation—even as a separate district—will create a demographic problem in the country, as described in the previous models, and also an obligation to provide for the needs of the residents of Gaza. However, and as in the previous models, leaving Gaza outside the federation means that the conflict will not be fully resolved, and Gaza will remain a focus of instability, which will challenge the relations between Palestinians and Jews in the federation.

Chapter 4

A Confederation

The model: Two states, the State of Israel and the Palestinian state, separated by a border based on the Green Line, no physical barrier, free movement, and a joint confederative government (see Figure 4).

The main idea: Each people will have its own state, in which its national identity is realized, while the settlements will be left in place with free movement between the two states. Israel will retain involvement in strategic issues at the confederation level.

Figure 4. Confederation



1. The territorial division

The border between the states will be based on the 1967 borders, although adjustments to the border may be agreed upon, such as including the settlement blocs within Israel and/or adding the Arab towns near the Green Line to the Palestinian state, subject to the wishes of the residents.

2. The status of the settlements

The settlements will be left in place and will become part of the Palestinian state. They will have a special arrangement that will allow their residents to maintain a connection to Israel and be subject to Israeli law and Israeli government institutions in most areas of life. Practical solutions will be required for those areas where Palestinian law will inevitably apply, such as infrastructure—including planning and zoning—especially in cases affecting the areas outside the boundaries of the settlements or involving Palestinian citizens.

The residents of the settlements will be permanent residents of the Palestinian state but will retain their Israeli citizenship (see discussion below).

In exchange for leaving the settlements in place, Israel may offer to absorb a certain number of Palestinians within the State of Israel.

3. Jerusalem

Jerusalem can serve as the joint capital of the two states, without any physical boundary between the parts of the city, although each state will have jurisdiction over parts of the city where its citizens are concentrated. In the area of the Temple Mount, or throughout the Old City, a mechanism for joint Israeli-Palestinian local administration will be needed. A mechanism for dealing with disputes between the two sides will be essential.

4. Aspects of citizenship and residency

According to the model, there will be a distinction between citizenship and permanent residency in each country. The Jews will be citizens of Israel, even if they live within the territory of the Palestinian state, and

the Palestinians will be citizens of the Palestinian state, even if they live within the territory of the State of Israel. The citizens of each state will have the right to vote in the general elections of their respective state. In local elections, permanent residents living within the jurisdiction of the local authority will have the right to vote, regardless of their citizenship.

5. Governmental authority

Each state will have a government, a parliament, and its own governing authorities. In addition, a joint confederative government will regulate domains that are shared by the two states.

The areas under the authority of the joint confederative government will be determined by the two sides upon the establishment of the confederation. According to one possible division, the confederative level will have authority in external security, macroeconomic policy, and shared resources such as water, environmental protection, airspace, and electromagnetic space, as well as economic and civil affairs of common interest. The rest will be under the control of the states, and each state will regulate those domains independently. The residual powers, which have not been explicitly assigned, will belong to the states.

Since the two states are meant to have equal status in the confederation, it is assumed that decisions at the confederative level will be made by consensus between them and that their relations will be reciprocal in nature. Nonetheless, Israel might insist on having overriding authority, at least for a limited period of time, on issues of strategic importance, such as external security and the economy. This arrangement, however, will require agreement between the sides.

Given the freedom of movement between the states, it will be necessary to ensure that external border policies are respected and implemented at all international border crossings. For this purpose, representatives of the one state may be positioned at crossings into the territory of the other state. Unless otherwise agreed, the implementation of these arrangements will be reciprocal.

The institutions and bodies that will operate at the confederative level could have various structures. One option is to establish a comprehensive confederative governing body that will include a permanent mechanism for decision making, an executive mechanism, and a judicial system,

which will operate directly within both states. However, a more limited structure is also conceivable, which focuses on having a forum for decision making with representatives from both states, while the implementation of decisions made at the confederative level in the territory of each state will be determined by the authorities of that state.

A mechanism for resolving conflicts between the states will be needed. Given the equal status of the two states, which is the basis for the model, the involvement of a third party may be necessary to overcome stalemates. Involving a third party means giving up some degree of freedom in making decisions related to the confederation and bringing an external actor into play.

The method of financing the confederative government will have to be determined. Israel presumably will have to contribute more to the budget than the Palestinian state, given the economic disparity between them.

6. Palestinian involvement in government

The Palestinians will elect the government in the Palestinian state and the Israelis will elect the government in the State of Israel. Therefore, the Palestinians will not be involved in decision making in Israel, apart from decisions that are under the authority of the confederative government, as described above.

7. Freedom of movement within the confederation

There will be a defined border between the two states but no physical boundary, and movement between the two states will be freely allowed.

If there are inspections at crossing points between the states, these will be applied equally to both sides, at both entry into Israel and into the Palestinian state. This will be a downgrade for Israelis who are accustomed to free passage between Israel and the West Bank, including to or from the settlements.

It may be possible to impose restrictions on moving one's residence between Israel and the Palestinian state, to ensure that the character of each state remains intact. If there is free passage between the states, enforcing these restrictions may be difficult.

Free movement of vehicles between the states will require proper regulations regarding licensing and insurance. The movement of goods between them will require compatible regulations, as specified below.

8. The refugee issue

Each state will independently decide its terms of citizenship. Accordingly, the Palestinian state will be able to determine who has the right to receive Palestinian citizenship, and it may be able to allow the return of refugees and their descendants from abroad to the Palestinian state, unless this is ruled out or limited in the agreement between the two sides. This could be considered part of the solution to the refugee issue.

Given the freedom of movement in the territory of the confederation, the descendants of the 1948 refugees may try to realize the “right of return” to their families’ places of origin and attempt to become permanent residents of the State of Israel.

9. Security aspects

Each state will be responsible for internal security within its borders and will have its own security forces.

The confederative model is based on the idea of equality between the states; however, it may be possible to agree that the Palestinian state will be demilitarized and have only limited security forces.

Retaining the right of Israel’s security forces to carry out operations in the territory of the Palestinian state is contrary to the Palestinian state’s sovereignty. Nonetheless, in a confederative regime, it may be easier for both sides to accept the possibility of such an arrangement in certain situations than in the reality of two separate states. Presumably, the Palestinians will give their consent to this right on a temporary basis, so that it is not a permanent arrangement.

The confederative government will have the responsibility for external security and could assign this task to Israel’s security forces, with the possible inclusion of Palestinian security forces. The control over the borders may serve to justify a permanent Israeli military presence in the Jordan Valley.

The nature of the mechanism within the confederative framework for deciding external security issues, including airspace, the electromagnetic domain, and the maritime domain, will need to be determined. Presumably, Israel will demand to have the overriding authority in these decisions. If Palestinian agreement is required, then the representatives of the Palestinian state will essentially be given veto power.

The formation of external military alliances and the entry of foreign armies into the territory of the confederation presumably will be restricted. Whether these restrictions will equally apply to both sides, meaning that the Palestinian state will have to give its consent should Israel wish to deploy foreign military forces (for example, American forces) in Israel, raises questions.

Security cooperation, including intelligence cooperation, between the sides—routinely and in real-time—will be necessary for addressing both internal and external threats. In addition, it will be vital to maintain close cooperation in fighting cross-border crime, which is expected to increase given the open borders.

The transition can be gradual, such that Israel retains its responsibility for security in the initial stages and until the situation is stabilized. The two sides will need to determine when to progress to the next stage. The idea of involving international oversight in this decision will introduce elements of internationalization to national security issues.

10. Social aspects

Since the confederative model is based on the existence of joint institutions and open borders, it is important that Israeli and Palestinian societies undergo a process of reconciliation.

11. Economic and civil aspects

As the confederative model retains a significant link between the two states, substantial economic disparities between the states could potentially undermine the stability of the confederation. Therefore, it is imperative to narrow these gaps.

The open border between the two states will necessitate a coordinated policy on import, trade, and rules of regulatory and indirect taxation and any other measures required in the absence of economic borders.

The maritime area off the coast of the Gaza Strip will be under the civilian control of the Palestinian state (assuming that Gaza will be part of the state), which includes the right to regulate the exploitation of marine resources, including gas fields, and to issue fishing and shipping licenses. Should Gaza not become part of the confederation, the Palestinian state could be given access to the sea and the use of ports in Israel.

12. Preserving the Jewish character of the state

The model preserves the Jewish character of the state, of Israel, whereas Palestinian identity will be given expression in the Palestinian state. The distinction between residency and citizenship will allow Arab citizens of the State of Israel to realize their national identity within the framework of the Palestinian state without giving up their residency in Israel, should that be their choice. This could also lead to an increase in the relative weight of Jews within the State of Israel.

13. Preserving the democratic and liberal character of the state

By enabling Israel to relinquish its control over the Palestinians, the model removes significant challenges faced by Israel's democracy.

The implementation of the model might require that the Palestinian state be a democracy in a fundamental sense, which means adopting democratic principles and respecting human rights. If this condition is not met, the confederation framework will face difficulties, as it will then be composed of one democratic state and a non-democratic one.

If the issue of human rights in the two states is anchored at the confederative level, then the confederative government and its institutions, including the courts, will have the power to act in this domain. If the issue is not grounded at the confederative level, these rights will have only limited protection based on the level of commitment of each state.

14. Implications for Israel’s Arab citizens

It makes sense to allow Israel’s Arab citizens to choose whether to remain Israeli citizens or to become citizens of the Palestinian state. In any case, they can remain in their places of residence as a result of the separation between residency and citizenship.

The model grants the Palestinian people fulfillment of national aspirations and is meant to end the conflict; therefore it allows the Arab citizens of Israel to reconcile their Israeli and Palestinian identities, even if they choose to remain citizens of Israel.

15. Implications for the Palestinian Authority

The model makes it possible for the PA to serve as the basis for the government of the Palestinian state and even to maintain its security forces and representatives abroad. However, for the stability of the Palestinian state, the Palestinian public will need to have confidence in its leadership; therefore the PA will need to make reforms to regain that confidence, including dealing with government corruption.

16. The Gaza Strip

In order to include Gaza in the confederation, the government of the Palestinian state will need to have effective control of the Gaza Strip so that the confederation can also function there. Thus, for example, to ensure the freedom of movement between the two states, terrorist or criminal elements from Gaza must be prevented from freely entering Israel.

It may be possible to maintain a physical barrier and checkpoints between Gaza and the State of Israel while still having open borders between the West Bank and Israel. If there is such a physical border, ensuring free and uninterrupted passage between the two parts of the Palestinian state must be guaranteed.

Gaza could join the confederation at a later stage, after the confederation is already up and running. Gaza could also become a its own separate state. In that case, the confederation would consist of three states. Of course, in such a situation, it must be ensured that the Palestinians do not

have two votes in the confederative government as opposed to Israel's one vote and that an appropriate formula be determined.

17. Creating the confederation

The confederation will be based on the establishment of a Palestinian state, and subsequently the two states will recognize each other as the nation-states of their respective peoples.

The confederation will be established by an international agreement between the two sides. A detailed agreement will be needed for the confederation to function.

To the extent that the agreement includes the transfer of territory that is now under Israeli law to the control of the Palestinian state, including parts of East Jerusalem, Israeli law requires a majority of 80 Knesset members or a referendum. Beyond this formal condition, it seems appropriate that the creation of the confederation be decided by a referendum or by elections, given the drastic change in regime that this model proposes.

The creation of the confederation will require internal legislation and legal modifications in Israel. The arrangements should be anchored at the constitutional level. Presumably, this process will be accompanied by a heated public debate.

The Palestinian side will also need to make substantial legal adjustments on their side for the creation of a confederation.

18. The feasibility of a confederation

The model gives the Palestinians a state of their own, and therefore they may agree to this model, even though it retains some degree of Israeli control through the confederative government and does not include the evacuation of settlements. From Israel's perspective, the model provides some solution to its national and territorial interests, even if it calls for the creation of a Palestinian state on the entire territory up to the Green Line and for the participation of the Palestinians in the decision-making process.

The model requires the demarcation of a border between the states, and despite the free passage between the two states, each side will have to concede demands of sovereignty over parts of the land.

This is problematic for many in the Israeli public who are unwilling to give up control of the Land of Israel and for many in the Palestinian public who demand control over all the 1948 territory, including that within the Green Line.

To create a confederation, Israel and the Palestinians will have to agree on numerous controversial issues at a highly detailed level. Agreement will be necessary on the following: conducting security activity within the territory of the Palestinian state; the method of decision making on strategic matters; the joint administration of Jerusalem; the special arrangements that will apply to the settlements; immigration policy; the refugee issue; economic policy; the division of shared natural resources; and other issues concerning the two states. This means that agreement will be necessary on the core issues that could not be resolved in previous rounds of peace negotiations. The two sides will also have to agree on other issues specific to the confederative model. Reaching such an agreement thus seems an insurmountable challenge.

The chances of success as a permanent solution to the conflict

1. For the confederation to function, the two states will need to cooperate over the long term. The two sides will need to overcome the hostility, the lack of trust, and the different worldviews that currently exist between them. Disputes between the states, serious violations of the agreement by one of the sides, and violent confrontations between the two states or their citizens will challenge the confederation's stability.
2. The management of affairs in the confederative model will require that the two states agree on many substantial issues, including the border regime, Jerusalem, economic policy, and exploitation of shared natural resources. Therefore, each state will have veto power over these issues. Disputes are liable to end up in deadlock, which will harm the confederation's ability to function. If the confederative government is given authority over issues that are disputed between the two sides, it will be more difficult to reach agreement during the stage of determining

the joint policy. However, if the authority in these domains is allocated to the states and each of them adopts a different policy, clashes will inevitably occur in the stage of implementation.

3. Free passage between the states could lead to tensions between Israelis and Palestinians. Furthermore, since the model does not envisage any effective control of people traveling between the states, there will be a risk of terrorist elements moving between the states, which is exacerbated by the fact that tourists and foreign visitors will also be able to move freely between them.
4. A situation in which Palestinians relocate to Israel and Israelis relocate to the Palestinian state—particularly if these groups are motivated by ideology—is liable to cause tension. Of particular concern is if descendants of the 1948 refugees, whether they are currently residing in the West Bank or in other countries, try to realize the “right of return” by settling in their family’s places of origin.
5. Free movement of goods between the states may harm the Israeli economy, especially if the Palestinian state does not effectively enforce licensing, official standards, taxation, and so forth. Furthermore, cross-border crime is prone to increase, particularly due to the economic disparity between the states.
6. Tension between the residents of the settlements remaining in the territory of the Palestinian state and the governing authorities of that state is almost inevitable, particularly in the case of disputes between them and Palestinian residents. To the extent that these confrontations have an ideological and religious component, the discord likely will become even greater.
7. The joint administration in the Old City in Jerusalem is likely to be a source of contention and disputes. The need to operate in concert may lead to paralysis and cause the sides to avoid necessary steps, while unilateral actions are likely to create confrontations between the two sides. One sensitive incident in Jerusalem can implicate the entire territory of the confederation and even affect relations with neighboring countries.

8. The confederative model makes it easier to accept Israel’s demand to maintain a certain degree of freedom of action for its security forces in the territory of the Palestinian state, at least during the initial stages and until the security situation stabilizes. However, security activity within the territory of the Palestinian state could lead to tensions that will undermine the stability of the confederation, particularly if it occurs frequently and over an extended period of time.
9. If Israel retains responsibility for external security, including the right to deploy along the external borders, then it will be possible to enforce the demilitarization of the Palestinian state and prevent the entry of elements that pose a security threat to the confederation. However, if certain domains, such as external security, are left exclusively under Israel’s control, this will become an ongoing source of frustration within the confederation.
10. The economic disparities between the states are liable to be a destabilizing factor. Although the connection between the states is expected to strengthen the economy of the Palestinian state, for the confederation to succeed, it will require significant and long-term investment to narrow existing gaps. Israel may have no choice but to support the Palestinian economy, which is likely to burden Israel’s economy.
11. The inclusion of Gaza Strip as part of the confederation poses considerable challenges to the stability of the confederation. First, to the extent that the government of the Palestinian state does not have full control over what is happening in Gaza, the free entry of people, vehicles, and goods from Gaza to Israel will raise concerns about security, crime, and economic issues. Furthermore, the inclusion of Gaza in the confederation will also require large investments, which will burden the confederation’s budget. However, if Gaza is not part of the confederation, it will remain a source of instability and the Israeli–Palestinian conflict will not be fully resolved.
12. It is doubtful if a stable confederation is possible given the great social, cultural, religious, and economic differences between the states that comprise the confederation. In particular, it is unclear whether a confederation is feasible unless both states have democratic regimes. It is doubtful that the Palestinian state will successfully maintain a

democratic character, particularly in the initial stages, given that it lacks a democratic tradition.

13. History indicates that confederations are not stable regimes. Some of them break up into separate states while others unite to form a single federal state.

Conclusion

On the basis of the analysis of each model, it is possible to summarize their characteristics in respect to each of the parameters:

1. Territorial division

There is no border within the state in any model, although in the autonomy model, a physical barrier could be feasible if the territory of the autonomous area is contiguous. In the confederation, there is a defined border based on the 1967 line, although it will be an open border without any physical barrier.

2. Status of the settlements

All the models provide for the possibility of leaving the settlements in place, although in the autonomy model, a number of settlements might be evacuated to ensure contiguity in the autonomous area. In the confederation model, the settlements will be part of the Palestinian state and their inhabitants will be residents of the Palestinian state but citizens of Israel.

3. Status of Jerusalem

In all models, Israel retains a degree of control over Jerusalem. However, while Israel has full control in the unitary and autonomy model, the Palestinians will be involved in the administration of certain parts of the city (including the Holy Basin or parts of it) in the federation and confederation models.

4. Aspects of citizenship and residency

In all the models, except for the confederation, the Palestinians become permanent residents of the State of Israel and are also eligible to become citizens. Depriving Palestinians of full citizenship as a permanent solution conflicts with the democratic character of the State of Israel. In the confederation model, there is a distinction between citizenship and residency: the Palestinians are citizens of the Palestinian state, even if they live in the territory of the State of Israel, while the Jews are citizens of the State of Israel, even if they are permanent residents of the Palestinian state.

5. Governmental authority

In the unitary model there is no central government that rules the entire state.

In the autonomy and federation models, the powers are divided between the central government and the government in the autonomous area or district, respectively, which can lead to friction, as well as duplication, complexity, and excess. The confederation model also provides for some division of power between the states and the confederative government, although it is limited, which could result in friction on matters that remain at the confederative level and on issues that concern both states.

In every model, except for the confederation, government institutions must be established to meet the needs of the Palestinian population that joins the state, including the provision of services in Arabic.

6. Palestinian involvement in government

Apart from the unitary model, the models give the Palestinians self-rule in certain domains within the territory under their jurisdiction. In the unitary model, it is possible for the Palestinians to have cultural autonomy.

In all models, apart from the confederation, the Palestinians also have the right to participate in elections to the central government, which is based on their right to Israeli citizenship. In the autonomy model, it may be decided that representation of the residents of the autonomy

in the central government will be through appointed representatives, rather than by direct elections.

The denial of full rights to the Palestinians, including the right to vote and be elected, is contrary to the democratic character of the State of Israel. Furthermore, if they are not given full rights in the state, increased hostility and alienation can be expected.

Giving the Palestinians the right to participate in the political processes in Israel could cause concern that they will pursue interests within the political system that conflict with Jewish national interests, to the point that they may attempt to change the Jewish character of the state, or at least to strengthen its Palestinian character. In a confederation, the Palestinians are not involved in the government of the State of Israel, and their influence is limited to those domains under the jurisdiction of the confederative government.

7. Freedom of movement in the state

Both Palestinians and Israelis have freedom of movement in the entire territory in all the models. In the confederation model, the Palestinians have freedom of movement throughout the confederation as a result of the lack of borders between the states, even though they are not permanent residents of the State of Israel. None of the models, except the autonomy model, have a physical border within the state, so that it is impossible to effectively restrict freedom of movement. In the autonomy model, a physical barrier may be possible, if the territory is contiguous. In this case, border control could take place at crossing points if necessary. However, the right to freedom of movement of the residents of the autonomous area must be respected as part of their status as permanent residents of the State of Israel. Unrestricted freedom of movement potentially could lead to strife between Palestinians and Jews within the state.

8. The refugee issue

The refugee issue is external to all the models and depends on how the matter is settled between the two sides. Nonetheless, it can be assumed that the Palestinian side will raise the issue as a condition for agreeing

to the model. In all the models, there is a concern that the refugees who are currently within Palestinian territory will exploit the freedom of movement to realize the “right of return” to their family’s place of origin within Israel’s territory. In a confederation, refugees from abroad might be able to enter the territory of the Palestinian state, unless it is otherwise agreed upon between the sides.

9. Security aspects

External security and securing the external borders remain Israel’s responsibility in each model, although in the confederation model, Palestinian forces and the representatives of the Palestinian state may also be involved in such matters, at least gradually. Furthermore, Israeli security forces will have the right to operate in territory under Palestinian control to handle internal security threats. In the autonomy model, the division of power between the security forces of the central government and those of the autonomous area must be established. In the confederation model, the ability of Israeli security forces to operate in the Palestinian state will probably be limited to exceptional cases and phased out over time.

10. Social aspects

In all the models, genuine processes of reconciliation between the Jewish and Palestinian publics in the state are crucial, given the close connections between the societies. This is particularly important the unitary state and federation models, but also in the autonomy and confederation models.

11. Economic and civil aspects

In all models, responsibility for macroeconomic policy is given to the central government (in the confederation, it is the confederate government) and uniform rules of trade are required. In all the models, except for the confederation, the ultimate responsibility for the welfare of all the Palestinian residents rests with the government of Israel. Each model requires investment by the state in order to narrow the major economic disparities, including finding a solution for rehabilitating the existing

refugee camps. This is particularly the case in the unitary and federation models, but also in the autonomy model. In the confederation model, as well, reducing economic disparities between the states composing the confederation is important, for the sake of stability.

12. Preservation of the Jewish character of the state

All the models, except for the confederation model, pose a challenge to preserving the Jewish character of the State of Israel, by adding a large Palestinian minority. Moreover, the Palestinians could gain considerable influence over strategic decisions that could affect the state's Jewish character. This is especially the case in the unitary and federation models, but could also occur in the autonomy model. In contrast, in the confederation model, the Jewish character of the state is preserved, as Palestinian national identity is realized in the Palestinian state.

13. Preservation of the democratic and the liberal character of the state

The confederation model improves Israel's capability to adhere to democratic values, since it ceases to control the Palestinians. In all the models, preserving the state's democratic character requires that the Palestinian residents who join the other state receive all the rights granted to residents of the State of Israel, including the right to become citizens of the state.

Beyond that, retaining the democratic and liberal character of the state will also depend on how the Palestinian governing bodies—whether at the level of the district or of the autonomous area—ensure respect of basic freedoms and human rights. In the confederation model, if the Palestinian state is not democratic, the coexistence of a democratic state and a non-democratic state under the same confederative government will pose a challenge to the model's stability.

14. Implications for Israel's Arab citizens

All the models make it possible for Israel's Arab citizens to connect with their Palestinian brethren in the West Bank (and Gaza) who will also become part of the state (or confederation). In the autonomy and

federation models, the choice of some Arab citizens of Israel to become part of the Palestinian autonomous area or district could be taken into account when determining the borders of the autonomous area or of the district. In the confederation model, they could be given the choice of becoming citizens of the Palestinian state, while remaining residents of Israel. Implementing all the models places the Arab citizens in a dilemma as to whether they should join the Palestinian side within the one state, at the price of less integration into Jewish Israeli society.

15. Implications for the PA

The status of the PA will undergo a major transformation in all the models. In the unitary model, it will be dismantled altogether, while in the federal model, the PA will be transformed into a district government with limited powers. In the autonomy model, the PA can remain the governing authority in the autonomous area under Israeli authority. In the unitary model, the PA's security forces will be dismantled altogether while in the case of the autonomy and federal models, the security forces will be modified and become a regional police force. In the confederation model, the PA will be able to upgrade its status to that of the government of the Palestinian state.

16. Status of the Gaza Strip

In every model, the inclusion of Gaza complicates the possibility of successfully implementing the model. Excluding Gaza, however, means that the conflict will not be fully resolved, and Gaza will remain a source of instability on the border of the state. The confederation model has greater flexibility to include Gaza in the model, by implementing arrangements that take into account the complexity of this area.

17. Execution of the model

All the models involve a drastic regime change that requires direct approval by the people. Apart from the unitary model, reaching a detailed agreement with the Palestinians is a necessary precondition to the implementation of the model. Implementing the unitary model will also be difficult if the Palestinians are opposed to it, and violent confrontations

are expected in such a case. Each model requires formulating a new constitutional framework and implementing major structural changes, which will require a significant transitional period, with the federation model proposing the most drastic changes.

In the confederation model, the transfer of parts of East Jerusalem to the Palestinian state requires a referendum or a vote of a majority of 80 members of the Knesset, according to current Israeli law.

A challenge in all of the models—except for the confederation—is the harmonization of civil law, at least in domains that do not fall exclusively in the realm of the autonomous area or district, respectively. Thus, for example, it will be necessary to register land located in territory that is added to the State of Israel in accordance with Israeli law, especially in the unitary and federation models.

18. Feasibility

In all the models, except the confederation, obtaining Palestinian consent is highly dubious, since the Palestinians will be agreeing to join part of a state with a Jewish character and without fully realizing Palestinian national aspirations. Implementing a model without Palestinian agreement would most likely require the use of force and lead to international pressure on Israel. It also is likely to create conflict among the Israeli public, particularly if the model is perceived as threatening to the Jewish or democratic character of the state. In the confederation model, the Palestinians will be able to realize their national identity, although its implementation requires that they agree to the Israeli settlements remaining in place. Moreover, the sides will have to reach detailed agreements on the core issues of the conflict and complicated arrangements for coordination, rendering the negotiations complex and challenging.

The likelihood of the models' success as a permanent solution to the conflict

None of the models appear to have auspicious prospects of bringing about a permanent, stable, and successful solution to the conflict. One main reason is the high potential for friction between Israelis and Palestinians due to

the freedom of movement granted in all the models. Given the deep-seated hostility between the two populations over the past decades and their religious, cultural, social, and economic differences, the models raise concerns that tensions between the populations will lead to violent internal strife and ultimately to the state's instability.

In all the models in which the Palestinians become part of a state with a Jewish identity without being able to realize their national identity, hostility between the peoples is liable to increase over the years. The confederation provides an adequate solution to this aspect; hence, with this model, friction could decrease over time. Denying the Palestinians full rights in the state not only would be a fatal blow to Israel's democratic character, but it would deepen hostility and inevitably lead to violence that could escalate into a full-fledged civil war. Granting the Palestinians full and equal civil rights could lead them to alter the Jewish nature of the state. Additionally, even if the Palestinians are given full and equal civil rights, national tensions will continue to exist and destabilize the state. The confederation is the only model that offers a solution to these concerns since each nation controls its own state.

All the models also impose a heavy economic burden on Israel, as it must provide for the needs of all the new Palestinian residents who join the state. Although Israel is not directly responsible for the residents of the Palestinian state in the confederation, their economic situation is of critical importance. Indeed, bridging economic gaps within the confederation is crucial for its stability. In addition, dividing the state into districts and regions, as suggested in the federation and autonomy models, creates duplication, complexity, and excess, especially given the small size of the country.

Furthermore, implementing the models requires the consent of the Palestinians, and the two sides must manage to resolve numerous controversial issues. It is difficult to see how this can be achieved. Moreover, all models (except, perhaps, the unitary model) require reaching agreements with the representatives of the Palestinians in a continuous fashion as part of the implementation of the model. This entails endless disputes.

In contrast to the models analyzed here, which are based on the idea of a continued connection between the Jewish and Palestinian peoples in the area between the Mediterranean Sea and the Jordan River, the two-state solution is based on the idea of separation. This model has not been explored in this

document but has been extensively analyzed over the years, including by the INSS. This solution has significant shortcomings, as it requires dividing the land and evacuating settlements, as well as posing certain security risks. Nevertheless, as the analysis clearly shows, the impossibility of a model based on the union of the two peoples as a stable solution to the conflict leads inevitably to the conclusion that, despite its shortcomings, separation is indeed the preferable solution to the Israeli–Palestinian conflict.

Annex

Comparison of the Models

The parameters that were analyzed for all the models are summarized in a table below, facilitating comparison between the models.

The table also includes a column for a two-state model. This model was not discussed in this study. Although the exact framework of a two-state model depends on what the sides agree upon, for the sake of convenience and as a benchmark, the following parameters are given:

- An agreed-upon border based on the 1967 demarcation line, with settlement blocs within Israel and the exchange of territory;
- A demilitarized Palestinian state with detailed security arrangements;
- Mutual recognition of the two states as the national homes of their respective peoples;
- The Jewish neighborhoods in East Jerusalem will be within Israel and Palestinian neighborhoods will be located within Palestine. Arrangements will be made to ensure a solution to the complicated reality in the Old City and full access to the holy sites;
- A solution of the refugee problem based on limited resettlement in Palestine and on compensation.

Territorial division	
Unitary state	Palestinian Autonomy
One state with no internal division.	A defined Palestinian autonomous area within the state. A physical boundary might be possible if the territory is contiguous.
Federal state	Confederation
Division of the state into two or more Jewish and Palestinian districts. No physical boundaries.	Two separate states with a border between them, based on the 1967 demarcation lines. No physical boundaries.
Two states	
Two separate states with a border between them, based on the 1967 demarcation lines with modifications leaving settlement blocs on the Israeli side.	

Settlements	
Unitary state	Palestinian Autonomy
Settlements will remain in place and the building of new settlements can continue in any location.	Settlements remain in place. Nonetheless, to achieve contiguity of the autonomous territory it may be necessary to evacuate certain settlements.
Federal state	Confederation
Settlements will remain in place. Although most will be in the Jewish districts, some will become enclaves in the Palestinian districts.	Settlements will remain in place as enclaves in the Palestinian state.
Two states	
Some settlements will be annexed to Israel according to the location of the border. The rest will be evacuated.	

Jerusalem	
Unitary state	Palestinian Autonomy
Under full Israeli control.	Under full Israeli control. Some status can be given to representatives of the autonomy.
Federal state	Confederation
Capital of the federation. Special arrangements for joint administration and Palestinian representation.	A joint capital. Arrangements will be needed for joint administration.
Two states	
Palestinian neighborhoods in East Jerusalem will be part of the Palestinian state. Special arrangements will apply to the Holy Basin.	

Citizenship and residency	
Unitary state	Palestinian Autonomy
The Palestinians will be permanent residents and citizens of the state.	Under full Israeli control. Some status can be given to representatives of the autonomy.
Federal state	Confederation
The Palestinians will be permanent residents and citizens of the state.	The Palestinians will be citizens of Palestine and the Jews will be citizens of Israel, even if they are residents of the other state.
Two states	
Each country determines who will be its citizen.	

Governmental authority	
Unitary state	Palestinian Autonomy
Similar to the current governmental structure, while providing a solution for a large Palestinian population, including appropriate government institutions, use of the Arabic language, and so forth.	A Palestinian autonomous authority with powers within the autonomous territory and a central government with powers on the level of the state.
Federal state	Confederation
Composed of district governments that are elected by residents, addressing issues that relate to the district, and a federal government elected by the citizens of the state, which deals with federal issues and domains that require national harmonization. The residual powers will go to the central government.	Each state will have its own government institutions. In addition, there will be a confederative government with representatives of the states that will address predetermined domains requiring coordination. Residual powers will go to the states.
Two states	
Each state has its own government and full powers within its territory. Coordination will be as needed.	

Involvement of the Palestinians in the government

Unitary state

The Palestinians can vote and be elected to the state's institutions just like any other citizen. Potential recognition of the collective rights of the Palestinian minority.

Palestinian Autonomy

The Palestinians will participate in elections for the government in the autonomous area. As for the central government, instead of granting direct voting rights to Palestinians, participation may be by means of representatives of the autonomous area, while ensuring that they are involved in decisions that affect the area, including on strategic issues.

Federal state

The permanent residents of a district will have the right to vote for the district government. All citizens, including the Palestinians, will be able to participate in elections for the federal government.

Confederation

Palestinians will not be involved in the decisions of the State of Israel. In the confederative government, there will be equal status for representatives of both states. Israel may be given preference on certain issues, at least for a limited period, with a gradual transition to full equality.

Two states

Each side governs its own state and is not involved in the decisions of the other state.

Freedom of movement in the state	
Unitary state	Palestinian Autonomy
Full freedom of movement in the state for all its residents, including the right to work anywhere and to choose one’s place of residence.	Freedom of movement, including the right to work in the entire state. If there is a physical boundary, border control may occur upon entry into Israel, to prevent the entry of dangerous elements. Moving one’s residence from the autonomous Palestinian territory to Israel may perhaps be restricted.
Federal state	Confederation
Full freedom of movement throughout the federation. To preserve the character of the districts, moving one’s residence between districts may be subject to certain restrictions.	Full freedom of movement throughout the confederation. Limitations on moving one’s residence between the states may exist.
Two states	
No freedom of movement between the states. Passage will be subject to each state’s entry and exit policy.	

Refugees	
Unitary state	Palestinian Autonomy
No absorption of refugees from outside the state. Dealing with the refugee camps in the territory will be necessary as part of a general concern for the welfare of the state's residents.	A condition for Palestinian agreement to the model could be the absorption of a limited number of refugees from outside in the autonomous area.
Federal state	Confederation
A condition for Palestinian agreement to the model could be the absorption of a limited number of refugees from outside in the Palestinian districts. Dealing with the refugee camps in the state's territory will be necessary.	The Palestinian state could demand the option of absorbing refugees from outside its territory. If immigration policy is under the jurisdiction of the confederation, then this issue will acquire agreement of both states.
Two states	
This issue will be negotiated between the sides. The solution will probably not include a physical return of refugees to the State of Israel (apart from possibly a symbolic number) but could include the return of some refugees to the Palestinian state.	

Security aspects	
Unitary state	Palestinian Autonomy
The government of Israel will have exclusive responsibility for security. Should Palestinians be able to join the IDF and the security forces is a dilemma.	The government of the autonomous area will have the authority in criminal matters and its own policing forces. The central government will be responsible for external security and for events that have consequences for the entire state.
Federal state	Confederation
The districts are responsible for criminal matters, while the federal government is responsible for internal and external security. Should Palestinians be able to join the federal security forces is a dilemma.	Each state will be responsible for its own security. The Palestinian state could be demilitarized. The confederative government is responsible for external security. Israel could be granted preference in external security and protection of the borders, as well as authority to carry out security activity in the Palestinian state in the case of exceptional events, at least for a limited period.
Two states	
Each state is responsible for its own security. The Palestinian state will be demilitarized. Israel could have some authority over security in specific situations, regarding external security or severe internal security threats, at least for a limited period.	

Social aspects	
Unitary state	Palestinian Autonomy
Reconciliation processes between the peoples are essential.	Reconciliation processes are highly important for the stability of the arrangement.
Federal state	Confederation
Reconciliation processes between the peoples are essential.	Reconciliation processes are important for the stability of the confederation, due to the open borders and contiguous interface between the two states.
Two states	
Reconciliation processes are desirable but not essential to the success of the model.	

Economic and civil aspects	
Unitary state	Palestinian Autonomy
The state is responsible for the welfare of all its residents and will need to invest in narrowing economic and infrastructure disparities. Standardization of laws will be necessary, including land registration.	Overall economic policy will be determined by the central government. Coordination will be needed in many domains. The state has overall responsibility for the welfare of all residents and investments will be necessary to reduce disparities.
Federal state	Confederation
The state has overall responsibility for the welfare of all residents. Economic policy will be determined at the federal level. Each district will be responsible for economic development in its jurisdiction; nonetheless, economic gaps between the districts will need to be bridged. Laws applying to all the districts will need to be standardized at the federal level.	Economic coordination is necessary, given the freedom of movement in this model. Economic disparities between the states must be reduced.
Two states	
Each state is responsible for its own economic situation. Israel has an interest that the Palestinian state will be stable, but the burden will not fall on Israel.	

Preservation of the Jewish character of the state	
Unitary state <p>The Palestinians will have significant political power and may try to weaken the Jewish character of the state, even if it is anchored in the constitution.</p>	Palestinian Autonomy <p>The Palestinians will express their national identity in the autonomous area. Therefore, the Jewish character of the state could be anchored in a way that it cannot be rescinded. Nevertheless, the Palestinians could have the power to impact the state's identity through their involvement in strategic decisions.</p>
Federal state <p>The Palestinians will have significant political power and may try to weaken the Jewish character of the state, even if it is anchored in the constitution.</p>	Confederation <p>Each state will be able to shape its own national character. The Jewish character of the state will be preserved. The Arab citizens of Israel will have the opportunity to express their national identity in the Palestinian state.</p>
Two states <p>The Jewish character of the state is preserved.</p>	

Preservation of the democratic and liberal character of the state	
Unitary state	Palestinian Autonomy
To preserve the democratic character of the state, the Palestinians must be granted full and equal citizenship. The addition of a large population that is primarily religious and traditional is likely to adversely affect the liberal character of the state.	To preserve the democratic character of the state, the Palestinians must be granted full and equal citizenship. If the government of the autonomous area does not respect human rights and democratic and liberal values, this will conflict with the state’s democratic and liberal nature.
Federal state	Confederation
To preserve the democratic character of the state, the Palestinians must be granted full and equal citizenship. If human rights and democratic values are not upheld in the districts, this will conflict with the democratic and liberal identity of the state.	Ending the control over the Palestinians will strengthen Israel’s democracy. If the Palestinian state is not democratic, the confederation will be composed of a democratic state alongside a non-democratic one; this could threaten the stability of the model.
Two states	
The State of Israel will be able to preserve its democratic character even if the Palestinian state is not democratic. Ending control over the Palestinian people will improve Israel’s democratic character.	

Implications for Israel’s Arab citizens	
Unitary state	Palestinian Autonomy
Israel’s Arab citizens can serve as a unifying link but might find themselves conflicted, which might interfere with their integration in Israeli society.	Arab localities may be able to choose whether to become part of the autonomous Palestinian area.
Federal state	Confederation
The Arab localities in Israel could be included in the Palestinian district. Palestinian nationalism could be realized at the district level.	Israel’s Arab citizens will be able to choose whether to remain citizens of Israel or to become citizens of the Palestinian state. They will be able to remain residents of Israel regardless of citizenship.
Two states	
Israel’s Arab citizens will remain citizens of Israel. The resolution of the conflict with the Palestinians will ease their integration within the state. They will be able to choose to express their national identity in the Palestinian state.	

Implications for the PA	
Unitary state	Palestinian Autonomy
The PA will be dismantled, and its powers will be rescinded. The Palestinian security forces will be disbanded.	The PA can serve as a basis for the government of the autonomous area. The powers of its security forces will be curtailed, leaving only a policing force.
Federal state	Confederation
The PA will not continue to operate in its present format. It can serve as a basis for the government of the Palestinian district. The Palestinian security forces will be reduced to a policing force.	The PA can serve as a basis for the government of the Palestinian state.
Two states	
The PA can serve as a basis for the government of the Palestinian state.	

Status of the Gaza Strip	
Unitary state If Gaza is part of the state, it will have a significant impact on the demographic situation and add an area to the state that is rife with problems.	Palestinian Autonomy Gaza can become part of the Palestinian autonomous area or an autonomous territory in itself. Special arrangements for this territory may be adopted. Its inclusion will make the model less stable.
Federal state Gaza can be part of the Palestinian district or an independent district. Its inclusion in the federation will reduce the feasibility of the model given the complexity of the situation in Gaza.	Confederation Gaza can be part of the confederation, although its inclusion will undermine the stability of the confederation. If it is included, perhaps free passage between Gaza and Israel may be limited in the initial stages, with arrangements for connecting Gaza to the West Bank.
Two states Gaza can become part of the Palestinian state. This will depend on a solution in the Palestinian internal arena and on the ability of the Palestinian leadership to ensure compliance with the agreement in Gaza.	

Implementation of the model	
Unitary state	Palestinian Autonomy
Israel will unilaterally annex the entire territory and reestablish control over territory now controlled by the Palestinians. Additional constitutional and legal adjustments will be required.	Palestinian consent is requisite as the model cannot be implemented unilaterally. The structural changes must be anchored constitutionally.
Federal state	Confederation
Palestinian agreement is essential. The fundamental structural changes must be anchored in a detailed constitution.	A Palestinian state must be created, and an agreement signed between the states that specifies all the arrangements that apply to the confederation. Additional legislative steps will be needed.
Two states	
An agreement must be concluded between the two sides. If the agreement involves the transfer of parts of East Jerusalem to the Palestinian state, then a referendum or a vote of a majority of 80 members of the Knesset is required.	

Feasibility	
Unitary state	Palestinian Autonomy
Palestinian opposition is expected, as is internal disagreement within the Israeli public.	It is doubtful whether the Palestinians will settle for autonomy within a state that maintains a Jewish character.
Federal state	Confederation
It is doubtful whether the Palestinians will agree to be part of a federation that maintains a Jewish character. It will be difficult to create a constitution on sensitive issues.	The Palestinians may consent to the model in principle. The model requires agreement on all the core issues and also on numerous aspects of the confederation. It will be difficult to achieve agreement.
Two states	
This model has already been discussed in the past and has won international support. It will be necessary to overcome the opposition on both sides. Large-scale evacuation of the settlements will meet internal Israeli opposition.	

Likelihood of success as a permanent solution	
Unitary state	Palestinian Autonomy
The model entails friction in everyday life, given the disparities between the two populations.	The model will be unstable if the Palestinians feel they are imprisoned and lack equal rights.
Federal state	Confederation
The model entails friction in everyday life, given the disparities between the two populations. Furthermore, the model is cumbersome and wasteful.	The model leaves in place a high potential for friction between the populations and many issues that require agreement, and therefore, the model is not stable.
Two states	
The model will leave both sides unsatisfied. Nonetheless, it leads to separation between them, thus lowering the potential for friction and increasing the model's stability.	

In recent years, there has been an increasing tendency to speak of the “demise of the two-state solution” and to replace it with one state from the Mediterranean Sea to the Jordan River as a solution to the Israeli–Palestinian conflict. The proponents of the one-state model claim that the two states solution is no longer feasible, given that the Green Line has been blurred and Judea and Samaria (the West Bank) is connected to the State of Israel by extensive Israeli settlements and activity—both military and civilian.

Is the one-state solution to the Israeli–Palestinian conflict an implementable solution? This memorandum examines four models: a unitary state that includes the entire territory between the Mediterranean Sea and the Jordan River; a Palestinian autonomous area within the West Bank as part of the State of Israel; a federation divided into Jewish and Palestinian districts; and an Israeli–Palestinian confederation. Public discourse focuses on the question of whether a single state that is both Jewish and democratic is possible. The memorandum also assesses how such a state will operate on the practical level and whether it can serve as a feasible solution to the conflict.

To this end, this memorandum discusses a variety of parameters for each model: the territorial division; the status of the settlements; the status of Jerusalem; aspects of citizenship and residency; governmental authority; the involvement of the Palestinians in government; freedom of movement within the state; the refugee issue; security aspects; social aspects, economic and civil aspects; preservation of the state’s Jewish character; preserving the democratic and liberal character of the state; the implications for Israel’s Arab citizens; the implications for the Palestinian Authority; the status of the Gaza Strip; the execution of the model; and the feasibility of the model. Based on the analysis of these parameters, the likelihood of the model’s success as a permanent solution to the Israeli–Palestinian conflict is examined.