

The Declaration of Palestinian Statehood: An Unparalleled Political Opportunity?

Executive Summary

1. **This paper offers a framework for an Israeli political initiative on the Palestinian unilateral motion to get United Nations recognition of the Palestinian Authority (PA) as an independent state** (hereinafter "recognition of a Palestinian state") and to accept the Palestinian entity as a full member state of the UN. **Israel should seize the Palestinian campaign as an opportunity to:**
 - **Enter into negotiations with the U.S. and the international community regarding the terms upon which the UN Security Council (UNSC) recognizes the Palestinian state.** If Israeli prerequisites are met, it would also be able to recognize the Palestinian state, and to turn the Palestinian plan, which seems to have aimed primarily at embarrassing Israel, into a transformative breakthrough;
 - **Shape "the day after" UN recognition of a Palestinian state,** emphasizing that the Palestinian entity then constitutes the sole legal and political Palestinian representation of its citizens and residents, entailing inherent rights, duties, and responsibilities that are clear and bound by international law.
2. **The principal potential benefits of such Israeli initiative are:**
 - **Anchoring the principle of 'two-states-for-two-peoples,'** which strengthens the recognition of Israel as the nation-state of the Jewish people; guaranteeing security interests; diluting Palestinian refugee issue; breaking the deadlock in the negotiations; fortifying the status of Jerusalem as the capital of Israel; and improving relations with the U.S.;
 - **Positioning Israel as an asset to its allies, rather than a liability,** against the backdrop of regional instability and uncertainty; rising tensions between Israel and Turkey, Egypt, and Jordan; and the U.S. administration's frustration with its failure to achieve significant progress in the Israeli-Palestinian political process;
 - **Lowering the prospects of confrontation between the IDF and the Palestinian population that may escalate into a strategic upset for Israel,** as a result of a combination of lack of unity in Israel and the Jewish world behind the government's policies, high regional turbulence, and rising tensions with the Israeli Arab citizens and Bedouin populations;

The detrimental effects of such confrontation could be significant and long lasting, and include an escalation of the assault on Israel's legitimacy; a rift between Israel and the Jewish World; a crisis between the Government of Israel (GOI) and the U.S. administration; considerable constraints on Israel's ability to use its military force for self-defense; a domestic crisis in

Israeli society within the Jewish population and with Israel's Arab and Bedouin citizens; and the dissolution of the PA and the paradigm of 'two-states-for-two-peoples.' These potential effects are distinct from, but may aggravate, the ongoing enmity with Iran, Hezbollah, and others. Thus, **Israel may be walking into a political collision, which will at first seem a local and containable conflict against a relatively weak and unorganized opponent, but can in practice develop into a strategic setback.**

3. **These potential benefits are conditioned upon the consolidation of a political deal, which will enable Israel to waive its rejection of the recognition of the Palestinian state in the UNSC and of its reception as a full-fledged UN member state.** This deal must be based on close coordination with the leading countries, primarily with the U.S. and ideally also with the Palestinians, on the essence and language of the UNSC resolution. Such a deal would enable the U.S. not to exercise its veto power.
4. **The proposed political initiative of Israel is based on the following principles:**
 - a. **The Palestinian state will be established and recognized by the world, including by the U.S. and Israel, and accepted as a full member state of the UN, which requires a UN Security Council Resolution (UNSCR);**
 - b. **The principle of 'two-states-for-two-peoples' will be anchored by the UNSCR and would clearly refer to the 'Jewish state' or 'nation-state of the Jewish people' parallel to the 'Arab / Palestinian state,' or, at the minimum, to the principle of 'two-states-for-two-peoples';**
 - c. **The Palestinian state will inherit the PA, with all the powers and authorities accorded it in the Oslo accords and subsequent agreements.** The Gaza Strip is part of the Palestinian state, but recognition of the Hamas regime would be conditional upon its fulfillment of the Quartet's demands and resumption of participation as an integral part of the Palestinian state;
 - d. **Attributes of sovereignty of the Palestinian state will be upgraded, except from outstanding issues that have been agreed to be negotiated.** For example, the Palestinian state could issue its own currency and conduct international trade agreements, but its final borders and security arrangements with Israel would be negotiated on a state-to-state basis in the future (see below);
 - e. **Borders and territories:** The initial territory of the Palestinian state would be that of the Palestinian Authority in Gaza and the West Bank, and its permanent borders would be determined in negotiations. The illegitimate Hamas regime in Gaza would not be recognized by Israel and the international community. The U.S. could note the Palestinian demand for borders based on the June 4th 1967 Lines, which it has already done;
 - f. **Security arrangements:** The U.S. would guarantee to Israel that in Permanent Status, agreed-upon security arrangements – primarily on the perimeter of the West Bank, in coordination with Jordan, and on the territories of the Palestinian state – would be established. Gaza would not be

connected to the West Bank through a safe passage until similar arrangements are established on its border with Egypt;

- g. **Self-defense and legal defense:** Israel's right to defend itself from any threat emanating from the Palestinian territory would be recognized, as would the legitimacy of Israel's judicial system to oversee its actions so as to validate the Complementarity Principle that protects from prosecution and procedures in international tribunals;
 - h. **Representation:** The Palestinian state would exclusively represent its Palestinian citizens, and would bear responsibility and be accountable for everything that happens in its territory according to international law. Israel and the Palestinians would establish mutual reciprocal diplomatic missions in Ramallah and Tel Aviv; all countries would be invited to establish an embassy to the Palestinian state in Ramallah, and their Jerusalem consulates would cease to cover the West Bank and Gaza; and Palestinian embassies around the world would serve the Palestinian state instead of the PLO;
 - i. **Elections in the Palestinian state:** The Palestinians would conduct elections in the West Bank (and in Gaza if possible) in order to establish a Palestinian leadership that legitimately represents its citizens and residents;
 - j. **Resumption of the political process on a state-to-state basis, while focusing on issues under the jurisdiction of the Palestinian state,** such as borders, security, economy, trade, environment, and even management of the Jerusalem area. The 'historic issues' that emanate from 1948, or issues that are resonant for the entire Palestinian people (for example, the refugee issue or the holy sites in Jerusalem), would be negotiated only at a later stage, and following the resolution of the crisis of Palestinian representation (see below);
 - k. **Release of Palestinian prisoners to the West Bank as a goodwill gesture.**
5. **An Israeli initiative may generate additional benefits:**
- a. **Diluting the refugee issue:** Palestinian refugees would be able to return to the Palestinian state (subject to Israeli specific security considerations). Israel could press for the cessation of the UNWRA presence in the Gaza Strip and the West Bank and the transfer of its responsibilities to the Palestinian government. In addition, Israel could campaign to change the reality in which certain individuals are both Palestinian refugees and citizens of third countries;
 - b. **Receiving a unique and tailored security package** from the U.S. that would guarantee Israel's capacities to confront future challenges arising from the Palestinian state and the dramatic changes in the Middle East. Examples include building a security fence along Israel's border with Egypt and Jordan, or acquiring Iron Dome systems to protect Israel's urban center;

- c. **Releasing Jonathan Pollard:** An Israeli political initiative that spares the U.S. from using its veto power may lead to mutual goodwill that would pave the way for the release of Jonathan Pollard.
6. **Now is the ideal time to launch such an Israeli initiative** for the following reasons: (a) Israel may fail to circumvent the Palestinian bid for statehood, and experience a diplomatic defeat in the UN that will embarrass its allies and primarily the U.S.; (b) An Israeli political initiative that accepts Palestinian statehood places the 'burden of proof' on the Palestinians to meet Israel's concerns; (c) The assembling of the General Assembly (GA) creates an opportunity for intensive dialogue between Israel and the world's leaders; (d) Such a political initiative could not have been launched earlier given that the Palestinian's guiding logic in this campaign is confrontational, i.e. had Israel supported it, the Palestinians would have probably withdrawn from it.

Introduction

7. **This month, the Palestinian leadership is planning to request UN recognition of a Palestinian state and acceptance as full member state in the UN.** At this point, the specific nature of the Palestinian motion is unclear, such as whether it will be presented to the General Assembly or also to the Security Council.¹ In any case, it is already apparent that the Palestinians will enjoy the support of most countries.
8. **The Palestinian campaign creates a dilemma for Israel:** Despite Israel's support for the principle of 'two-states-for-two-peoples' that is based on creating a Palestinian state, it objects to UN recognition of a Palestinian state and is working to obstruct it.² This stems from concerns of:
 - A unilateral UN position on permanent status issues such as the 1967 borders;
 - A narrowing of Israel's political and military room for maneuver in light of the inherent rights of the Palestinian state within its land, airspace, and maritime territory;
 - The International Criminal Court in the Hague gaining jurisdiction over the Palestinian state's territory, which would influence the legal status of IDF soldiers and of settlements and settlers;
 - Hamas taking over the Palestinian state;

¹ The options that have been brought up as of late are an attempt to gain acceptance as a full member in the UN through the Security Council (which can be vetoed by any of the permanent members), to pass Security Council decisions that support an independent state but do not entail UN membership, to seek recognition of a Palestinian state from the General Assembly, to hold a special General Assembly conference using the pretext of Uniting for Peace, and to demand the implementation of Resolution 181 (the Partition Plan). [Jerusalem Post](#), 6/12/11

² See for example the plan the Israel Ministry of Foreign Affairs sent to Israeli embassies abroad to obstruct the campaign for UN recognition of a Palestinian state. [Haaretz](#), 6/10/11

- A popular national Palestinian uprising that would directly confront the IDF under the inspiration of the Arab Spring;
- A collapse of the PA if the Palestinian campaign fails, which could bring about a renewal of full Israeli control over Palestinians in the West Bank;
- The establishment of a Palestinian state that does not recognize the State of Israel as the nation state of the Jewish people.

9. **This contradiction stems from a clash between two logics:**

- **Israel's security logic calls for staying in the West Bank** – This logic stems from the concern that the West Bank would turn into hostile territory like Gaza, placing Israel's population centers under fire. Such a threat increases when the Palestinian state controls its airspace and borders. According to this logic, controlling and monitoring critical parts of the Palestinian territories are essential security needs;
- **Israel's political logic calls for withdrawing from the West Bank** – This logic stems from the threat that Israel's continued control over the Palestinian population will become an unbearable political, diplomatic, and economic burden. Therefore, the continuation of Israel's control over the Palestinian population is a strategic threat.³

Indeed, in the past fifteen years, Israel has swung between the two logics. Each attempt to contend with one of the threats amplifies the other. On the one hand, the political logic shaped Oslo Accords, as well as the Camp David Summit, the unilateral withdrawal from the Gaza Strip, the Olmert government's Convergence Plan, and the Annapolis process. On the other hand, the security logic shaped Israel's policy in advance of the Wye River Memorandum, and in the days of Operation Defensive Shield and Operation Cast Lead.

10. **Israel also swings between the logic of negotiations and the logic of unilateralism.** Though Israel has reconciled with the need to end control over Palestinians, in practice, both political avenues open to Israel – negotiations and unilateral moves – encompass complex structural problems:

- **The path of negotiations turns Palestinian political will and their capacity to govern into a pre-condition for progress.** However, the combination of a weak Palestinian political system and the widespread view of Palestinians that time is 'on their side' in practice brings about an escalation of demands, a lengthening of the negotiation process, and an expansion of the agenda;
- **The path of unilateral moves strengthens radical elements and provides them 'veto rights,' exercised through violence, to obstruct progress.**

Thus, on the one hand, the logic of negotiations shaped the Oslo process, the Road Map, and Annapolis; on the other hand, the logic of unilateralism shaped the

³ See [here](#) Abbas' threat to dissolve the PA.

withdrawal from the Gaza Strip and the Prime Minister Olmert's Convergence Plan for the West Bank (which was ultimately buried).

11. **Israel is at risk of a political, security, and military crisis unprecedented in its complexity as a result of the confluence of regional and global developments and trends:**

- **Crises and tensions with Egypt, Jordan, and Turkey** – The temporary crises and tensions between Israel and countries that were, until recently, its three most important regional allies fundamentally changes Israel's geo-strategic status and ability to politically and militarily maneuver in ways that Israel has yet to understand;
- **Mounting U.S. frustration exemplified in public statements by the Secretary of Defense Gates** – President Obama is committed to the agreed-upon establishment of a Palestinian state by 2011, which would be a strategically significant U.S. achievement. The U.S. veto of recognition of such state may 'boomerang' on Israel, if Israel fails to put forth a credible initiative that exposes Palestinian rejectionism;
- **Lack of support from many in Israel and in the Jewish world**, who support the Palestinian bid for statehood, and therefore view a confrontation around this issue as unnecessary. In many Jewish communities, Israel has for some time turned into a polarizing and divisive issue;
- **Tensions in relations between the Government of Israel and Arab citizens of Israel and especially with Bedouins in the Negev**, that may erupt on the occasion of clashes with the Palestinians;
- **A Delegitimization Network mobilized against Israel**, which has demonstrated its ability to turn out hundreds of thousands of people to the streets of European capitals;
- **A civilian uprising may pose an unprecedented challenge to the IDF given the unique condition of the West Bank and the dispersal of the settlements.** Many Palestinians are encouraged by the success of popular uprisings in other countries in the Middle East (with the exception of Iran and Syria, which deploy brutal force).

12. **Hence, confrontation with the Palestinian population in September may deteriorate into a large-scale strategic event with broad implications and unprecedented complexity.** Such an event may cause the collapse of the PA and the Two-State Solution; an escalation of the assault on Israel's legitimacy; a rift between Israel and the Jewish world; a crisis in the relationship between the U.S. and Israeli governments; constraints on Israel's ability to use military force; and a domestic crisis within the Israeli public. While Israel is operating as if on the cusp of a limited, local confrontation with a weak and unorganized civilian enemy, it may, in effect, be drawn into a confrontation with strategic and far-reaching implications.

Three Approaches to Shaping Permanent Status: Agreement, State-First, or Constructive Unilateralism?

13. There are three approaches to shaping Permanent Status of Israeli-Palestinian relations, but only one that is relevant:

- **A comprehensive agreement aimed at achieving end-of-conflict and finality-of-claims** – This approach, which was adopted in the Oslo process, during the Camp David Summit and in Annapolis, advocates seeking one comprehensive agreement that resolves the historic outstanding issues between Israel and the Palestinian people; precipitates the establishment of a Palestinian state in permanent borders; and establishes the relations between the two countries. The traditional Palestinian position supported this approach, and now claims that the UN campaign will hasten a process of negotiations that will lead to such an agreement.

There are significant obstacles to this approach: There are substantive gaps between Israel and the Palestinians regarding outstanding issues such as refugees and Jerusalem; this approach pushes the sides into an 'all-or-nothing' dynamic in which even a historic agreement on borders and Jerusalem cannot materialize in the absence of an agreement on the refugee issue. The complexity of each issue and their interconnectedness present a significant obstacle to reaching a comprehensive agreement.

Furthermore, Hamas, which controls the Gaza Strip and aspires to control the entire Palestinian national movement through the PLO, objects as a matter of principle to such an agreement that would bestow legitimacy upon Israel's existence. Its control of Gaza represents an additional obstacle to reaching a comprehensive agreement.

Finally, the Palestinian constitutional crisis, which manifests in Hamas's exclusion from the PLO and in its challenge to Abu Mazen's mandate to reach an agreement with Israel, presents a structural obstacle to this approach. **As such, in the current reality, this approach cannot succeed.**

Therefore, the calls by Israel, U.S., and the E.U. to renew negotiations toward such an agreement are hollow, as the Palestinians cannot be partners for such a political process due to their constitutional crisis. In recent speeches, Prime Minister Netanyahu presented far-reaching opening principles for negotiation, and invited the Palestinians to negotiate a Permanent Status agreement. However, the Palestinian refusal to do so, based on a demand to resume negotiations from the point where they were left, was actually a cover for the fact the Palestinian's leadership lack of internal legitimacy and institutional crisis, which obstruct it from making any historic concession to Israel.

- **An interim agreement that establishes a Palestinian state in provisional borders (PSPB) based on the Road Map** – This approach aims to establish a Palestinian state with provisional borders **through negotiations**. The

permanent status would subsequently be shaped primarily on the basis of relations between Israel and this state, leaving the key outstanding issues for a later phase. **The key advantage of this alternative is that it anchors a reality of 'two states for two peoples,'** and it dismantles of the 'all-or-nothing' dynamic by allowing to shape Permanent Status through multiple 'small' agreements (see below).

The obstacles: The Palestinian constitutional system lacks the capacity to carry even such an interim agreement due to the crisis that has endured since Hamas victory of 2006. Moreover, although less complicated than a Permanent Status Agreement, a PSPB still entails complex political and legal problems requiring Israeli and Palestinian agreement.

Finally, the clear objection to establishing a PSPB expressed by Abu Mazen and the Fatah since 2005, and their view of such an approach as a 'trap' (02/05), is the central factor rendering this approach unrealistic;⁴

- **Constructive Unilateralism** – This approach is based on steps taken by both sides **through tacit coordination and silent consent**, but without a formal bilateral agreement, which would deepen the separation between Israel and the Palestinians and create the foundation of the 'two-states-for-two-peoples' paradigm. In recent years and in the shadow of failed direct political contact, Israeli-Palestinian coordination and cooperation persisted on the security level, and regarding the effort to build the infrastructure in the PA in preparation for statehood.

14. **To conclude, it is impossible to reach a Permanent Status Agreement or Interim Agreement between Israel and the Palestinians** primarily due to the constitutional crisis stemming from the conflict between Hamas and Fatah. **The only viable approach to managing the political process is Constructive Unilateralism that is based on coordinated unilateral steps.**

- 15. **The current Palestinian motion in the UN can also be seen as an episode of Constructive Unilateralism** – The campaign to gain UN recognition of a Palestinian state without negotiations may in practice lead to deeper separation between Israel and the Palestinians to anchoring the 'two-states-for-two-peoples' paradigm.
- 16. **Establishing a Palestinian state will open the bottleneck of the political process and enable direct negotiations between the two states on the**

⁴ Abu Mazen said that a Palestinian state in provisional borders is a "trap" and called for establishing a back channel for discussing a Permanent Status issues parallel to negotiations on the Road Map (**New York Times**, 02/14/05). Fatah's Central Committee (6/30/05) decided to delay the idea of a Palestinian state with permanent borders, favoring the establishment of a fully sovereign Palestinian state in permanent borders. Abu Ala declared: "We will not establish a state with a racist separation fence, there will be no state with aggressive settlements, and a state will not be established without achieving all the rights of the Palestinian people and the right of return." (**Ynet**, 07/26/05)

outstanding issues between them – The interfaces between a Palestinian state and Israel influence a broad range of fields in a number of arenas that are likely to be central in the relationship between the two states:

- **The issue of Palestinian representation** – Declaring a Palestinian state will generate weighty questions, such as: Who does the Palestinian state represent and who represents the Palestinian state? These issues will decisively influence Israel's status as the nation-state of the Jewish people and the future of Jordan (this is one of the reasons for its objection to the Palestinian UN campaign).

The issue holds far-reaching implications for the status of Israel's Arab citizens. Thus, for example, would a Palestinian state – in permanent or provisional borders – represent only its residents and citizens, or would it aspire to represent the entire Palestinian people, including Arab citizens of Israel? Would it be authorized to address the refugee issue? What would be the status of refugees living in its territory?

While this issue is highly complex, in our view **the Israeli interest is for the Palestinian state to represent only its citizens and to be exclusively represented by its government** (and not by the PLO);

- **The split between Gaza and the West Bank** – The political, legal, and geographic separation between Gaza and the West Bank undermines the principle of Gaza and the West Bank being a "single territorial unit," which was established in the Oslo Accords and since. Hamas control of Gaza, seemingly, makes it an Israeli interest to continue the Gaza-West Bank split, which will deepen as the situation in the West Bank improves. Israel has no territorial demands towards Gaza, which in practice is part of the Palestinian state that has already been 'liberated' and meets all the criteria of statehood by international law (territory, population, institutions, and independent foreign relations). Gaza could have reaped the benefits of this status were it not for Hamas-imposed war on Israel;
- **Mutual penetrations of sovereign space** – Israel or the Palestinian state will have to use each other's sovereign and functional space or limit their respective sovereignties. For example, while Israel will require a demilitarization of the Palestinian state (or at least some sort of arms control) and control of Palestinian airspace, the Palestinians will require safe passage between the West Bank and Gaza and access to Israeli ports and airports;
- **Historic issues** that emanate from the conflict between Israel and the Palestinians, which include, for example, the issue of refugees; access to and worship in holy places, foremost in Jerusalem's holy basin; and claims to financial compensation. These issues are unlikely to be resolved by the establishment of a Palestinian state;
- **Ordinary state-to-state issues** regarding the ongoing relationships between Israel and the Palestinian state based on bilateral agreements or on

international conventions such as on trade, environment, postal services, or legal jurisdiction;

- **Movement and personal security issues**, which cover the fight against terrorism including hot pursuit, law enforcement, and arrangements for movement through the entry and exit points to Israel and the Palestinian entity.

17. **Therefore, the Palestinian motion in the UN can be seen as an example of Constructive Unilateralism** because it may in practice lead to deepening the separation between Israel and the Palestinians and to anchoring the paradigm of 'two-states-for-two-peoples.'

What Do the Palestinians Want?

18. **There may be clear benefits for the Palestinians to upgrading the status of the PA *without* negotiating with Israel –**

- **Establishing a state without paying the price** of prior and agreed-upon constraints on its sovereignty that Israel wishes or of key concessions on core issues such as the refugees issue or recognition of Israel as the nation-state of the Jewish people. It is also a 'bypass' of the structural-legal problems on the Palestinian side, which would anyway prevent the ratification of agreements with Israel;
- **Internationalizing the conflict and potentially opening a new legal front against Israel** – The Palestinians have an interest in strengthening their standing in the international arena and gaining legal levers to deploy against Israel. The assault on Israel's legitimacy compensates for Israel's economic and military superiority. A Palestinian state could, for example, file lawsuits against Israel or Israelis at the International Criminal Court (ICC) and in The Hague; as well as bring the issue of borders to the International Court of Justice (ICJ).

19. **In practice, however, the Palestinian leadership is facing a real dilemma regarding September** – While the campaign for the recognition of a Palestinian state through the UN has anchored the PLO and the PA's political logic in the past couple of years, the Palestinian leadership is debating the relative merits of founding a state at this stage, especially given the two following concerns:

- **Decreasing the leverage on Israel** – Palestinians rejected the idea of a PSPB without guarantees to the states full inherent rights, permanent borders, and maximal attributes of sovereignty.⁵ The Palestinians fear that the conflict with Israel may turn into one-of-many 'border disputes' and that Israel will be able to avoid the core issues. This is why PLO and PA leaders

⁵ See, for example, [Ahmad Samih Khalidi](#)'s article in the Guardian, 12/13/07.

perceived the Road Map as a “trap” (see above). The Palestinian motion in the UN is leading the Palestinians precisely towards this kind of state;

- **Concerns regarding the stability and unity of the PA** – The Palestinian campaign for a Palestinian state will test the carrying capacity of the Palestinian leadership in handling the gap between the expectations of the Palestinian public, and a sharp contrast with the reality on the ground. This may lead to increased support of Hamas; to violence; and, potentially, to the deterioration and ultimate collapse of the PA.

It appears that the Palestinian leadership, which led the campaign calling for recognition of a Palestinian state, has become captive to its own slogans and within the campaign that it created for the purpose of provoking Israel.

20. **Beyond this, the mere idea of a Palestinian state is controversial among Palestinians themselves -**

- **‘Secular post-nationalist’ forces promote the dissolution of the PA in the West Bank** aiming to burden Israel with the full economic and political weight of the ‘occupation’ in order to precipitate Israel's internal collapse. This line of thought abandons nationalistic demands and focuses on individual and civic rights;
- **Hamas and the Islamic Muqawama network have always considered a Palestinian state in 67’ borders to merely constitute an interim stage in the struggle against Israel;**
- **The Palestinian declaration in September strategically disorients the Delegitimization Network in the West**, in spite of the clear advantages in increased legal room for maneuver on the part of the Palestinians vis-à-vis Israel (see above). These ideological forces reject the Two-State Solution and are therefore suspicious of the recognition move.

How Might the Palestinian Campaign Serve Israel?

21. **The Palestinian campaign entails advantages that arise from the transformation of the Palestinian entity into a state** with clearer legal and political rights, and duties and responsibilities under international law. **In addition, Israel may benefit from breaking the political asymmetry** with the Palestinians, in which Palestinian inferiority in fact serves the Palestinians well in the political arena.

22. **The fundamental opportunity: To secure the goal of 'two-state-for-two-peoples'** by de-facto anchoring the separation between the State of Israel and the Palestinian state, even in the absence of a 'finality of claims.'⁶

This is significant in light of the increasing popularity of the 'one-state' narrative, which is rooted in the negation of the right of the Jewish people to

⁶ See Reut's document: [The Finality of Claims](#) (FOC).

self-determination in Israel. The rising popularity of the one-state discourse in the West and among Palestinians results from an erosion of the two-state paradigm as the only framework for solving the conflict.⁷ Today, the 'one-state' narrative constitutes a basis for the assault on Israel's legitimacy.

This basic opportunity underlies additional advantages as follows:

23. **Advantage 1: Shaping the permanent status while maintaining security assets.** In recent years, the principle of a demilitarized⁸ Palestinian state has been eroding.⁹ The chief reasons are Hamas' armament in Gaza and toughening Palestinian demands regarding attributes of sovereignty, including the right to maintain an army.

Therefore, it will be difficult to reach an agreement on security arrangements that would satisfy Israel, that is: an agreement that calls for the demilitarization of the Palestinian state, as well as Israeli control of its airspace, right to monitor its border crossings, and maintenance of a small IDF presence in the Jordan Valley. Amid this difficulty, Israel is facing growing pressure to first negotiate with the Palestinians on the issues of borders and security arrangements, in order to establish facts on the ground.

Thus, recognition of a Palestinian state may enable Israel to pin down the two-state reality while maintaining its security assets, and without having to surrender them early on as part of a negotiated establishment of a viable Palestinian state.

24. **Advantage 2: Anchoring the status of Israel as the nation-state of the Jewish people.** Instead of demanding Palestinian recognition of a Jewish state, which is unlikely at this point, Israel can push for a UNSCR that establishes the principle of two-states-for-two-peoples and works to realize this principle following the recognition by focusing on the issue of representation or by encouraging return of refugees to the Palestinian state.
25. **Advantage 3: Diluting the refugee problem¹⁰** – All refugees living in an established Palestinian state would become citizens, and others that wish to return

⁷ See Reut's document: [Moment of Inversion Towards Palestinian Statehood](#).

⁸ The Demilitarization Principle is stipulated in the following documents: Internal Israeli understandings regarding Permanent Status Agreement: Beilin-Eitan Agreement (1/97), Article B.1 Agreements signed between the Government of Israel (GOI) and PLO: [Declaration of Principles](#) (9/93), Articles 8, 15; [Gaza – Jericho Agreement](#) (5/94) Articles VIII, IX, XVII, XXI; [Interim Agreement](#) (9/95) Article XIV; Wye River Memorandum (10/98) Article II; Sharm el Sheikh Memorandum (9/99) Articles 6, 8; [2000 Camp David Summit](#) (7/00). Israeli positions in negotiations with the Palestinians: see Draft of Framework Agreement on Permanent Status (previously updated 9/00) Article 5.56. Non-formal agreements between Israelis and Palestinians: [Beilin - Abu-Mazen Document](#) (11/95), Article IV; Statement of Principles Signed by Ami Ayalon & Sari Nusseibeh (7/02) Article 5; [Geneva Initiative](#) (10/03) Article 5 and Clinton Ideas (12/00), Security section.

⁹ See Reut's document: [A Militarized Palestinian State](#)

¹⁰ See Reut's document: [The Fragmentation and Dilution Approach](#).

to the state would be allowed to do so. This would create room to transfer powers and authorities of UNRWA to the PA, and to demand revoking the refugee status afforded Palestinians living in Western countries and enjoying Western citizenship.

26. **Advantage 4: Rendering the discourse of the Palestinian right to self-determination irrelevant** – One of the main claims levied against Israel is that it is denying the right of the Palestinian people to self-determination. The establishment of a Palestinian state for the Palestinian people creates a new reality, **transforming the conflict from one that can be framed as a confrontation between an ‘occupier’ and an ‘occupied,’ where Israel is heavily disadvantaged, to one between two states.**
27. **Advantage 5: Renewing the political process toward pursuing a Permanent Status between the two states** – The establishment of a Palestinian state would make it easier to regularize bilateral relations in various fields such as security, water, and economics, thereby breaking the all-or-nothing dynamic that negotiating a final-status agreement creates. This should be done at the same time or prior to deliberations on the outstanding issues that are at the heart of the conflict.
28. **Advantage 6: Allowing ‘surgical’ negotiations of borders issue** – The establishment of a *de-facto* Palestinian state with provisional borders would enable gradual resolution of complex local border issues, which may include swapping populated territories or establishing safe passage between Gaza and the West Bank.
29. **Advantage 7: Formalizing the status of Gaza** – Recognition of a Palestinian state would enable Israel to recognize Gaza as sovereign Palestinian territory, to which the inherent duties of states under international law apply, without requiring it to recognize Hamas as the sovereign power there.
30. **Advantage 8: Strengthening the stature of Jerusalem as the capital of Israel** – Recognition of a Palestinian state should lead to the establishment of embassies in Ramallah, thus refocusing the role of the consulates in Jerusalem on their historic mission to the holy city. Since 1967, these consulates and their heads have gradually become *de-facto* embassies and ambassadors to the PA, while their embassies to Israel are in Tel-Aviv.

Leveraging the Palestinian Motion in the UN

31. **In light of the aforementioned advantages,** we suggest considering the Palestinian UDI as an opportunity to pursue Constructive Unilateralism, which could serve Israeli interests.

The spectrum of possibilities for Israel is wide and ranges from endorsing the Palestinian state formally or tacitly allowing its realization. **Israel could also take measures to shape the ‘day after’ UN recognition,** whether or not it explicitly recognizes the Palestinian state. To do so, Israel needs to undertake immediate

political activity vis-à-vis the international community to ensure the latter's support of Israeli interests.

32. **Such a deal would abate most Israeli concerns regarding the Palestinian bid** that Israel is powerless to stop. In the following annex, we present a table with the Israeli concerns and ways in which they can be balanced or addressed.

Annex

The Threat and the Concern	The Balance and Opportunity
Establishing a Palestinian state without finalizing permanent status issues	Israel also benefits from the establishment of a Palestinian state without the need to discuss core issues (Jerusalem, refugees, etc.). The principle of the Two-State solution could be anchored.
No security arrangements	Israel maintains control of the security perimeter and key assets for future negotiations, without compromising on these issues as a precondition for the establishment of a Palestinian state.
Imposing the 67' borders	While the principle of establishing permanent borders on the basis of June 4 th , 1967 lines may be mentioned, final borders will be subject to future negotiations. The establishment of a PSPB will allow 'surgical' solutions to complex issues, such as swapping populated territories.
Ramification of the Palestinian state inherent rights	Settlements, borders, Jerusalem, and security are outstanding issues according to the existing agreements, and should be negotiated between Israel and the Palestinian side. Israel may benefit from the growing accountability of the Palestinian state.
Using legal actions against Israel will promote its delegitimization	Israeli recognition of a Palestinian state will weaken the assault on its legitimacy, especially if accompanied by negotiations, since it negates the 'one-state' narrative.
Palestinian state is established, without recognizing Israel as a Jewish state	While it is unlikely to get explicit recognition from the Palestinians, the realization of the Palestinian's right to self-determination alongside Israel strengthens the reality of two nation-states. The principle of two-states-for-two-peoples could be mentioned in the UNSCR.
Hamas takes over the Palestinian state	This is a possibility in almost every scenario in which a democratic Palestinian state exists. The credit for the UDI would go to Fatah, especially in light of the opposition to this idea from Hamas. Historically, Fatah would be remembered as the party that led to the Palestinians independence.
Palestinian uprising	It is the Israeli attempt to stop the realization of a UN declaration that is more likely to catalyze Palestinian uprising, and even the collapse of the PA. If Israel releases a significant number of Palestinian prisoners in the context of agreed recognition of statehood, then the prospects of such an uprising decreases.
Kiss of death to the negotiations	The Israel-Palestinian negotiations became futile after the Hamas electoral victory in 2006. Thus, the establishment of a Palestinian state opens the possibility of resuming negotiations on permanent status by fragmenting the comprehensive Permanent Status agreement to smaller agreements between the two states and by diluting the refugee problem.

End.