

CHAPTER FOUR

THE END OF ONE THING AND THE BEGINNING OF ANOTHER— PREVENTING THE DRIFT INTO A ONE-STATE REALITY

In Judea and Samaria, a reality is emerging that endangers the Zionist vision of a Jewish, democratic, secure, and prosperous state. In practice, a complex and intertwined life between Jews and Palestinians is established, compounded by a political deadlock, with no ability to break through it, discuss options for a political settlement based on division and separation, and implement the one agreed upon by the parties. So far, the American administration, which is generally supportive of Israel, expects it to refrain from unilateral actions, particularly annexation and the application of sovereignty over territories in Judea and Samaria, thereby preserving the feasibility of the two-state solution option. Similarly, the moderate Arab states, led by Saudi Arabia, are willing to cooperate with Israel and even expand and deepen normalization with it, provided that it does not close the door on the possibility of establishing a Palestinian state in the future and does not embarrass them by taking overt annexation steps.

Therefore, the State of Israel must change direction. It is not too late, and it is possible to halt the drift into a one-state reality. This drift can be halted by ceasing annexation processes, which manifest in the expansion of settlements and taking control of every vacant hill in Judea and Samaria. Now is the time for an initiative aimed at pursuing political, geographical, and demographic separation from the Palestinians, in order to ensure a solid Jewish majority in a democratic Israel and to pave a new path in the arena of the Israeli–Palestinian and Israeli–Arab conflict. This is without compromising security and while operating from a position of strength, ensuring that Israel’s security situation will not deteriorate even if the process encounters difficulties or disruptions. In this context, the efforts aimed at

advancing normalization between Israel and Saudi Arabia are an opportunity for a diplomatic breakthrough in the Israeli–Palestinian conflict.

Figures 32 and 33 summarize the strategic choice Israel now faces: continued conflict management that accelerates one-state drift versus a new visionary framework centered on separation.

FIGURE 32.

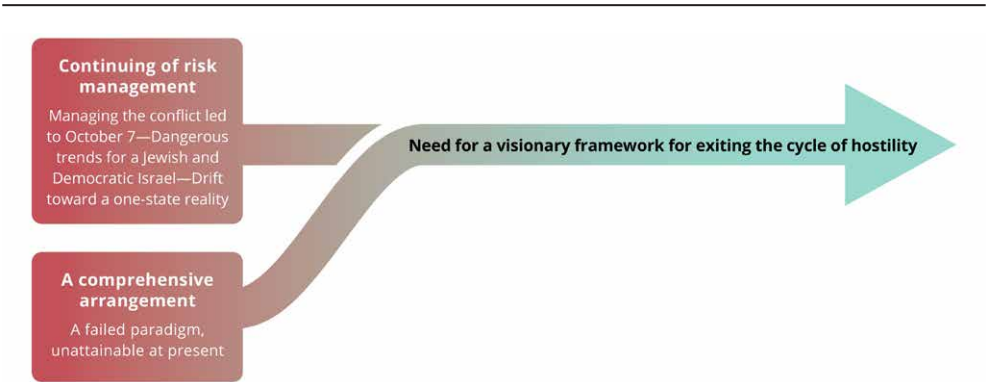
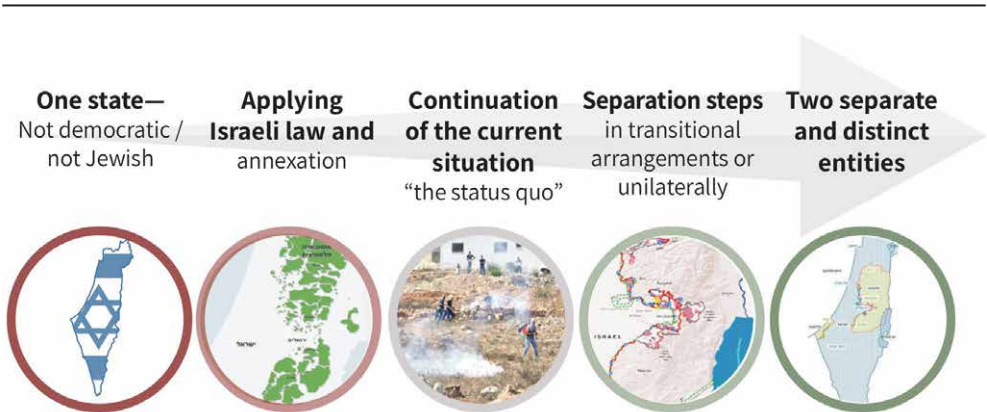


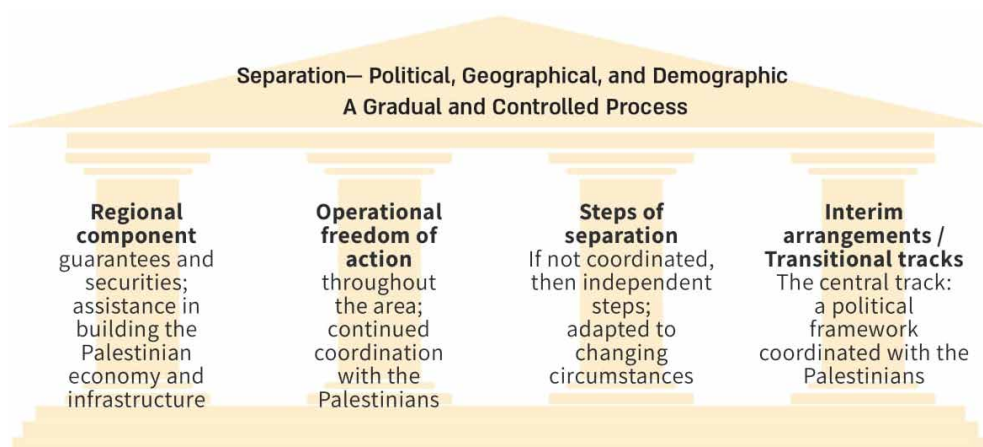
FIGURE 33.



Changing Direction and Trend

In order to examine how Israel's Jewish and democratic character can be preserved, the research team at the Institute for National Security Studies reviewed a range of possible scenarios, along with alternatives for Israel in the Israeli–Palestinian conflict arena.²⁷ The conclusion of the study was that although the feasibility of implementing a two-state solution seems to be diminishing, it is not yet too late, and it is crucial to immediately advance a separation framework (see Figure 34) that will help halt the drift toward a one-state reality and open up a range of options for future political arrangements.

FIGURE 34.



The plan is based on four pillars:

- **Mobilizing support and assistance from moderate Arab states**, primarily Saudi Arabia, the Gulf states, Egypt, and Jordan. Their involvement is required to prompt the Palestinian Authority to implement necessary reforms

27 Amos Yadlin, Udi Dekel, and Kim Lavi, *A Strategic Framework for the Israeli–Palestinian Arena*, Special Publication (The Institute for National Security Studies, 2019), <https://www.inss.org.il/publication/strategic-framework-israeli-palestinian-arena/>

to improve its functioning, stability, and to transform it into a positive actor, enabling it to govern the Gaza Strip in the future. As the Authority demonstrates a willingness to play a constructive role in the process and in the relationship, it will be integrated into regional arrangements and receive extensive support from moderate Arab states in building the infrastructure for an independent and functional Palestinian entity.

- **Retaining security control in the hands of the IDF**, continuing the IDF's operational freedom of action throughout Judea and Samaria, while maintaining full control over the security perimeter—the borders, security arrangements with the Palestinian Authority based on cooperation with its security mechanisms, yet Israel retains the right to enforce them.
- **Initiating separation measures on the ground**, which do not compromise Israeli security and settlement, to include the vast majority of Palestinians living in Judea and Samaria under the Palestinian Authority's control, while improving the quality of life and continuity of the Palestinian Authority's territories. This move will demonstrate Israel's determination to shape a reality of two separate and distinct state entities.
- **Strengthening the Palestinian Authority (and not causing its collapse) through the implementation of reforms to improve its functioning** and its responsibility to establish law and order within its jurisdiction under President Mahmoud Abbas's "one authority, one law, and one weapon" vision and to prevent terrorism from its territory. It is necessary to maintain continuous dialogue with its representatives to expand the scope of agreements on a wide range of issues and implement them on the ground.

Separation from the Palestinians does not imply disengagement from Judea and Samaria: Without a comprehensive agreement, Israeli settlements will not be evacuated; the area will not be abandoned to terrorist activities by individuals or organizations; Jerusalem will remain under Israeli sovereignty, although understandings regarding the status quo on the Temple Mount need

to be renewed; the IDF's operational freedom across the area will be maintained and continued; Israel will control the security barrier and crossings; Palestinian security mechanisms will be involved in law enforcement, maintaining the peace, and preventing terrorism; moderate Arab states and the international community will be integrated into supporting the Palestinian economy and providing Israel with things in return.

If the Palestinian Authority implements the required reforms and conducts itself positively and effectively in order to move away from a one-state reality, it will be possible to progress to a stage of recognizing **a Palestinian entity with limited sovereignty**. Limited Palestinian sovereignty in the West Bank, namely a political-territorial arrangement, could be a reasonable security solution for Israel, opening the door to normalization and the establishment of a regional coalition with moderate Arab states.

Strengthening Instead of Collapsing the Palestinian Authority

The weakness of the Palestinian Authority and doubts regarding its status as a responsible, stable, and functioning governing entity holding a monopoly on power within Palestinian society will significantly reduce the likelihood of reaching and implementing political agreements. We will focus on the conditions required of the Palestinian Authority to enable it to assume responsibility for the Palestinians.²⁸

The establishment of a Palestinian state is not feasible under the current conditions due to the aftermath of October 7, the deep division within the Palestinian arena in a zero-sum game between Hamas and the Palestinian Authority led by Fatah, the complex security reality, the Palestinian Authority's low functioning capability, and the international delegitimization of Hamas and the possibility of it remaining in power in the Gaza Strip or as part of the

28 Kobi Michael, "Enhancing the Palestinian Authority By Building Cities as Part of a New Regional Architecture," *INSS Insight*, no. 1875 (July 8, 2024), <https://www.inss.org.il/wp-content/uploads/2024/07/No.-1875.pdf>

future Palestinian governance, as long as the organization has not renounced its principles and disarmed.

On the other hand, the two-state paradigm, similar to the idea of bringing the Palestinian Authority back to govern the Gaza Strip even before all of Hamas's governing and military centers have been dismantled, remains the ultimate solution for the Arab states and the nations of the world. The concept of the two-state solution and the belief in the Palestinian Authority's ability to effectively regain control over the Gaza Strip and establish a Palestinian state have become a mantra exempt from the need for proof or connection to reality.

The current Israeli government, led by Benjamin Netanyahu, presently refuses to discuss the day after Hamas's rule in the Gaza Strip and strongly opposes any arrangement that would return the Palestinian Authority—whether “flawed” or “reformed”—to control the Strip. It perceives the Palestinian Authority as a more dangerous entity than Hamas, due to its international status and widespread lobbying for the establishment of a Palestinian state. The strategic predicament manifests in the absence of an available alternative to restoring the Palestinian Authority's control over the Gaza Strip following the dismantling of Hamas's rule. There is no entity or coalition—regional or global—volunteering to govern the Strip, except for the purpose of assisting the Palestinian Authority in establishing control there. In light of the Israeli government's opposition to the establishment of a Palestinian state under the current conditions, particularly following October 7, and the assertion that the establishment of a Palestinian state in the aftermath of the murderous attack would amount to nothing less than a reward for terrorism, a strengthening of Hamas, and encouragement for the entire Axis of Resistance—it is perceived as rejecting peace. Israel, after October 7, finds itself condemned on the international stage and even accused of genocide due to the scale of death and destruction caused in the Gaza Strip during the war it declared against Hamas.

Even the Egyptian plan for ending the war in the Gaza Strip, recovery, and reconstruction of the area,²⁹ which received the support of the Arab League countries, identifies the Palestinian Authority as the relevant entity for control of the Gaza Strip instead of Hamas. There is also an understanding in Arab countries, as in the West, that the Authority must implement a series of reforms to be worthy of the task. Five essential conditions for transforming the Palestinian Authority into a relevant actor, not only for assuming control over the Gaza Strip but also for being a responsible entity and partner in separation initiatives in Judea and Samaria:

- a. The first condition is **capability**—demonstrating functional ability at a state level—functioning state institutions, effective ability to enforce law and order and ensure monopoly on force, and economic functionality.
- b. The second condition is domestic **stability**, in accordance with Mahmoud Abbas’s “one authority, one law, and one weapon” vision, not damaging regional stability but rather contributing to regional stability.
- c. The third condition is **responsibility**, in the sense of the ability to lead the state system while fulfilling commitments toward its citizens and neighbors, and adhering to binding international standards.
- d. The fourth condition is **accountability**—a commitment to responsibility for actions, a genuine fight against extremism, and creating conditions to eradicate radical foundations from society, stopping education for radicalization; stopping the transfer of funds to families of terrorists and prisoners, and establishing mechanisms to instill values of peace, tolerance, and acceptance of others.
- e. The fifth condition is recognition of the **two nation-state** solution, which entails acknowledging Israel as the nation-state of the Jewish people,

29 The rehabilitation, renewal, and development plan for Gaza, which was approved during the special summit of the Arab League in Cairo on March 4, 2025.

agreeing to the demilitarization of the Palestinian state, and explicitly and practically opposing all forms of terrorism.

An additional condition following the October 7 attack is the commitment of the Palestinian Authority and Arab states, which provide it with support and guarantees, that Hamas will not be integrated into Palestinian leadership and government, and that the establishment of a Palestinian state will be relevant in the future, after demonstrating capability in accordance with the conditions. As the recognition of a Palestinian state is advanced before the necessary conditions are met, it will serve as Hamas's victory narrative, a reward and encouragement for murderous terrorism.

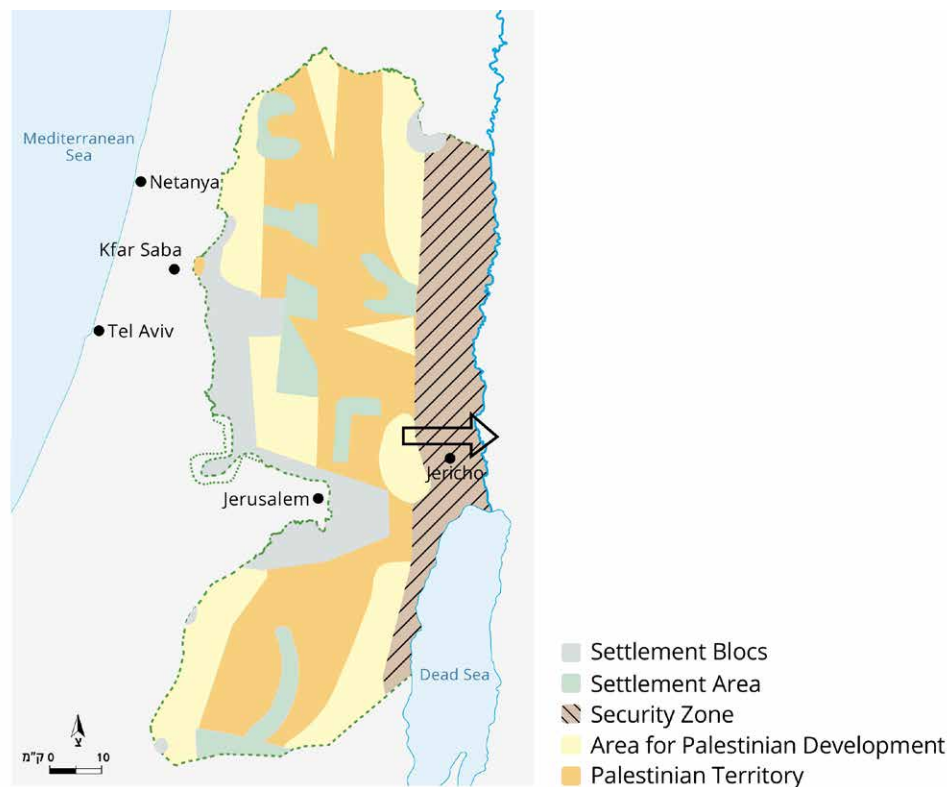
Israel must shift its navigation direction from negative to positive. Instead of presenting only opposition—"what not"—it should "act positive" and present "what yes"—what is required by broad consensus from the Palestinian Authority so that it becomes a relevant player capable of promoting a reality based on stability and coexistence. The required solution is a regional-international support system, which will mentor the Palestinian Authority and help it build the necessary capabilities to meet the five conditions. All this can happen if there is broad agreement among the United States, the moderate Arab states, and the Palestinian Authority that security control will be entrusted to Israel until the Authority proves that it is capable of ensuring stability and security. This means that Israel is granted the right to security freedom of action throughout the Palestinian territories to prevent terrorism, dismantle terrorist infrastructures, and enforce demilitarization. This situation, which exists in Areas A and B in the West Bank, must also apply to the Gaza Strip, alongside extensive regional and international assistance in the reconstruction of the Gaza Strip. This will enable the Palestinian Authority to focus on restoring civil control in the region and building the necessary capabilities and proper foundation to function as an independent entity.

The Territorial Aspect

From a practical standpoint, the current Israeli government is expediting the annexation of Area C. It is deepening its control and grip on the area, yet at this stage is refraining from declaring sovereignty to avoid assuming full responsibility for the Palestinian population and to prevent anticipated negative repercussions of such a step on Israel's international standing. The international community will most likely not recognize Israeli sovereignty in Judea and Samaria, accusing it of implementing an apartheid regime and even imposing sanctions, as the actions of the Israeli government in the area indicate that it is favoring the Jewish-Israeli population over the Palestinian population. Israel is also working to establish facts on the ground intended to be irreversible, through the construction of settlements and the encouragement of Jewish settlement.

To prevent the drift toward a one-state reality, Israel must first and foremost **change its approach toward Area C—from unilateral control to designating it as a space for agreements with the Palestinian Authority**. It is proposed to allocate up to 35% of Area C for the development of infrastructure and economic projects to encourage the Palestinian economy, create transportation continuity, and to transfer areas inhabited by Palestinians, which have spilled over from the boundaries of Areas A and B into Area C, to Palestinian control (approximately 350,000 Palestinians live and reside in Area C) (see Figure 35).

FIGURE 35.



The area of limited Palestinian sovereignty will encompass the existing Areas A and B, and it can be expanded through phased transfer of Area C territories (up to 35% of Area C). In the first phase, up to 8% will be transferred to the Palestinian Authority to expand Palestinian control over the vast majority (over 99%) of the Palestinian population residing in the West Bank. Later, as the process progresses positively, it will be possible to transfer additional territories without affecting the settlements. Areas enabling transportation continuity in regions governed by the Authority will be designated, along with the establishment of industrial zones, allocation of agricultural lands,

and quarries. Delineation and continuity will enable the demarcation of a physical border and a security barrier (see Figure 36) between the area under Palestinian control and the rest of Israel’s territories, as well as the establishment of crossing points that monitor the entry and exit of individuals and goods.

FIGURE 36.



Reorganizing the Territory

Authorities—The Palestinian Authority will be granted powers in as broad spheres as possible: governance and governmental institutions; legislative, executive, and judicial authority over all aspects of life within the Palestinian territory; authority in infrastructure matters; aspects of internal security—an enforcement system including police, inspectors, and judicial courts. The Palestinian administration will be able to be elected by the Palestinian population residing within its territory.

The likelihood that the Palestinian Authority will agree to limited sovereignty as a permanent solution to the conflict, relinquishing full sovereignty, is very low. Therefore, it will be necessary to convince its leaders and Arab states that this is a transitional period, while improving the quality of life for Palestinians.

The Gaza Strip will be considered a separate territory, governed by a technocratic administration connected to the Palestinian Authority and supported by pan-Arab backing. This situation will enable arrangements to be established for the Gaza Strip that differ from those in Judea and Samaria. In the future, subject to the implementation of reforms by the Palestinian Authority and demonstrating governance in the West Bank, the Gaza Strip could become a district of the Palestinian entity.

As the Palestinian Authority cooperates and functions responsibly and effectively—preventing terrorism, ceasing incitement, promoting education for tolerance and deradicalization—its powers can be expanded in return, and assistance given to improve its economic situation. To achieve this, economic and infrastructural projects should be promoted that will strengthen the Authority's image as a functioning political entity, while simultaneously advancing infrastructural separation. The projects that may advance this goal include:

- Integrating the Palestinian Authority at the Allenby Crossing, which serves as the entry and exit gateway between Jordan and the Palestinian territories.

- Establishing an airport in the Horkanya Valley for Palestinian and Israeli travelers, and pilgrims, which will encourage additional investments in the area. Establishing inland terminals in Tarkumiya and the Sha'ar Ephraim area for the inspection of goods for export and import to the Palestinian Authority.

Electricity—Connecting to gas supply from Israel, while simultaneously establishing Palestinian power stations to address electricity consumption gaps. Extracting natural gas from the Mediterranean Sea, Gaza Marine, for the Palestinian Authority. Also establishing facilities for generating green energy from solar and wind sources (solar fields in the Judean Desert) connected to the distribution network, in order to reduce Palestinian energy dependence on Israel.

Water—Resuming the activities of the Joint Water Committee. Allocating land on the Mediterranean coast, funded by Saudi or international sources, to establish a desalination plant for the Palestinians; establishing facilities to treat Palestinian wastewater in Judea and Samaria, along with appropriate pipelines, to reuse water for agricultural purposes.

Developing the Jordan Valley as a shared economic area for Israel, the Palestinian Authority, and Jordan, and connecting it to additional Arab countries. The inclusion of Gulf states will enable the advancement of large-scale, cross-border projects (such as the infrastructure corridor from the Arabian Gulf to the Mediterranean Sea—IMEC). Connecting the Authority to multilateral regional architecture (water in exchange for energy between Israel, Jordan, and the United Arab Emirates; joint projects in technology, tourism, employment, and transportation).

The infrastructure system in Judea and Samaria, shared by Israelis and Palestinians, leads to heightened friction between the populations on a daily basis. At the same time, the lack of adequate infrastructure on the Palestinian side and the growth of the Palestinian population lead to high consumption demands without an adequate solution. This fact places the

Palestinian population at a significant infrastructural disadvantage and causes public unrest. Improving Palestinian infrastructure and separating Israeli and Palestinian infrastructures will create additional employment opportunities for Palestinians, contribute to the growth of the Palestinian economy, and assist in preparing the conditions on the ground for separation.

The Israeli Security Response

Security Challenges

- **Escalating terrorist activities:** Since the Oslo Accords, and especially since the Second Intifada, there has been a significant increase in terrorist activities, which have become more sophisticated and have included not only suicide attacks but also rocket fire, explosive devices, and well-coordinated terrorist operations.
- **Weakness of the Palestinian Authority:** The inability of the Palestinian Authority to address homegrown terrorism, and in some cases its covert support for it, hinders Israeli efforts to thwart terrorist activities and maintain regional stability.
- **Reduced Israeli security presence:** Policy decisions to withdraw forces or reduce military presence may lead to significant control issues, enabling terrorist organizations to get stronger and operate more freely.
- **Increased use of technology for terrorism:** Terrorist organizations exploit social media for recruitment, propaganda, and planning attacks, which adds complexity to security challenges.

The security solution to terrorism in a reality of separation is to continue the ongoing campaign to thwart terrorism and dismantle terrorist infrastructures, and it includes:

- **Deep operations** such as “Defensive Shield” and “Determined Path,” to dismantle terrorist infrastructures.

- **Targeted assassinations** of commanders and terrorist operatives, as part of a prevention and deterrence strategy.
- **Enhancing protective measures**, completing and maintaining the security barrier.
- **Upgrading intelligence and warning systems**; extensive arrest operations, raids on terror hubs, as well as targeted military actions in cities and refugee camps to exert continuous pressure on terrorist organizations.

Addressing terrorism necessitates a combination of decisive military actions alongside diplomatic and economic measures to prevent the development of terrorist infrastructures, while maintaining deterrence and the ability to respond swiftly to any security threat.

Security control is preferred, while maintaining operational freedom of action deep within Palestinian territory. Figure 37 illustrates the proposed security layout under separation, including the areas under Palestinian civilian control and the Israeli western/eastern security zones and perimeter. This is instead of maintaining a permanent presence in Palestinian cities and villages.

Security principles: To maintain comprehensive security responsibility for the IDF, but activate it only when necessary, not as constant control and presence in the area; strengthen the Palestinian Authority's security mechanisms so they achieve a monopoly on power within their territory, enabling them to manage internal security, law and order, prevent terrorism, and dismantle terrorist infrastructures in coordination with Israel; maintain security cooperation with Palestinian security mechanisms, according to the formula "the more they do, the more the IDF can reduce its activities in areas under Palestinian Authority control."

FIGURE 37.



The security cooperation with the Palestinian security apparatuses enables the prevention of terrorist attacks by intelligence information from the Palestinian side; the ability of the apparatuses to arrest suspects involved in terrorism; coordination during IDF activities in Palestinian territory. The cooperation allows the IDF to maintain a relatively limited military presence in Judea and Samaria and to allocate resources to other arenas; to prevent a reality that would compel Israel to impose permanent sovereignty over a hostile population. Control and permanent presence in the Palestinian territory will require taking control of the Palestinian Authority's cities and villages on the scale of Operation Defensive Shield and beyond—approximately 30,000 reserve

soldiers for a period of many months, an enormous cost in resources, and the destabilization of regional cooperation, particularly with Egypt and Jordan.

Adjustments to the current operational concept will be required, based on:

- **Comprehensive and multidisciplinary intelligence monitoring** to thwart terrorist organizations and actions as well as the takeover by Hamas and other extremist elements of Palestinian society.
- **Continuous security control**—operational freedom of action for the IDF throughout the area west of Jordan, to thwart the growth of terrorist infrastructures and threats, neutralize national outbreaks, and reduce crime. Israel will have the right to enforce the security arrangements, primarily the demilitarization of the Palestinian arena.
- **Supervising and preventing weapon smuggling**—through Israeli control of the barrier and crossings.