

Roundtable: Preserving a Path to a Two-State Solution

[Einat Wilf](#) and [Ghaith al-Omari](#)

December 23, 2015

Veteran Palestinian and Israeli policymakers respond to a new study on how Western governments can help preserve the viability of a two-state solution without launching broad, risky diplomatic campaigns aimed at forcing direct bilateral talks.

On December 22, Einat Wilf and Ghaith al-Omari participated in a roundtable discussion at The Washington Institute. Wilf is a former Israeli Knesset member and author of the new Institute study [Aligning Policy with Preference: Preserving a Path to a Two-State Solution](#). Omari, a senior fellow at the Institute, previously served in various positions with the Palestinian Authority, including as an advisor to President Mahmoud Abbas. The following is a rapporteur's summary of their remarks.

EINAT WILF

Bilateral Israeli-Palestinian negotiations have been beneficial insofar as they have yielded a set of preferences for what a two-state outcome would look like in practice: namely, the establishment of a Palestinian state alongside a Jewish state of Israel, recognized borders based on the 1967 lines with mutually agreed land swaps, Jerusalem as the capital of both countries, and an agreed, just, and realistic solution to the refugee issue. Yet in privileging the process of direct bilateral negotiations over the outcome of achieving a peace agreement, the international community has failed to achieve results. Therefore, increasingly frustrated Western countries are now testing new approaches to achieve these outcomes in the absence of negotiations.

Ideally, foreign actors could promote Israeli-Palestinian peace by staying out and letting the two sides settle their differences. But that is not going to happen; both parties have come to accept Western involvement. So far, however, Western countries have pursued policies that do not reflect their preferences. In some cases they overshoot, imposing restrictions that everyone agrees have to go; in other cases they undershoot, not implementing policies that everyone agrees are needed. Rather than changing one or another of these policies, the West could systematically implement a package of policies that reflect its preferences. By doing this in a coherent manner, the West could present a vision of what peace will look like.

One part of that package would be recognizing the state of Palestine. But this would be just one measure among others, not a unilateral step.

Second, countries could seek to align their policies on land swaps, Israeli settlements, and borders. At present, foreign governments tend to treat any Israeli presence beyond the 1949 ceasefire line as illegal, whether it is a settlement close to the border or a faraway outpost. That is inconsistent with the tacit international understanding that the final border will be different from that of 1949 or even 1967, as reflected in President George W. Bush's 2004 letter to Prime Minister Ariel Sharon and the Arab League's 2013 declaration on land swaps. Instead,

Western countries could state that any Israel construction on lands likely to be swapped is considered legal, while construction outside those areas is illegal.

Third, the international community could recognize residential West Jerusalem as the capital of Israel, Arab East Jerusalem as the capital of the state of Palestine, and international right of worship for the Holy Basin. In doing so, the international community would align its Jerusalem policy with the widely held understanding of the city's eventual status. In comparison, current Western policy is inconsistent. It is partly based on the 1947 partition proposal, which states that Jerusalem belongs to no one. As a result, Western countries do not recognize West Jerusalem as Israel's capital and have yet to move their embassies there from Tel Aviv. Yet East Jerusalem is considered occupied Palestine, a policy based on the 1967 lines.

Fourth, Western countries should no longer refer to Palestinians in the West Bank and Gaza as refugees, instructing the UN Relief and Works Agency to act accordingly. UNRWA, which is largely funded by the West, perpetuates the idea of right of return to pre-1967 Israel by recognizing West Bank and Gaza residents as refugees. This fundamentally contradicts the notion that there will be a Palestinian state of which these individuals will be citizens. It also feeds Palestinian illusions and Israeli fears that the international community does not accept Israel as a Jewish state.

These and similar proposals would build on the insight of "prospect theory," which has shown that people tend to fear losses more than they value benefits. To date, the West has emphasized the benefits of peace, but this approach has not been particularly effective because the people in question greatly fear the losses they could suffer. The West would be better off addressing these fears by clearly and publicly demonstrating that the concessions each side needs to make are modest.

Finally, this proposed alignment of Western policy with preferences is not intended to address the question of security. Only Israelis and Palestinians can answer that question.

GHAITH AL-OMARI

The initiative outlined in Dr. Wilf's new report is a valuable contribution to the policy conversation; I would add two layers of complexity. The first is that many of the issues discussed are not simply bilateral issues -- they have implications for other players whose interests must be taken into account. For example, the UNRWA issue relates not only to the Palestinian Authority, but also to Jordan and Lebanon. The Holy Basin presents similar challenges because it is a wider Arab and Muslim issue.

Another important layer is the idea that power imbalances on the ground can create an implementation scenario that might disadvantage Palestinians. For example, recognizing Jewish neighborhoods in East Jerusalem as part of Israel would not go over well among Palestinians, as Israeli sovereignty has been extended in certain areas at a time when Palestinians access is restricted. Unless such ideas are reflected by concrete changes on the ground, they will create great unease among Palestinians.

More broadly, while the report presents a sound analytical overview, such an initiative cannot be constructively pursued at present for diplomatic and domestic political reasons. Palestinian and Israeli leaders lack the political space needed to meaningfully engage in a diplomatic initiative. For such an effort to be useful, a wide international coalition of Western and Arab countries would have to be involved -- the latter to create cover for the Palestinians while simultaneously pressuring them. Yet given the many competing priorities in the region and the trust deficit between the United States and its Arab allies, there is little possibility of such a coalition emerging in the near term. Moreover, prematurely pushing a resolution or parameters that do not reflect everyone's vision could erode the valuable international consensus in support of a two-state solution.

Significant political risks loom as well. Such an initiative would not be supported by the current Israeli government even if those in the domestic peace camp sought to reopen the conversation. Things would be even more difficult on the Palestinian side, where the PA has grown weak and faces a legitimacy crisis that would force it to reject parameters of this sort. As a result, the initiative might spur Palestinians and even Israelis to announce more hardline positions than they would otherwise adopt.

It is time to move away from broad diplomatic moves and look at smaller but more concrete and achievable engagement with the parties. The international community, led by the United States, needs to engage Israelis and Palestinians on doable, meaningful steps toward the other side. Washington could approach the Palestinians with a clear message that they must stop incitement and other negative messaging or else pay a high price. It could also engage them on maintaining security cooperation. The PA does not have any real interest in severing security cooperation, yet the more that Palestinian officials talk about it, the more they create the potential for a self-fulfilling prophecy.

U.S. engagement with Israel could focus on what can be done to give Palestinians increased access to Area C in the West Bank. For some time now, the Israel Defense Forces have been saying that a lot more can be done to increase such access given the high level of bilateral security cooperation. Any move of this sort would be significant enough to create a sense of hope and motion for the Palestinians.

In addition to these concrete steps, Washington could ask Israel to consider policies that reaffirm its commitment to a two-state solution, given the growing perception that the current Israeli government is ambivalent about peace. Such measures could include harmonizing its settlement policy with its peace map -- that is, no building

outside the areas Israel believes it will retain by swapping territory. Although this measure would not be sufficient for Palestinians on its own, it would send a message that the Israeli government is serious about doing something.

Meanwhile, Washington could engage the Palestinians on reform, in large part by reviving and reprioritizing the issue of institution building. At a time when 80 percent of Palestinians believe their government is corrupt, the leadership does not have the standing or ability to make the concessions needed for a two-state outcome. The international community should therefore push for deeper reform at the constitutional, security, and governance level. When this happened in the past, it allowed for reformists such as former prime minister Salam Fayyad to emerge.

Ultimately, peace can only be achieved through high diplomacy and negotiations. Yet some of these concrete, nondiplomatic ideas could create a degree of stabilization that brings us closer to the moment when a two-state solution can be reengaged diplomatically.

This summary was prepared by Gabrielle Chefitz and Ronie Gazit.