A Different Two-State Solution

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Israelis may fantasize about a divorce from Palestinians, but their actions for three-quarters of a century have made that increasingly impossible.

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With violence between Palestinians and Israelis at its highest levels in decades, voices again have risen in favor of a two-state solution. The idea—a Jewish homeland and an Arab one carved out of Mandatory Palestine—dates back to the United Nations’ 1947 partition plan, but it has seemed increasingly remote. In the weeks before October 7, the growing consensus was that the window for a two-state solution had closed.¹ The current violence has persuaded many that the idea needs to be revived.

Indeed it does, but doing so will require the redefinition of some terms—for starters, “two,” and “state,” and “solution.”

**Two**

Let’s start with “two.” Seventy-five years of history have intertwined the fates of Arabs and Jews far more than had ever been contemplated. Not only has Jewish settlement extended deep into formerly Arab areas, but the 20 percent of Israeli citizens who are non-Jewish Arabs have come to think of their Palestinian-ness (and Israeli-ness) in complex and connected ways. Resources, not least water, are inextricably linked, but even things as mundane as wireless spectrum are completely intertwined. Israelis may fantasize about a divorce from Palestinians, but their actions for three-quarters of a century have made that increasingly impossible.

Palestinians have been enveloped in that process, too. The Palestinian economy has become deeply integrated with the Israeli economy, even as permission to work in Israel is unreliable. Just last summer, Israel was the destination for 90 percent of Palestinian exports and the source of 58 percent of its imports.² While Palestine certainly needs a more diversified economy and set of trade ties, building it all from scratch without taking advantage of Israeli infrastructure and ports, not to mention the technical skills for things like managing the money supply and credit markets, will make the task infinitely harder.
Each side has ample evidence from the past 30 years of how hard arm’s length cooperation is. Palestinians note that Israeli security forces not only have continually burst into areas of supposed Palestinian self-rule but also have been lax on vigilante settlers who seek to be a law unto themselves. Not unreasonably, they see Israeli businesspeople taking advantage of Palestine as a captive market to their own advantage and at the expense of Palestinian interests.

Israelis have complained that Palestinian security cooperation has always been grudging and incomplete, and they blame poor Palestinian economic performance on corruption and incompetence rather than Israeli exploitation.

Rather than more separation, however, the antidote to these complaints is greater integration, albeit with outside enforcement. A multinational endeavor with Israelis and Palestinians at its core, with the active participation of Americans, Europeans, regional governments, and others, will be awkward at first. But giving Palestinians and Israelis greater visibility into each other’s actions will give greater confidence. Equally important will be noting when cooperation is not forthcoming, also giving greater confidence that agreements cannot be ignored without consequence.

State
This is where “state” needs to be redefined. What will emerge is something less than a Westphalian state with complete control over what happens within its borders, and not just for Palestinians. Israel will also need to open its decisionmaking to justify some of its actions to others, and to consider the broader implications of actions it principally targets at its own citizens. The European Union has shown much of this is possible, but what will be required here will be more intrusive and less consensual.

Solution
All of this will be messy, which brings us to the last problem in this trilogy: the “solution.” One might object that what is described here is not a solution at all, because it will require sustained engagement and struggle from two parties who were largely estranged before the massacres of October 7, and are even more estranged in their aftermath.

Adding to the challenge, each side is convinced that sizeable constituencies on the other side ultimately seek domination and not coexistence. While this reality cannot be willed away, much less ignored, one thing is especially encouraging. That is, through more than three decades of polling, it is clear how dynamic the support for coexistence has been, and therefore how dynamic the support can be. It responds to conditions, and it responds to actions. There is little question that, right now, it is close to bottom, and there is tremendous upward potential.

A strategy of this sort will be unacceptable to both sides, at least initially. It is not what they have been fighting for over the last 75 years, and it feels inadequate. Even so, it gives us a new construct to work from, and a new construct is necessary. For decades, most of Israel’s peace negotiations were built around the idea of “land for peace.” But what was successful with Egypt did not work with Syria, and it certainly did not work with Palestine. Israel has both political and security reasons to move away from that formula. Prime Minister Benjamin Netanyahu is determined to preserve Israeli communities scattered throughout historic Judea and Samaria, in areas designated for a future Palestinian state. He speaks derisively of the potential emergence of “Hamastan” and “Fatahstan” on Israel’s borders, and he vows to block it. On these issues, there is a fair amount of Israeli unity.

And at the same time, Palestinians look at the fragmented ink blots of “Area A” on the West Bank, supposedly under full Palestinian control yet largely at the mercy of Israeli decisions. Palestinians have come to regard the Oslo agreement of 1993 as a ruse that left them powerless, dominated, and immiserated. Israel’s cordon around Gaza, and its actions over the last three months inside of it, reinforces Palestinians’ despair.

Rethinking the terms of what a two-state solution might look like will not be satisfying. Each side feels it gave the other a chance through the Oslo Accords,
only to see the depth of its adversary’s hostility. Events of the last three months have convinced even more that the other side has no respect for human life. This is no basis on which to build a partnership.

But the two sides surely have shared interests, not least the desire to create a future of greater security, prosperity, and freedom for their children. Seventy-five years of fighting has not gotten either side what it wanted. Thinking through ways to enlarge definitions and introduce outside monitors will not end conflict, but it could go a long way to end bloodshed.