The Rise and Demise
of the Two-State Paradigm[*]

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Introduction

The Arab-Jewish or the Israeli-Palestinian conflict over Palestine (The Land of Israel) has evolved over the past hundred years. Nowadays, most attempts to solve this simmering ethnic conflict in Palestine revolve around the two-state paradigm.[1] This conventional wisdom recommends the division of the territory of Palestine that was under British rule (1917-1948), into Jewish and Arab states that will coexist peacefully.

While this paradigm has a long pedigree and current popularity in contemporary academic and diplomatic circles, it needs rethinking. This article reviews the confluence of domestic and international factors that put this paradigm on the table. Next, it analyzes the paradigm's present status, and evaluates the current possibility of achieving a two-state solution. The last section looks at the alternative policy options today available to policy makers involved in dealing with the conflict.

This study finds, unfortunately, that a stable and peaceful outcome in accordance with the two-state is paradigm is unlikely to emerge in the near future, for two main reasons. The two national movements, the Palestinian and the Zionist, are not close to a historic compromise; and, the Palestinians are not able to build a state.

This latter point is particularly important. At present, Palestinian society is caught in the crux of a violent civil war between radical Islamists and nationalists, neither of which truly seeks establishment of a small Palestinian state living peacefully alongside Israel. Moreover, Palestinians have been given the chance to establish a state, but have produced only a 'failed state' that is corrupt and anarchic. This is true both of the Fatah-led Palestinian Authority in the West Bank as well as the Hamas government in Gaza.

Mistakenly, most Israeli and Western leaders still think that they can engage in state building in order to produce a Palestinian state ready to coexist peacefully with Israel. But political engineering from the outside has its limits, as has been amply demonstrated in Iraq, Afghanistan and elsewhere. Palestinian society has a long way to go towards political maturity, sobriety and moderation, and this change must grow naturally from within; which will take decades, if at all.

In the meantime, Israel is stuck with two rival Palestinian entities on its borders, which are nowhere near merging into a responsible partner for Israel. So, for now, the inevitable conclusion is that the two-state option is dead.

Instead, this study advocates a regional approach that advocates a greater role for Arab states in Palestinian affairs. This approach, which involves re-linking the Palestinian areas to some form of Egyptian and Jordanian security control and civil administration, has a greater chance of stabilizing the situation than the previous two-state paradigm. While Arab countries initially will resist this step, wise diplomacy and long-term conflict management will move in this direction.

A History of an Idea

In the first stage of the Arab-Israeli conflict (1917-1948) the struggle was inter-communal, consisting of fighting between two distinct ethnic communities over a single piece of land. Each group was striving to establish their own political structures and to expand the area under their control. During this period, the Arab states showed little involvement.[2] Inter-communal conflicts are characterized by low-intensity conflict. Nevertheless, the political reverberations of the inter-communal struggle became less bearable for the UK. In August 1936, the British government noted the deterioration in Palestine and convened a Royal Commission, headed by William Robert Peel, to investigate the situation and to devise policy recommendations. In July 1937, the Peel Commission recommended partition of the land between the Jews and Arabs into two unequal states and population transfer. The rationale was that if the two ethnic communities could not live together, separation was the best option.[3] This was several years later, hoping to limit turmoil in the subcontinent.

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

The second stage of the conflict was primarily inter-state. It began with the establishment of Israel and the subsequent attacks by the armies of the surrounding Arab countries on the new entity. The result of the War of 1948 was a de-facto partition of Palestine, which reflected the power differential between the two sides. Israel held 78 percent of the territory and the invading Arab armies took the rest; the Jordanians governed the West Bank, the Egyptians controlled Gaza, and the Syrians held slices of territory in the north. Egypt and Jordan, who ruled over the

Palestinians during 1948-67, made no attempt to establish a Palestinian state and no domestic or international pressure was applied on them to do so. A Palestinian state never existed and Palestinian nationalism was weak in the 1940s.[4] When Jordan annexed the West Bank in 1949, its inhabitants became Jordanian citizens. In contrast, Egypt kept Gaza under military rule.

During the inter-state conflict period from 1948-67, the Palestinians played a limited role. The two-state paradigm was conspicuously absent from the international agenda. Rather, the conflict was between the Arab states and the "illegitimate" Jewish state. Relations between Israel and its neighbors were punctuated with violence and witnessed two large scale inter-state wars, in October 1956 and in June 1967. The UN Security Council Resolution 242, adopted in November 1967, which dealt with the outcome of the 1967 War and which became the reference document for peacemaking thereafter, did not mention "Palestinians" at all, but urged the solution of the refugee problem. The Palestinians were seen as a humanitarian problem rather than an ethnic group entitled to collective political rights deserving a separate state.[5] During this stage of the conflict and onward, the Palestinian issue, always a pawn in inter-Arab politics, has been subordinated to Arab statist interests.

During the third stage, between the June 1967 War and the September 1993 Oslo Agreement, the conflict took on both interstate and inter-communal dimensions. During this period, several interstate military encounters occurred, such as the War of Attrition along the Suez Canal (1969-70) and the October 1973 War on the Egyptian and Syrian fronts. In the 1982 Lebanese War, Israeli and Syrian troops clashed. However, the fighting also involved Palestinian militias, underscoring the ethnic dimension of the conflict. Noteworthy, the intensity of the inter-state dimension declined after Egypt, the strongest and most important Arab state, signed a peace treaty with Israel in March 1979. Egypt's defection from the Arab military coalition in the mid-1970s also brought about also a general decline in the use of major force. After 1982, there were no large-scale wars between Israel and its neighboring states.[6] In 1991, Israel was subjected to missile attacks from Iraq, which elicited no Israeli military response.

Parallel to these developments, there was an increased focus on the ethnic dimensions of the conflict, as the Palestinians in the West Bank and Gaza came under Israeli rule. Immediately after 1967, Israel tried to pursue a Palestinian option by entering into dialogue with their leadership. For various reasons, the Palestinian notables refused to take responsibility for trying to reach a deal with Israel. They also pointed out that they were Jordanian citizens and the Hashemites continued to exert influence in the West Bank.[7] Subsequently, Israel adopted a "Jordanian orientation," i.e. pursuing attempts to reach a new partition with the Hashemite Kingdom, which shared a common enemy – the Palestinian national movement.[8] Yet, the growing institutionalization of the Palestinian national movement gradually eroded the Jordanian claim to represent the Palestinians, as well as the credibility of the Israeli Jordanian orientation. This led to the Palestinization of the conflict, which meant that the Palestinians became a growing political threat for Israel and a political issue with a higher public profile.[9] Subsequently, the two-state solution paradigm reemerged. The sources for this change were multifold.

First, there was a crystallization of Palestinian identity under Israeli rule, attributed to the fact that the Palestinians were no longer under Arab rule, but under the rule of Jews, a nation religiously and ethnically different. During this period, the Palestinian Liberation Organization (PLO) received international recognition. In 1974, the PLO was recognized at the Cairo Arab Summit as the "sole" representative of the Palestinians and was also awarded UN observer status.[10] Moreover, the Camp David Accords of 1978 between Israel and Egypt recognized the Palestinians' "legitimate rights," and suggested self-rule (autonomy) for the Arabs living in the West Bank and Gaza, linking the two areas into a single political unit, after being separated for years. The autonomy offered to the Palestinians by the Likud-led government was intended to prevent a Palestinian state, but was interpreted in most quarters (even in Israel), as an embryonic Palestinian entity. Indeed, the two-state paradigm gained currency as the international community started viewing the PLO as a liberation movement entitled to establish a state. However, the Palestinians rejected autonomy (in retrospective another grave political gaffe as the territories contained only 20,000 Jewish settlers at that time), still opposing the existence of a Jewish state.

Second, the Palestinians' struggle gained further international support after the outbreak of the Intifada, the Palestinian uprising in the Israeli-ruled territories, in December 1987. The Intifada underscored the fact the Palestinians were under occupation – an increasingly unpopular political arrangement. It also signaled that the Arab-Israeli conflict was no longer a large-scale military conflict, but rather a "low-intensity" conflict, where tanks or airplanes, items in the arsenal of states, are hardly employed.

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

Parallel to those developments, there was a change in Israeli attitudes towards the Palestinians. A greater awareness of Palestinian political aspirations developed, as well as a greater willingness to accommodate them.[12] The opposition in the Israeli political elite toward the establishment of a Palestinian state eroded and there was a gradual substitution of what the Israelis preferred – a deal with Hashemite Jordan – with a Palestinian option. The Jordanian declaration of July 1988, which relinquished any claims to the West Bank, signaled official Jordanian

reluctance to speak on behalf of the Palestinian issue and further undermined the Israeli preference for a Jordanian partner.

More Israelis recognized the appeal of the Palestinian national movement under the leadership of the PLO. Eventually, Yitzhak Rabin, a supporter of the Jordanian option, was convinced that the PLO was ripe for a deal. The change in Rabin's convictions led to the September 1993 Oslo Accord that seemingly conformed to his general outlook on how to deal with the Israeli-Palestinian conflict.

This agreement heralded the fourth stage of the conflict (1993-2000). Signed on the White House lawn, the agreement embodied an incremental step-by-step approach, leaving the nature of the Palestinian entity and its borders to be decided at a second stage. In the meantime, overall security was left to Israel and Jerusalem was outside the area of Palestinian jurisdiction.[13] For Rabin and most Israelis, the Oslo agreement amounted to the beginning of a process of "separation" from the Palestinians, i.e. partition. The perennial problem of finding a partner for partition seemed resolved as the role fell to the PLO. Rabin's concept of tradeoff was primarily exchanging territories for security, while the architects of the Oslo process, Shimon Peres and Yossi Beilin, espoused ideas of peaceful interactions and integration in the region.[14] The two-state solution emerged again as a panacea, and attempts were made to implement this paradigm. Noteworthy, the interstate dimension of the Arab-Israeli conflict was further diluted after the 1994 peace treaty with Jordan, with whom Israel shared the longest border.

The 1994 established Palestinian Authority (PA), dominated by "outsiders," was supposed to take over the territories that the Israeli military evacuated. The function of the new proto-state was to fulfill the national aspirations of the Palestinians, to provide law and order, and to prevent terrorism against Israel. To these ends, the PA was allowed to have a strong police force. Indeed, many of the Palestinian military units in the Diaspora were allowed to enter the PA, and Israel provided the guns. Finally, the PA was expected to negotiate a permanent settlement with Israel, bringing about a historical compromise between the two national movements.

This envisioned peace process was fraught with problems, however.[15] The final attempt to salvage the process was made at the Camp David Summit in July 2000, which ended in failure.[16] Subsequently, a campaign of Palestinian violence erupted in September 2000, which the Palestinians called the Second Intifada.

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

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

In tandem, the ruling party in the PA, Fatah, was discredited due to corruption and poor governance, creating a fertile ground for the growing appeal of the radical Islamist Hamas – an organization adamantly opposed to the existence of the Jewish state. Hamas succeeded in filling the vacuum left by an inept PA, by developing a system of services for the population and projecting an image of an honest leadership dedicated to the needs of the people. Indeed, Hamas won the January 2006 Palestinian elections, and in June 2007 took over Gaza by force, following a political crisis in the PA. The ascendance of Hamas in Palestinian politics undermined the perennial search for a suitable peace partner.

The Failure of the Two-State Paradigm

The search for a solution to the ethnic conflict in Palestine resulted in recommendations for partition and for the establishment of two states. Such thinking was dominant in the first stage of the conflict (pre-1948) and in the period after 1993. Yet the two-state paradigm has two main assumptions that failed to materialize. The first assumption is that an historic compromise between the Palestinian national movement and the Zionist national movement is within reach (and that this Palestinian state will live peacefully next to Israel). The second assumption postulated that given the opportunity to build a state, the Palestinian national movement would accomplish this goal. The discussion below shows that the two assumptions are divorced from current political reality.

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

Ehud Barak, Israel's Prime Minister that went to great lengths to accommodate Palestinian demands at the 2000 Camp David Summit, coined the term "no partner" for describing Palestinian intransigence. Most Israelis believed this and doubted negotiations could bridge the gap. Therefore, in the absence of a perceived peace partner, unilateralism has become the preferred option. This is why the building of the security barrier and the unilateral withdrawal from Gaza in 2005 were popular. The promise for additional unilateral withdrawals was the key to the electoral success of the newly-established Kadima party in 2006. Unilateralism expresses disenchantment with the peace process and a sober realization that there is

no Palestinian partner ready for a historical compromise with the Zionist movement, even at the cost of painful Israeli concessions.

The Palestinians have also not mellowed enough to enable a compromise.[18] Backed by the Muslim world, it is inconceivable for the Palestinians to grant the Jews the right to control what is for them the Haram al Sharif. Currently, the Palestinians are engaged in an intensive campaign to deny historic Jewish links to the Temple Mount.[19] Similarly, the PA still seems committed to demand the "right of return" for Palestinian refugees into Israel, an issue of extreme importance in the Palestinian ethos, however, a taboo even for very dovish Israelis.

It is unrealistic to expect that "creative diplomacy" can overcome territorial disagreements, seemingly easier to resolve in theory. Israel's political system has demonstrated its capability to remove settlements from the Sinai and from Gaza. Yet, it is unrealistic to expect Israel to return to the 1967 borders that will thereby transfer hundreds of thousands of Jews from Judea and Samaria. One possibility is for Israel to compensate the PA with territory in the Negev (adjacent to Gaza) for parts of the West Bank that it would annex (the "settlement blocs"). The future of the Jordan rift (about 15 percent of the West Bank that is sparsely populated by Arabs), which is cardinal for Israel's security, is also in dispute. Finally, the best possible territorial outcome from a Palestinian perspective (a return to the 1967 borders) is getting only 28 percent of what they consider their homeland. This begs the question whether such a compromise will be acceptable to the Palestinian national movement or plant the seeds for the emergence of a revisionist entity? Will the Palestinians be able to prevent their territory from continuing to serve as a terrorist base and/or a Qassam launching-pad?[20] Noteworthy, 75.8 percent of Palestinians believe that even after the establishment of a Palestinian state, reconciliation is impossible in this generation.[21]

A partition will not necessarily produce a Palestinian state living peacefully next to Israel. The proposition that statehood inevitably produces responsible behavior is doubtful considering the number of leaders who have led their states into abyss. Palestinian political culture displays extremism, i.e. adhering tenaciously to the ethos of "the right of return" for the refugees. The current Palestinian education system and official media incite against Jews, who are blamed for all Palestinian misfortunes. A survey of the contents propagated in the educational system in the Palestinian territories and in the official media does not indicate great willingness for compromise.[22] Moreover, after 2000, the role model for young Palestinians is the *shaheed* (martyr) that explodes himself in the midst of Jews. The Palestinians' level of support for acts of violence against Israeli targets is staggering.

At this historic juncture, Palestinian society, under the spell of a nationalist and Islamic ethos,[23] is simply unable to bring itself to a historic compromise with the Zionist movement that would end the conflict. Palestinian rejectionism has won the day whenever a concrete partition was on the agenda, the 2000 Camp David proposal being the most recent example. The tragedy is that with the progression of history, Israel has less territory to offer to the Palestinians, thereby only increasing their bitterness and despair. The hope that history can be rolled back is an illusion. All this will turn a Palestinian entity into an irredentist polity, dissatisfied with its borders and intent on using force to achieve territorial aggrandizement.

Indeed, the essence of the two-state paradigm – one state for the Jews and one state for the Palestinians – has not been internalized by the PA leadership. Even the

"moderate" Mahmoud Abbas rejects the notion that Israel should be a Jewish state. He categorically objected to including any references to Israel as a Jewish state in the concluding statement of the Annapolis Summit in November 2007.[24]

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

The two feuding societies still have energy to continue fighting and most importantly to bear pain in order to attain political goals. Nationalism inspires people to endure pain and hardship in the course of national wars. Often, societal exhaustion brings an end to protracted ethnic conflict rather than an opportunity for an optimal compromise. If pain is the most influential factor on the learning curve of societies, it seems that Israelis and Palestinians have not suffered enough to reach a compromise.

The second problematic assumption of the two-state paradigm is that given the chance to build a state, the Palestinian national movement will be successful in such an endeavor. Unfortunately, state building did not happen. Not every ethnic group has state building capabilities. Given the opportunity for self-rule, Yasser Arafat and the PLO established a corrupt, inefficient, lawless and authoritarian political system. Arafat's PA was a Byzantine system in which he ruled by divide-and-rule tactics, allowing competition between leaders, agencies, and even militias, which left him the ultimate arbiter and dispenser of jobs and remuneration. This decentralized system eventually degenerated into chaos and disorder (*fawdah*).[25] The system's main failure lay in the area most critical to state-building – monopoly over the use of force. The existence of a plethora of armed militias defied central authority and preserved a fractured Palestinian community. After the outbreak of the Second Intifada, the political order collapsed, transforming the PA into a "failed state." This category of states is characterized by absence of monopoly over the use of force; delivery of only partial justice; inability to sustain a legal and regulatory climate conducive to private enterprise, open trade and foreign investment; and difficulty in meeting the basic needs of the population in terms of health, education and other social services.[26]

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

The PA was further weakened and fractured by the ascendance of Hamas in Palestinian politics. The growing strength of Hamas portends increasing difficulty regarding the dismantling of its armed wing, which in turn, a PA quest for monopoly over use of force a more distant goal. Finally, the Hamas takeover of Gaza in June 2007 was the culmination of the fragmentation of the PA. The intermittent "national

unity" negotiations between Hamas and the PA are unlikely to result in the PA regaining control over Gaza. Actually, it is the IDF's forays into the West Bank which prevent Hamas from taking over cities there as well. The emergence of Gaza as a separate political entity is a *fait accompli*, which further undermines the two-state paradigm. Moreover, the radical Islamist dimension of Hamas and the emergence of Pan-Islamic groups in Gaza are weakening Palestinian nationalism. Such Islamic movements advocate the emergence of an all-embracing Pan-Islamic political structure, rather than a particular national identity. Secular Palestinian nationalism is in decline, as is the case with secular nationalism in other parts of the region as well.

The understanding that the PA is not a functioning political entity has gradually penetrated the consciousness of the international community. For example, the Foreign Minister of Turkey, Ali Babacan, when attending a 2008 donors' meeting for Palestine in Berlin, identified the main challenge of the PA: "Having their own security forces and legal institutions is very important for the future of the Palestinians."[27] The international media, for the most part pro-Palestinian, is also increasingly questioning the feasibility of the two-state formula. This includes the prestigious *London Times* and *New York Times*.[28] Even the current international diplomatic discourse acknowledges the inability of the PA to serve as a peace partner for Israel, by advocating negotiations for a draft peace treaty to be put on the "shelf." This is a tacit admission that the PA is currently unable to implement any accord and more time is needed for the PA to develop the capability for playing such a role.

Indeed, well-wishers of the Palestinian cause have also grasped the Palestinian deficiencies in state-building. To remedy this situation, some have suggested an international trusteeship to groom the Palestinians into shape for statehood. This means the transfer of governmental responsibility in the West Bank and Gaza to a US-led alliance and the introduction of American and/or international forces to keep the peace.[29]

Policy Options

What can be done about the chaotic situation in the PA and the ascendance of Hamas? The international community currently still subscribes to the two-state paradigm, assuming that such a political arrangement is a recipe for peace and stability. The international community believes that state-building is needed. This option will be critically examined. A second theoretical option is a binational state in Palestine. A third option is "the regional arrangement" where Egypt and Jordan share the burden of dealing with the Palestinian issue. Finally, in the absence of an immediate solution, a more realistic conflict management strategy is sketched. This strategy aims at minimizing the cost of the protracted war and at buying time for the potential development of more attractive alternatives.

Building a Palestinian State

The literature on the "failed state" phenomenon displays a clear tendency to prescribe an increase in efforts toward state-building and strengthening governability as the preferred means of dealing with the problem.[30] However, international efforts to restore Palestinian political order have failed to produce the desired result. Moreover, Hamas ascendance further strengthened the centrifugal trends in Palestinian politics. Transition to statehood requires monopoly over the use of force,

which cannot be achieved until a civil war or a military showdown amply demonstrate that the official coercive organs are willing and able to exact a high price from organizations and individuals who are unwilling to disarm. The US-trained Palestinian security units succumbed to the Hamas offensive in Gaza, and when deployed in the West Bank they have refrained from disarming civilians. The current Palestinian leader, the weak Abbas, can hardly play the role of agent for change.

The attempt to aid the Palestinian economy alleviate the state-building enterprise is problematic. It is doubtful whether the corrupt Palestinian system can produce widespread economic benefits. Massive foreign aid rendered in the previous decade – per capita one of the highest in the world – failed to filter down to the masses. The existing lack of law and order is inimical to the creation of a climate that encourages economic activity and growth and is likely to hinder the efforts of the international community to deliver aid to the Palestinians. Outside economic aid is "only as good as the ability of a recipient's economy and government to use it prudently and productively."[31] Moreover, the steep rates of economic growth needed to match the fertility rate of the Palestinians are clearly improbable, and actually doom the Palestinians to greater poverty in the near future.

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

Even if it were possible to lure the Americans and/or Europeans into taking on ruling the Palestinians, their chances of success would be minimal. An historical survey of the last few decades on the use of foreign forces for peacemaking – as opposed to peacekeeping – is not encouraging, to say the least. Peacekeeping forces are put in place after an agreement between two sides, generally following exhaustion (Bosnia) or the defeat of one side (the Serbs in Kosovo). Moreover, the relative success in former Yugoslavia and East Timor came after large waves of ethnic cleansing that led to reduced friction between the rival populations.[32]

In the case at hand, the Palestinians, especially the extremists, still have considerable energy. The proposed foreign forces are to come *in place* of a bilateral agreement. In addition, peacekeeping forces placed in the Arab-Israeli arena failed to accomplish their goals in the past. The UN forces on the Egyptian border did not fulfill their role in 1967; they were evacuated upon Egyptian demand, with Israel's opinion ignored. UNIFIL forces in south Lebanon have also been unsuccessful in providing an efficient buffer. At times they even cooperated with Israel's enemies.

Nor has the American attempt at peacemaking been promising. Willingness to suffer losses in cases not defined as vital to US security is extremely low.[33] The US retreated from Lebanon in 1982 and from Somalia in 1992 due to local resistance. The short military involvement of the US in Haiti in 1994 did not achieve its goal. The US takeover of Afghanistan did not totally eradicate terror centers, nor achieve stability. Similarly, the American experience in Iraq is not encouraging. In general, American

imperial capability and determination to bring order to various parts of the world, especially hostile Muslim regions, is still in question.

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

A Binational State

There is a school of thought that denies the wisdom of partitions.[34] A variety of political schemes have been offered to stabilize multiethnic states such as consociationalism, autonomy, or federalism. These are various arrangements of power sharing that are not effective in enduring ethnic rivalries.[35] Despite the past adherence of the Palestinian national movement to a one state solution, and occasional Palestinian threats to revert to this preference, nowadays in Palestine, the two national movements seem intent on creating their own separate states.[36] It is difficult to imagine the two cooperate within a unitary state. Absent a modicum of trust and a desire to share a common fate, centrifugal forces might prove too powerful to forestall recurrent political crises and an eventual breakup. The international community is also not inclined to prefer such an arrangement or to impose it.

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

Such a view exaggerates the weight of demographic trends. There are less Palestinians in the West Bank than generally believed and their birthrate is decreasing.[37] More importantly, such an outlook underestimates the capability and determination of the Israeli political system to preserve the Jewish character of the state and its democracy by disengaging from areas heavily populated by Arabs, and dismantling settlements there. In 1981, Israel removed its settlements in Sinai; in 2005, Israel dismantled all its settlements from Gaza and several from West Bank. As noted, unilateral withdrawals have had appeal among Israelis and removal of additional isolated settlements is not a far-fetched scenario. Moreover, Israel has built a security barrier that mostly follows the 1967 borders, signaling the contours of the future line of separation from the Palestinians.

The Regional Approach

The difficulties in implementing the two-state paradigm have led to Israeli rethinking of the Palestinian issue. Since the Palestinians seem incapable of self-rule and the Israelis do not want to take on this role, who is a responsible actor that suits

the job? Recalling the colonial record of the UK and France in the Middle East, an international trusteeship is a problematic proposition. History shows that only Arabs can rule over Arabs by Arab methods. Egypt and Jordan appear candidates for playing a greater role in Palestinian affairs. These states have signed peace treaties with Israel and behave more responsibly than the PA leadership. Moreover, they were relatively successful before 1967 in containing the Palestinian national movement and ruling over the Palestinians. More Israelis tend to identify Egypt and Jordan as the future partners for the partition of Palestine.[38] Currently, both states prefer keeping their distance, although there are indications that this may change.

Despite their misgivings, the Egyptians are slowly coming to the conclusion that they cannot disengage from the Gaza Strip and that containing the radical Islamist regime is within their interest. A Hamastan in Gaza threatens domestic stability as it encourages the Muslim Brothers opposition. Egyptian influence was felt in the Strip following Israel's unilateral withdrawal (August 2005) and increased after the June 2007 Hamas takeover. In January 2008, Hamas orchestrated a mass breeching of the Egyptian border – an ominous signal to the Egyptian leadership. These events could create the conditions for Gaza to gravitate towards Egypt. Reluctantly, Cairo sees its return to rule the Gaza Strip, albeit indirectly for the time being, as a lesser evil than the emergence of a strong Hamas-led entity there. Egypt is already supplying some electricity and the Rafah crossing between the Strip and Egypt serves as a safety valve for the Gazans. In the summer of 2008, Cairo has offered to send troops to Gaza as part of an Arab security force with the framework of a larger plan to stabilize the PA.[39] While Hamas opposes Egyptian interference, the PA leadership is willing to consider an Egyptian role.[40]

The Jordanians may also decide that a revisionist Palestinian identity nourished in the West Bank is too threatening to their state to be left unattended, owing to their own demographic predicament of a high proportion of Jordanian Palestinians. The deployment of Katyushas or Qassams in the West Bank with a range reaching Jordan is a sobering possibility for the Jordanians, leading to a change in attitude. Many Palestinians are ready for a Jordanian role.[41] The idea of stationing Jordanian-led Palestinian forces (the Badr Brigade) in the West Bank is being aired again. Resuscitating the idea of a Jordanian-West Bank federation, with the Hashemites at the helm, is not without appeal among Palestinians thirsty for calm and stability.[42] The Jordanians can fill a vacuum within the framework of an Israeli removal of settlements from portions of the West Bank.

The great disappointment of the Palestinians with their national movement could facilitate a transition from the two-state paradigm. It is clear that the Palestinians are frustrated and disappointed with the performance their political institutions. In March 2006, as many as 47 percent of Palestinians agreed to dissolve the PA.[43] In May 2008, 66 percent of Palestinians believed their "society is heading in the wrong direction."[44] Moreover, Palestinian national identity is relatively young and fluid, and the acceptance of a different national identity is possible. History provides many examples of changed group identities.[45]

Redirecting Gaza toward Egypt and re-linking the West Bank to Jordan seems to be a more effective way to deal with Palestinian nationalism than to grant it statehood. It might be easier for Jordan and Egypt to become more involved under the cover of diplomacy. Their involvement could be legitimized by claiming they will

play an interim role until the Palestinians are ready. A new formula, this "regional approach," will not necessarily offer a neat solution, putting an end to all violence. Ambiguity about sovereignty and borders might not be eliminated, however, involving responsible states such as Jordan and Egypt, is at least a realistic attempt to deal with the consequences of unrealizable political dreams.

Such a radical departure from international conventional wisdom would require only a modest role for the US. Despite its setbacks in the Middle East, the US remains a world power with interests in the Middle East.[46] It shares the goal of limiting regional and international repercussion of the conflict. Moreover, it is the best-suited world power to dispense incentives for responsible behavior. For example, American carrots to Egypt and Jordan are needed for inducing them to play a more positive role in Palestinian affairs. The US position is also important in maintaining a ban on extending aid and recognition to the Hamas government in Gaza. Only the US has the diplomatic clout to prevent international initiatives that may destabilize the conflict.

Conflict Management

A fourth option is conflict management. Unfortunately, not every protracted conflict has an immediate available solution. In the absence of chances for a negotiated agreement, the appropriate strategy for dealing with the Israel-Palestine dispute is conflict management. The essence of such a strategy is to minimize the cost of armed conflict and preserve freedom of political maneuvering. Its goal is also to buy time, assuming that the future may bring about better alternatives. The lack of a clear end goal is not inspiring; yet, this may be the best way to deal with a complex situation.

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

This conflict management strategy requires patience, moderation and flexibility, and is fraught with uncertainties. It is a trial and error process tuned to the evolving regional and international dynamics, similar to the "muddling through" approach for bureaucracies, as advocated by Charles Lindblom.[47]

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

Conclusion

It has become increasingly clear that a two-state settlement is elusive in the Holy Land. An historic compromise between two national movements fighting for the same piece of land is not within reach. Moreover, the Palestinian national movement failed to establish a viable state. The chaotic situation in the Palestinian territories is likely to continue in the near future. The good political fortunes of Hamas are unlikely to change the direction of the main vectors in Palestinian politics.

There is little the international community and/or Israel can do about improving the lot of the Palestinians and/or changing their behavior. Only change from within can attenuate the negative effects of nationalism and Islamic radicalization among the Palestinians. Unfortunately, so far the Palestinian national movement has produced poor leadership. Only the gradual realization that the PA is a failure will allow the emergence of a new paradigm, ending the illusion of the two-state solution. This paradigm was offered in the past and did not provide a suitable mechanism for solving the Israeli-Palestinian dispute. Yet, overcoming the inertia of outdated thinking and the acceptance of a new intellectual paradigm is not easy.

The contours of a more stable arrangement replacing the PA are already in place, although it may take some time for the international community to adopt a new partition plan – the "regional approach." Egypt and Jordan are better partners for a renewed partition of Palestine. In the meantime, conflict management is the best option to minimize the costs of the conflict and to buy time for the emergence of better political options. With no end to the Israeli-Palestinian conflict in sight, the conflict management strategy – a somewhat fuzzy agenda in need of constant reevaluation and adjustment – is probably the only realistic way to do some good in the Israeli-Palestinian arena.

Despite this reality, Western leaders seem to be blindly rushing to reconfirm their commitment to a two-state solution in the wake of the Israeli operation against Hamas in Gaza. The new US President, however, has an opportunity to take a fresh look at the situation, to reject retrenched and stale thinking, and strike out in new directions; and one hopes that he capitalize on this moment to do so.

Note

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[1] For an ethnic prism on the Arab-Israeli conflict, see Milton J. Esman, *Ethnic Politics* (Ithaca: Cornell University Press, 1994), pp. 111-46; for the persistence of ethnic nationalism, see Jerry Z. Muller, "Us and Them: The Enduring Power of Ethnic Nationalism," *Foreign Affairs*, Vol. 87, No. 2 (March/April 2008), pp. 18-35.

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

[3] For the stabilizing effect of partitions in ethnic conflicts, see Chaim D. Kaufman, "When All Else Fails: Ethnic Population Transfers and Partitions in the Twentieth Century," *International Security*, Vol. 23, No. 2 (Fall 1998), pp. 120-56; and Alexander B. Downes, "The Holy Land Divided: Defending Partition as a Solution to Ethnic Wars," *Security Studies*, Vol. 10, No. 4 (Summer 2001), pp. 58-116.

[4] To this day, attachment to non-national identities such as families or village is strong, particularly in rural areas. In the 1940s, many nationalist Arabs in Palestine espoused the "Southern Syrian" political

identity. For its origin and widespread acceptance, see Yehoshua Porat, *The Emergence of the Palestinian-Arab National Movement* (London: Frank Cass, 1974), pp. 70-122.

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

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

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

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

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

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

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

[12] For the move of the Israeli elite toward dovish positions, see Efraim Inbar and Giora Goldberg, "Is Israel's Political Elite Becoming More Hawkish?" *International Journal*, Vol. 45, No. 3 (Summer 1990), pp. 631-60.

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

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

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

[16] For various accounts of the reasons for failure, see Dennis Ross, *The Missing Peace* (New York: Farrar Straus Giroux, 2004); Ron Pundak, "From Oslo to Taba: What Went Wrong," *Survival*, Vol. 43, No. 3 (Fall 2001), pp. 31-45; Rob Malley and Hussein Agha, "Camp David: Tragedy of Errors," *New York Review of Books*, 9 August 2001; Gilad Sher, *Within Touching Distance* [in Hebrew] (Tel Aviv: Yediot Aharonot, 2001).

[17] For a June 2000 poll, see Joint Israeli Palestinian Public Opinion Poll, June 2008, www.pcpsr.org/survey/polls/2008/p28ejoint.html. For a systematic account of the views of the Israeli public on the peace process, see the Peace Index, Tami Steinmetz Center for Peace Research, www.tau.ac.il/peace.

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

[19] For a recent example, see Itamar Marcus and Barbara Crook, "There never has been a Jewish Temple- never will be!," *Palestinian Media Watch Bulletin*, September 25, 2008, www.pmw@pmw.org.il.

[20] See Efraim Inbar and Shmuel Sandler, "The Risks of Palestinian Statehood," *Survival*, Vol. 32, No. 2 (Summer 1997), pp. 23-41.

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

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

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

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

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

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

[27] *Turkiye*, 25 June 2008, TrkNwsE@yahoogroups.com, Wednesday, 25 June 2008, 7:32 pm.

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

[29] Martin Indyk, "A Trusteeship for Palestine," *Foreign Affairs*, Vol. 82, No. 3 (May/June 2003). For an analysis of this mechanism, see Richard Caplan, *A New Trusteeship? The International Administration of War-torn Territories*, Adelphi Paper 341 (London: IISS, 2002); James D. Fearon and David D. Laitin, "Neotrusteeship and the Problem of Weak States," *International Security*, Vol. 28, No. 4 (Spring 2004), pp. 4-43.

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

[31] Nancy Birdsall, Dani Rodrik, and Arvind Subramanian, "How to Help Poor Countries," *Foreign Affairs*, Vol. 84, No. 4 (July/August 2005), p. 143. For the World Bank aid policies and the persistence of poverty, see William Easterley, *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics* (Cambridge: MIT Press, 2001).

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

[33] For a discussion of the literature on this subject, see Christopher Gelpi, Peter D. Weaver, and Jason Reifler, "Success Matters: Casualty Sensitivity and the War in Iraq," *International Security*, Vol. 30, No. 3 (Winter 2005), pp. 10-17.

[34] See Nicholas Sambanis, "Partition as a Solution to Ethnic War: An Empirical Critique of the Theoretical Literature," *World Politics*, Vol. 52, No. 4 (July 2000), pp. 437-83; and Radha Kumar, "The Troubled History of Partition," Vol. 76, No. 1 (January 1977), pp. 22-34.

[35] For a theoretical and empirical critique, see Downes, "Defending Partition as a Solution to Ethnic Wars," pp. 89-97.

[36] See Jonathan Spyer, "Forward to the Past: The Fall and Rise of the 'One-State Solution'," *Middle East Review of International Affairs* (MERIA), Vol. 12, No. 3 (September 2008).

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

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

[39] Hillel Fendel "Egypt Wants to Send Troops to Gaza," 19 August 2008, www.israelnationalnews.com/News/News.aspx/127251

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

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

[42] Dan Diker and Pinchas Inbari, "Re-energizing a West Bank-Jordan Alliance," *Middle East Quarterly*, Vol. 13, No. 2 (Spring 2006), pp. 29-36.

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

[44] www.awrad.org/pdfs/Hamas%20-%20Poll%205%20Report_English.pdf.

[45] For such an argument, see Daniel Byman, "Forever Enemies? The Manipulation of Ethnic Identities to End Ethnic Wars," *Security Studies*, Vol. 9, No. 3 (March 2000), pp. 149-90.

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

[47] Charles Lindblom, "The Science of Muddling Trough," *Public Administration Review*, Vol. 19, No. 2 (1959), pp. 79-88.