Israel and the Palestinians:
Policy Options Given the Infeasibility of Reaching a Final Status Agreement

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Goals and Basic Assumptions

Policy options regarding the Israeli-Palestinian conflict are among the main bones of contention in Israeli politics. At the same time, over the years a solid majority has developed in Israeli society agreeing that the preferred alternative for settling the conflict is separation from the Palestinians and implementation of a two-state solution to ensure Israel's existence as the democratic nation-state of the Jewish people.

The purpose of this article is to examine Israeli policy options toward the Palestinians and the extent to which they bring Israel closer to a two-state reality. The starting assumption is that effective negotiation of a final status arrangement will not be possible in the foreseeable future, primarily due to the mutual lack of trust between the Israelis and the Palestinians. Each side is convinced that the other side is unwilling or unable to propose any acceptable agreement. Added to this is the complicated internal political situation on both sides. The territorial and political distance between the Fatah government in the West Bank and the Hamas government in Gaza divides the Palestinians. In Israel, there is much political discord and a government where powerful oppositionist elements are able to obstruct the road to a permanent

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agreement. Furthermore, the regional instability in the wake of the Arab uprisings complicates the mobilization of states in the region to support the negotiations. The United States, the main international actor, is neutralized as a result of the current presidential election campaign and the need to address more critical crises, and there are doubts as to its ability to intervene in any concrete way even after the elections.

The Method

In the more than twenty years of an Israeli-Palestinian political process, numerous possible options for resolving and managing the conflict have been raised in the Israeli and international political and public debate. Against this backdrop and as part of this study, all the options that do not contradict the goal of realizing the two-state solution were mapped and compared vis-à-vis their ability to promote the two-state solution. They were also assessed relative to a "sit and wait" approach. There is no purpose in pursuing a course of action that essentially channels Israel to a worse situation than one in which it does nothing. The comparison was conducted using a set of parameters that measure the extent to which the options bring Israel closer to achieving a secure two-state situation, and parameters that measure the political feasibility of the options.

The Alternatives

Three of the alternatives evaluated were judged to be viable. Three other options surface frequently in the public debate in Israel and were therefore worth examining, even if it is quickly concluded that they lack feasibility and fail to contribute toward the stated purpose.

The first relevant alternative is a "sit and wait" policy, which represents two versions: the "pure version," which is to avoid any change in the current situation, and "sit and do a little," in which "good faith" gestures to the Palestinians – such as easing the movement of people and goods and other actions to improve the Palestinians' economic situation – are used to bring about an improvement in the current situation, with the goal of enhancing their living conditions. It would appear that Prime Minister Benjamin Netanyahu was referring to such a policy when he proposed what he called "economic peace" early in his current term; this is clearly the visible preference of the Israeli political establishment. It does not require decisions that could bring about the collapse of coalitions and the fall of governments, and it avoids a confrontation with the settlement

movement and its supporters. However, this is not a real alternative to a policy aiming to create two states because not only does it not promote this solution; it does not even ensure that the current situation will be maintained. In practice, there is no actual status quo because the situation is constantly evolving: for example, the number of settlers in the West Bank is growing, Palestinian demographics are creating changes, the process of delegitimization of Israel in the international arena is gaining strength, and the pressure is increasing in the Palestinian pressure cooker. The result is that Israel is not standing still in relation to the two-state solution, rather, is moving away from it and toward the next flare-up on the Palestinian front, whose exact makeup and consequences cannot be predicted.

The second relevant alternative comprises unilateral moves, and here too, there are two versions. The first version is full unilateralism, with only tactical coordination with the Palestinians. The second version is coordinated unilateralism, a process in which each side coordinates the unilateral measures it implements with the other side and there is some sort of reciprocity. An example of such coordination and reciprocity are actions by Israel to stop the expansion of settlements, including limited evacuation, along with limited Palestinian actions toward rehabilitating Palestinian refugees on Palestinian territory, or Israeli territorial measures in coordination with a Palestinian declaration of the establishment of a state. A variety of measures can be included within the unilateral option, but for the purposes of the comparative examination, it is important to address the substantive measures. These include meaningful signals – limiting and stopping the settlement project (an evacuation/compensation law that would allow settlers to leave voluntarily from an area to be defined in advance in exchange for compensation, limiting building up to the line of the fence) – as well as gradual territorial changes that could include a full withdrawal to a line Israel decides upon (perhaps the line of the fence).

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An important principle underlying this option is a distinction between a military and a civilian presence. This is a clear lesson of the

disengagement from the Gaza Strip. It is worth considering transferring territories to civilian Palestinian administration so that the Palestinians will be able to advance the project of building a Palestinian state, but at the same time, to continue with security control that will reduce security risks until the point at which it is clear that the Palestinians are willing and able to take responsibility for these areas, and the level of security coordination between the two sides ensures a high level of security.

The main advantage of the unilateral option is that it is dependent only on Israel's political will. The main problem with it is that it evokes negative connotations among the Israeli public as a result of security developments after the unilateral withdrawals from southern Lebanon and the Gaza Strip, and the partially flawed implementation of those government decisions. The distinction between civilian withdrawal and security withdrawal addresses the concern that Israel is taking unacceptable risks with these unilateral actions. This would also make it possible to carry out such unilateral measures with the understanding that their implementation would not necessarily reduce the Palestinians' motivation to pressure Israel in various ways, including through violence, to achieve additional concessions. If this pressure is in fact contained, this would certainly be a positive development, but the main goal is to gradually separate from most of the Palestinian population and create a two-state situation.

The third alternative to be considered involves transitional arrangements. Intended here are partial, gradual arrangements that have been agreed on that will advance both sides toward a two-state reality and a permanent solution. In order for this progress to be significant, it must include real territorial components. This option can also address another issue, namely, the need to include Hamas in agreements with Israel. If Hamas is a partner to agreements with Israel, this means that there is a broad consensus in Palestinian society concerning an agreement, and the chances of its acceptance, viability, and endurance are greater. The inclusion of Hamas seems to be a more practical idea if the agreements are partial and do not require Hamas to give up its main ideological principles at an early stage. The main disadvantage of the idea of transitional arrangements results from vehement Palestinian opposition to holding negotiations on this basis, and even if Palestinians can be persuaded to start negotiations, it is doubtful that agreements will

be concluded. This disadvantage can be overcome if the two sides reach several basic understandings about a permanent settlement or are given sufficient safeguards concerning the permanent status agreement. In such a situation, it will be easier for the Palestinian leadership to enter into a process based on partial agreements.

Three ostensible options are in fact options in name only. The first is an imposed solution. There are different variations of an imposed solution – from constraining the sides to accept an agreement dictated by the major powers, to constraining them to accept a decision by arbitrators, to forcing Israel to withdraw from the territories and in its wake, establishing an international trusteeship in the territories en route to establishment of a Palestinian state. From Israel's perspective, these solutions are neither desirable nor realistic because they do not provide Israel with the ability to guarantee its essential interests. It is also very difficult to envision a situation in which the international community would want to impose a solution on the two sides and be capable of bearing the costs and risks of doing so.

The second alternative in this category is the Jordanian solution. Of late this option has aroused renewed interest, mainly due to frustration with the stalemate in the diplomatic process and because of the belief that Jordan is a reliable partner in contrast to the Palestinians, who are seen as unreliable. That does not necessarily make this solution more realistic, because this option too is based on an agreement and offers no better solution to the core issues. There is no reason to assume, for example, that it will be easier to reach an agreement with Jordan on the West Bank border or on refugees. The idea that Jordan is a more reliable partner and therefore it is easier to reach an agreement with it could also be problematic if the developments of the "Arab Spring" undermine Jordan's stability and affect its reliability. In any event, Jordan and the Palestinians reject this option, and the Hashemite kingdom perceives it as an Israeli attempt to push the Palestinian population into Jordan and as such, an existential

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threat to the kingdom. Therefore, any Israeli discussion of this idea harms relations with Jordan.

Finally, there is the regional solution: This option is also frequently raised in public discussion, but it cannot be a substitute for negotiations on an agreement with the Palestinians. In the Arab Peace Initiative, the regional solution is contingent on Israel's ability to reach an agreement with the Palestinians. This does not mean that there is no point in addressing the regional component of the agreements: this is an important supporting element, but it is not an independent option.

Comparing the Options

The two main parameters that were chosen to examine how each option contributes to achieving the goals are progress toward two states for two peoples and progress toward calm and security stability. The parameters selected for checking the feasibility of each option are the extent of Israeli control over the process, the degree of independence from the Palestinians, the degree of independence from involvement by the international community, and the degree of dependence on the regional system. The assumption is that the more control Israel has over the process and the less dependent it is on the Palestinians, the international community, and the regional system, the greater the feasibility. In this comparison, contributions to achieving the principal goals were given greater weight.

The main finding from a comparison of the options is that the unilateral option is reemerging as the preferred choice. This is no great surprise, since Israeli-Palestinian interactions have been characterized by the inability to reach agreements. Added to the understanding that the status quo is not acceptable and harms Israel's long term interests, the only course of action remaining is the unilateral path, which has the added value both of bringing a two-state situation closer and of feasibility. In addition, separating civilian withdrawal from the withdrawal of security forces makes it possible to control the security risk inherent in this option, which is perceived as its main weak point.

While in the current political reality the "sit and wait" policy appears to be the most feasible option because it does not create political problems, this picture is illusory. The policy poses many risks and pushes Israel farther away from the goal of two states because there is no real possibility

of freezing the situation and maintaining the status quo. It threatens the ability to preserve Israel's identity as the democratic nation state of the Jewish people, maintain its status among the nations of the world, and ensure its security interests.

In today's complex political situation on both the Israeli and the Palestinian side, with a frozen political process that seems to defy revival, it is natural that the unilateral options receive preference. The difficulty in reaching any agreement between the sides means that even among the unilateral options, one that is completely unilateral is slightly preferable. However, if the political situation allows the coordinated unilateral option to be implemented, that would be better for Israel.

By the same token, if and when they can be achieved, transitional arrangements are preferable from Israel's point of view. However, they are less viable given their dependence on other actors, especially the Palestinians, and hence the difficulty in agreeing to them.

The regional solution is not an authentic alternative. It merely provides assistance and support, which is needed in any case in order to maximize the chances and minimize the risks in each of the options. The Jordanian option has few chances of implementation, is generally not feasible, and lacks real advantages over any other solution based on an agreement. An imposed solution is undesirable for Israel.

The recommendation, then, is to take advantage of any political developments that may allow renewal of the talks between the government of Israel and the Palestinians in order to negotiate transitional arrangements in parallel to permanent status negotiations. At the same time, preparations should be made to implement the constructive unilateral measures examined above. If the attempt to reach understandings with the Palestinians fails, then Israel must begin to apply the unilateral steps in a gradual, controlled, and thoughtful manner, while examining the impact of each measure before proceeding to the next. The steps that have tremendous security significance, and in particular, ending Israel's presence and security activity in the Palestinian territories, should be postponed until later stages.

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Israeli interests suggest that two major combined policy efforts that support one another should be implemented simultaneously. The first is to vigorously pursue a negotiated solution with the Palestinians, even partial or gradual, that is based on the principle of two states for two peoples. The other is for Israel to initiate a policy to promote an actual situation of two states for two peoples with or without an agreement. The recommendation, therefore, is to advance on two parallel axes: agreement and coordination with the Palestinians, and a process that relies only on an independent Israeli decision.

One could claim that all the proposed courses of action are unrealistic because they require Israel to pay a heavy price, especially in evacuation of settlements, without receiving anything from the other side, or in the case of the transitional agreement option, with a very partial return from the other side. The logic of this claim is that only in the framework of a permanent settlement will it be possible to persuade the Israeli public that it is receiving full compensation for the price that it is paying. However, promoting the supreme interest of realizing the Zionist vision and preserving the existence and the image of the State of Israel as the nation state of the Jewish people are an appropriate return for the price that Israel will be asked to pay, even if Israel does not receive anything from the Palestinians. Israel cannot wait for the Palestinians to give it appropriate compensation and allow its fate and its future to be dependent on a Palestinian decision.