



## OPEN FORUM

### THINKING OUTSIDE THE BOX: ALTERNATIVES TO THE ONE- AND TWO-STATE SOLUTIONS

*JPS has always sought to provide a forum for discussion and productive debate on emerging trends in thought regarding the Arab-Israeli conflict and its peaceful resolution. It is in this light that JPS offers the following two pieces, without comment or endorsement, in the hope that they might inspire serious academic discussion, perhaps even within the pages of JPS. The editors welcome responses (they may be sent to [jps@palestine-studies.org](mailto:jps@palestine-studies.org)), although for space reasons we cannot guarantee that all of them will be published.*

*In recent years, faced with a stalled Israeli-Palestinian peace process and Israel's continued creation of facts on the ground, many have started to question whether it is still possible to implement a viable two-state solution, which is the peace process's stated goal. A number of alternative ways forward in the conflict have therefore been suggested that go beyond the usual one-state solution. As part of an exercise of "thinking outside the box," JPS is running two essays that suggest unconventional frameworks for dealing with the conflict.*

*The first essay, by Swedish diplomat Mathias Mossberg, places the Israeli-Palestinian conflict in the context of a discussion of the concept of sovereignty and its erosion and outlines the basic elements of a "parallel states" structure as a possible vision for the Israeli-Palestinian future. This scenario is currently being studied in the Swedish government-funded "Parallel States Project" at the Centre for Middle Eastern Studies at Lund University. The project, launched in 2008, gathers Israeli and Palestinian academics and thinkers along with international experts to explore the implications of a parallel states structure involving two distinct states, Israel and Palestine, and distinct institutions sharing sovereignty over the entire area between the Mediterranean and the Jordan River. The project does not pretend to provide solutions or build a model, but to explore the issues and develop the questions that would arise from such a scenario. The project intends to present a first report at a conference in Lund in September 2010.*

*The second essay, by Israeli scholar Lev Grinberg, starts from a critique of the one- and two-state solutions to suggest an alternative vision including elements of both. The proposed formula is an Israeli-Palestinian Union with different layers of state institutions: a shared administration based on parity representation located in the unified capital of Jerusalem, two separate democratic nation-states, and seven provinces (or federal states) belonging to one of the two nation-states. The author sees this "1-2-7 states" vision of the future as a way of containing the conflict in the absence of an ideal solution.*

## THE ISRAELI-PALESTINIAN UNION: THE “1–2–7 STATES” VISION OF THE FUTURE

LEV GRINBERG

IMAGINATION IS A NECESSARY but insufficient precondition for political change. Equally crucial are the political capacity to negotiate and compromise, a relatively even balance of power, and the authority (and popular support) to implement agreements. In addition to a lack of any shared vision, all these elements were absent in the Israeli-Palestinian “peace process” of 1993–2000. Two charismatic leaders allegedly committed to the two-state solution, Yitzhak Rabin and Yasir Arafat, failed to agree on borders, postponed negotiations, and neglected to take steps to start decolonization. Their failure, compounded by subsequent developments on the ground, critically jeopardized the two-state solution’s future chances of success. The one-state scenario on the other hand has not even reached the table. In light of the obstacles in the way of these two most commonly mentioned solutions, this essay suggests an alternative vision of how to contain the conflict in the absence of reaching a “solution.”

### DEMOCRATIZATION, DECOLONIZATION, AND INSTITUTIONAL DESIGN

Democratic political institutions are not designed to solve conflicts but to contain them through negotiations and legitimize the compromises made by the elites representing dominant and dominated groups. In the absence of agreed political institutions, violence becomes the basic expression of the conflict and a means to achieve goals. Dominant groups use state institutions to rule unilaterally, including by stepping up military repression, and dominated groups react by using violence aimed at achieving recognition of their leadership and claims.<sup>1</sup>

Democracy is a specific set of institutions that developed in Europe in the nineteenth century as a result of increasing class conflict and the formation of nation-states. The two structural preconditions of democratization were a balance of power between dominant and dominated classes and a clear demarcation of borders (physical and symbolic) defining the potential citizenry. Without these preconditions, it is difficult to establish democratic institutions capable of containing conflicts, and without such institutions conflicts easily

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deteriorate into violence: civil wars, authoritarian regimes, or both. But while European states tended toward internal democracy, their expansion was at the same time based on disproportionate economic and military power relative to other regions of the world, and they used this power to impose nondemocratic institutions on these regions to rule them unilaterally. The struggle of the peoples dominated by Europe to gain recognition and inclusion in the polity could not be contained by these state institutions because they were imposed unilaterally by external colonial and imperial power.

With regard to the Israeli-Palestinian peace process, the basic factors preventing its success were the power imbalance between the two parties and the inability to determine borders between the mutually influenced and penetrated Israeli and Palestinian political arenas. With regard to the latter, Israel's own contradiction between democracy and colonialism—which it attempted to mask by way of a “dual democratic-military regime”—stands as a major obstacle. This dual regime, comprising a formal democracy within the 1949–67 borders and a military regime in the West Bank and Gaza,<sup>2</sup> involves two separate struggles: a democratic struggle for equal rights within the sovereign and recognized borders of Israel and a struggle to end the occupation in the Palestinian territories.<sup>3</sup> In addition to the Israeli and Palestinian political arenas, there is also a third arena of interrelations—an Israeli-Palestinian political arena—that includes individuals, groups, organizations, and institutions of both communities. Indeed, the peace process itself was really an attempt to coordinate and synchronize the opening of these three political spaces.<sup>4</sup> A key impediment to achieving this goal was the agreement under Oslo to start democratization (via Palestinian elections) combined with the decision to postpone the decolonization of the occupied territories (i.e., dismantle Jewish settlements, grant economic sovereignty to the Palestinians, and end military rule). A broader reason for the failure to find a peaceful solution to the conflict, then, was the complex interaction among the three political arenas, and this complexity will continue to be a crucial factor in the future. Two conclusions flow from this: Israeli power needs to be balanced by international intervention, and political institutions should be put in place that are able to contain conflicts by opening space for representation and mediation in these three political arenas.

To design the institutions necessary to contain the conflicts in the Israeli-Palestinian matrix, it is necessary to understand the specific tensions involved. This is a matter of institutional design requiring a new vision of the future. Whether or not the agreed institutions can be installed and consolidated depends on the political will of the elites and the popular support they can mobilize. It is true that the one- and two-state solutions are also visions of the future, but they do not sufficiently address the complexities of history and the Israeli/Palestinian societies' present situation, nor do they account for the need to contain conflicts through facilitating institutions. In other words, neither provides for institutions that can work as containers of expected social conflicts.

## THE TWO-STATE AND ONE-STATE SOLUTIONS

Until October 2000, the most popular vision for solving the Israeli-Palestinian conflict was two separate nation-states. Since then, however, the one-state solution, understood as the promotion of one binational state, has been gaining popularity among Palestinian intellectuals due to the failure of the Oslo process.<sup>5</sup> Neither of these solutions, in my view, is viable in the present reality, necessitating a search for a new formula, possibly one that combines elements of both.

The two-state solution is based on the European model of nation-states, whereas the one-state solution is based on the European model of liberal democracy. But as mentioned above, neither model reflects the current economic, political, cultural, and military realities in Israel/Palestine or offers any plausible transition from the current dual military-democratic regime. Moving toward either scenario from the present reality would at best create tensions while being incapable of containing the tensions and conflicts inevitable after their implementation.

The two-state model involves a return to the pre-1967 borders (with minimal agreed territorial exchanges) and the creation of a Palestinian state in the West Bank and Gaza connected by a passage that traverses Israeli territory. This solution assumes both a recognized border separating both states and military forces capable of controlling these borders and protecting their respective citizens. But the demarcation of borders and their effective defense seem almost impossible given the mutual penetration of populations in this relatively small piece of land, not to mention other particularly intractable issues such as sovereignty over Jerusalem and the holy sites.<sup>6</sup>

Democracy and security represent two additional major obstacles to the two-state model. With regard to the former, this solution assumes that Israel is the state of the Jews,<sup>7</sup> yet some 18 percent of Israel's citizens are Palestinians unwilling to accept their inferior status whatever agreements the PLO might sign. This means that the two-state solution maintains the national conflict within the borders of the Jewish state, which will be unable to contain it by the democratic means of equal representation. Security, meanwhile, is the primordial problem in Israeli discourse. The idea of an eternal and ahistorical insecurity, while rooted in the traumatic past of the Jews in Europe and the Holocaust, as well as in ancient religious texts, has been the national myth since 2000. Even before, a clear Israeli precondition in all negotiations has always been disarmament of the Palestinian state so as to rule out the possibility of any Palestinian military force capable of confronting the Israeli military. Moreover, given the unlikelihood that a Palestinian state could ever be allowed to attain real independence and sovereignty or autonomy, the Palestinian opposition would have good reason to continue violence against its powerful neighbor. In such a situation, it is not unreasonable to assume that after withdrawal from the occupied territories a revisionist Israeli political movement could win elections on a platform calling for the military reoccupation of the Palestinian state.<sup>8</sup>

The one-state solution is ideologically opposed by most Israelis and, more importantly, by the Jewish state, which can easily obstruct it. Moreover, both national communities still prefer to remain autonomous, independent, and undetermined by the other, their lingering attachment to the two-state solution being based on the illusion that it will allow each to be rid of the other. Indeed, Palestinian advocates of the one-state solution sometimes seem to press the issue mainly to emphasize the antidemocratic nature of the Israeli military occupation and the Jewish state rather than with the aim of designing political institutions able to contain the conflict in the future.

The idea of one democratic liberal state can be very attractive in principle, but without conditions of deep mutual recognition between the two communities, formal democratic institutions cannot guarantee political stability. Instead of opening political space to new agendas in civil society common to Jews and Palestinians, the one-state solution, if implemented, could institutionalize their national mobilization against each other and neutralize potential space for shared interests. Indeed, in the charged mutual hostility characterizing Israeli-Palestinian relations, democracy itself could be a source of conflict, exacerbating the demographic race, strengthening mutual fears, and encouraging disputes over migration (the Palestinian right of return and the Jewish Law of Return). A democratic state without additional political institutions could only enhance the politicization of religion and the polarization of extremist ethno-national trends.

### THE “1–2–7 STATES” ISRAELI-PALESTINIAN UNION VISION

Looking beyond the present impasse, a major effort of institutional design is required to invent political frameworks capable of containing inevitable conflicts by agreed-upon rules that produce representation and dialogue. These institutions must embody the positive aspects of both the one- and two-state solutions and overcome their obstacles. It is not my intention to enter into details about the specific institutions, which need to be worked out by research institutions and think tanks before being negotiated and implemented, but it would seem obvious that a system responding to the above criteria would involve some creative combination of consociation, confederation, and federative institutions.

The solution I propose is an Israeli-Palestinian Union (IPU), which would include one shared administration based on parity representation located in the unified capital of Jerusalem, two separate democratic nation-states, and a minimum of seven provinces (or federal states) that would be part of either nation-state and would enjoy relative autonomy.<sup>9</sup> The vision of the “1–2–7” IPU is mainly based on my interpretation of the Israeli-Palestinian triple matrix of relations,<sup>10</sup> but it is also informed by models of the European Union (EU) and German federal institutions.

The separate governments of the two national states would administer everything that can be separated: land, education, health, police, local government,

tourism, culture, religion, sports, and so on. The IPU government would administer everything that is indivisible: infrastructure, communications, water, energy, transportation, ecology, the sacred places, and Jerusalem. In contrast to the national states, where demographic changes would be democratically represented, the IPU institutions would be founded on the principles of parity and mutual veto. One of the main tasks of the IPU shared administration would be to erase the demographic fears fanned by democracy—namely, Jewish fears of the Palestinian right of return and Palestinian fears of Jewish immigration, territorial expansion, and displacement. During the early years, the IPU government would probably require the participation of an international body to mediate disagreements and foster compromise.

Two more complex issues are security and the economy: while violence would be the most likely factor to sabotage any political agreement, the second would probably be the economic gap between Israelis and Palestinians. These two areas would require the most creative efforts, supported by international institutions. With regard to security, it is highly improbable that a peaceful solution could survive without the total disarmament of all civilians, Jews and Palestinians, and the backing of a major international peace force, which would need to have a clearly defined mission, to protect Palestinians from Israeli military forces.

If the economic institutions are improperly designed and implemented, they could easily undermine political support for the agreements and ultimately derail the process. A major Israeli and Palestinian motivation in the initial peace negotiations was economic: Israelis wanted to participate in the globalized economy and Palestinians wanted stable jobs, investments, and growth.<sup>11</sup> Ultimately, Israelis achieved their goals, but the Palestinians did not.<sup>12</sup> Learning from earlier mistakes, all economic agreements would have to aim at closing the economic gap through state intervention and counterbalancing the power of Israeli technology, financial institutions, and industry. The dominant economic position of Israeli elites helps them benefit from “free markets,” whether these are “free trade zones” or “custom unions.”<sup>13</sup> The economic arrangements of the IPU must therefore consciously work against a direct link between identity and material welfare, or an explosive situation could arise.

The economic policy must be designed to counterbalance economic gaps, mainly between Israel and Palestine, but also within each national community. This is one of the main goals of the IPU administration and the seven regional states, which would be designed according to salient economic gaps between areas of the IPU. The central administration would collect taxes and allocate them within an equalizing logic. The model I have in mind is the German federal financial system. The principle is that the IPU administration would collect progressive taxes according to the wealth of distinct areas and would later redistribute them according to the number of citizens in each state and their needs. The social security system would follow the same logic in relation to individuals and families. All these systems would have to be very well planned



at the technical, professional, and administrative levels and would need the advice of international institutions.

The division of each nation-state into three or more regional states would have not only an economic equalizing goal but also a pluralistic and representative democratic logic. The various regional states could have very different cultural and religious preferences and complex community relations. The differences between Tel Aviv and Jerusalem, Gaza and Ramallah, are examples of these internal national differences. The IPU's division into regional states, the establishment of local parliaments, democratic deliberations in each state, and even local legislation, could be expected to open space to multicultural and multireligious communities, which might be ignored, repressed, or misrecognized within the two dominant identities.

### INTERNATIONAL INTERVENTION

Throughout past Israeli-Palestinian negotiations, Israel has been consistently determined to avoid any third-party intervention (except that of the United States), believing that such involvement would support Palestinian claims.<sup>14</sup> From this, I conclude that in order to reach an agreement, third-party mediation is precisely what should be done: without international intervention consciously aimed at balancing Israel's power and reducing U.S. and EU military, economic, and political support, no fair and durable agreement can be achieved. In direct negotiations, no substantial Israeli compromise can be expected, and if Palestinian negotiators accept Israel's conditions out of weakness and dependency, the implementation of the agreement will fail because other Palestinian actors will reject or sabotage it.

From 1992 to 2008 various U.S. administrations have supported the position of the Israeli moderates in the best case (Bill Clinton) or even converged with the most extremist Israeli government (George W. Bush).<sup>15</sup> The only times when international intervention played a positive role in Israeli peace negotiations (notably by balancing Israel's powerful position) were related not to Palestine but to the Arab states. The first time was in the 1978 Camp David negotiations between Menachem Begin and Anwar Sadat under Jimmy Carter; the second was when George H.W. Bush forced the Israeli government to participate in the 1991 Madrid Conference. In both cases, the interventions directly influenced internal Israeli politics, empowering actors supporting peace and compromise. In the Israeli-Palestinian arena, the need for intervention is even greater and obviously depends on the international context, not only local developments.

Since Barack Obama was elected president of the United States in late 2008, expectations of U.S. pressure on the Israeli government to negotiate a peaceful agreement with the PLO have mounted. International pressure on Israel is indeed a necessary precondition to balance its power vis-à-vis the Palestinians. However, if the pressure is to implement the two-state solution, it will almost certainly fail and might even enhance the Israeli tendency to

impose unacceptable conditions on the Palestinians and later blame them for any failure. This has been Israel's strategy since 1947, refined during the Oslo negotiations for the two-state solution, and most dramatically following the Camp David summit in 2000.<sup>16</sup>

The general goal of negotiations must not be to establish two states or one, but to abolish Jewish supremacy over all the land and build political institutions capable of containing expected tensions in the future in the three separate political arenas of Israel, Palestine, and Israel/Palestine. Obviously, such a major step cannot be made in the present violent situation of Israeli military domination, economic strangulation, and nonrecognition of the elected government in Gaza. An interim *budna* (truce) must be reached to change this situation and facilitate creative and constructive negotiations. The fundamental elements of a *budna* could serve as the point of entry into the occupied territories for an international peace force, which would allow freedom of movement and economic development for Palestinians and start the dismantlement of Jewish settlements. Only after a truce is signed and the Palestinians and Israelis begin to feel some relief and trust in the possibility of reconstruction can a new future be imagined. Only then can we start thinking about how to build our shared future in Israel/Palestine.

## NOTES

1. For an expanded theoretical background of my interpretation of political institutions, conflict, and violence, see Lev L. Grinberg, *Politics and Violence in Israel/Palestine: Democracy versus Military Rule* (London: Routledge, 2009).

2. Lev L. Grinberg, "Israel's Dual Regime Since 1967," *MIT Electronic Journal of Middle East Studies* 3 (Spring 2008), pp. 59–80.

3. Dual regime is the basic concept; however, there are several specific forms of military domination in different areas. For example, conditions in East Jerusalem and the Gaza Strip are very different from those in the West Bank. Each area is dominated differently.

4. For an interpretation of the Israeli-Palestinian triple matrix of relations, see Lev L. Grinberg, "A Theoretical Framework for the Analysis of the Israeli-Palestinian Conflict," *International Review of Sociology* 1 (1994), pp. 68–89.

5. Jamil Hilal, *Where Now for Palestine? The Demise of the Two-State Solution* (London: Zed Books, 2007).

6. For a discussion of the reasons for the failure of the peace talks, see Grinberg, *Politics and Violence*.

7. Israel's recognition as a Jewish state has already been raised in the negotiations, see Ian Lustick, "Abandoning the Iron Wall: Israel and 'The Middle Eastern Muck,'" *Middle East Policy* 15, no. 3 (Fall 2008), pp. 30–56.

8. This is Prime Minister Benjamin Netanyahu's main argument against Palestinian independence: we already withdrew from Gaza and the Palestinians reacted with Qassams. This is obviously a propaganda manipulation, but it is expected to work as a mobilizing nationalist argument in the future, including against Netanyahu if he signs a withdrawal agreement as a result of international pressure.

9. The number of federal states would depend on political negotiations and the criteria used by the negotiators to determine their borders. The seven I refer to are Jerusalem, Beersheba, al-Khalil/Hebron, Gaza, Haifa, Ramallah, and Yaffa-Tel Aviv, the capitals of the federal states I envisage. There could be up to fifteen federal states if the areas were further divided according to economic gaps, demographic composition, and geographic obstacles.

10. See Grinberg, *Politics and Violence*.



11. See Amira Hass, *Drinking the Sea at Gaza: Days and Nights in a Land under Siege* (London: H. Hamilton, 1999); Uri Savir, *The Process: 1,100 Days that Changed the Middle East* (New York: Vintage, 1999); Gershon Shafir and Yoav Peled, *Being Israeli: The Dynamics of Multiple Citizenship* (New York: Cambridge University Press, 2002).

12. See Sara Roy, "Decline and Disfigurement: The Palestinian Economy after Oslo" in Roane Carey, ed., *The New Intifada: Resisting Israel's Apartheid* (London: Verso, 2001); and Leila Farsakh, *Palestinian Labour Migration to Israel:*

*Labour, Land and Occupation* (London and New York: Routledge, 2005).

13. See Lev L. Grinberg, "Economic Strangulation Ring: Three Turning Points in Forty Years of Economic-Military Control" [in Hebrew], *Theory and Criticism* 30 (2008).

14. Savir, *The Process*.

15. Rashid Khalidi, *Resurrecting Empire: Western Footprints and America's Perilous Path in the Middle East* (Boston: Beacon Press, 2004).

16. Yoram Meital, *Peace in Tatters: Israel, Palestine, and the Middle East* (Boulder: Lynne Reiner Publishers, 2005).