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THESIS

THE THREE POSSIBLE SOLUTIONS TO THE ISRAELI-PALESTINIAN CONFLICT AND THEIR IMPACT ON THE ACHIEVEMENT OF US INTERESTS

by

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June 2002

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The current political drift indicates that Israel and the Palestinians are heading toward the unintended consequences of either a one-state solution or a bi-national state. Both solutions would prohibit Israel from realizing its dream of normalization and prohibit the achievement of a sustainable level of security. For the Palestinians, either solution spells their further subjugation or expulsion from the West Bank and Gaza Strip. Right or wrong, the United States suffers guilt by association with Israel due to its strong economic and military support for Israel. Thus, it is imperative to the achievement of US interests in the Middle East that the United States takes the lead in building an international coalition capable of imposing an immediate resolution to the problem. The only solution capable of satisfying the best interests of all parties concerned is a two-state solution. The previous step-by-step approaches to peace have failed and the immediate recognition of the state of Palestine is imperative to future stability in the region.

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I.   INTRODUCTION

The Israeli-Palestinian conflict has continued for over fifty years now. The ebb and flow of violence has done little to contribute to a lasting solution palatable to both sides. The original United Nations resolution called for the establishment of two independent states of Israel and Palestine. Zionists would have preferred a one-state solution where Israel was for Jews alone. History and the present course of indecision are leading towards a third solution, a bi-national state. A bi-national state means that Israel would absorb Palestinians from the West Bank and Gaza Strip. The Jewish dominance displayed in Israeli society would then vanish. A bi-national state is an option that neither side wants, but is doomed to occur if indecision persists. The US has been directly linked to the Israeli-Palestinian situation since the 1967 war. Many in the Middle East see the US as the patron of Israel. Thus, any solution to the conflict will directly affect the achievement of US interests in the Middle East.

This thesis examines the likelihood of each solution coming to pass and the implications of each scenario for the main parties involved: Israel, Palestinians and the United States. In particular the thesis will address the following: Who is for and against the scenario on both sides of the argument? What is the likelihood of the scenario coming to fruition? And what are the associated benefits and costs of each solution for Israelis and Palestinians? Having identified that this issue is extremely important to the US, an analysis of the effects each scenario could have on the achievement of US interests in the Middle East is conducted

This thesis examines the three most likely solutions derived from current literature on the topic. It draws upon pre-1948 Zionist material, as well as the most current Israeli and Palestinian discussion on the topic. Middle East experts believe there are three possible solutions: a two-state solution, a bi-national state and a one-state solution. My findings, based on research and evidence, confirm mainstream thought that a two-state solution is the best solution for all. Israel wishes to maintain the idea of a truly "Jewish State" while maintaining the ideals of a democracy. The more conservative

groups of Israel also want to restore the ancient boundaries of "Eretz Israel[1]" namely Judea and Samaria known as the West Bank. However, the Israelis can only have two parts of this equation. Israel as a Jewish state, a democracy and the absorption of the West Bank would have to ensure that there was little or no Arab constituency for the three parts of the equation to coexist. This seems impossible without some sort of ethnic cleansing or expulsion of Palestinians (known as "transference[2]") from the West Bank. Although some might purport that this is what Israel is currently trying to do, the task is unachievable within today's modern international community. The one-state solution is highly unlikely. Any attempt to establish the one-state solution would result in international involvement or another Arab-Israeli war prior to its achievement.

The other possibility of a bi-national state is more likely, but many realize that the sheer number of Palestinians absorbed into a bi-national Israel would result in a democratic power shift to the Palestinians. Once again, only two parts of the equation can exist. In this case the Israelis can have a Jewish state and the West Bank, but could not have a democracy. Essentially in a democracy, over fifty years of Israeli military might and control would end with Palestinian political domination. Therefore, the two-state solution is the most viable solution for both sides. The Palestinians want autonomy and the Israelis want a Jewish State with democracy. The current conflict is a direct result of the Israelis' inability to understand the three-part equation.

Since US involvement in any solution will directly affect its ability to pursue a variety of activities in the Middle East, it is imperative to arrive at the best solution for Israel, Palestine and the US. The proper emphasis on this participation would ensure a greater capability to achieve US interests in the Middle East. US participation in the establishment of the two-state solution is imperative to capitalize on the creation of a Palestinian State. A US backed solution would build political clout among Arab countries of the Middle East. The end to the Israeli-Palestinian conflict would promote stability within the region. With increased political clout and stability, the US could achieve its interests in the Middle East with less opposition. This would prove crucial in the US led "War on Terror." It is imperative that Israel, the Palestinian Authority and the

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[1] Eretz Israel is the biblical term for the land of Israel delineated by the ancient borders of Israel.

[2] Transference is the catchword used to imply a variety of expulsion tactics used to force Palestinians out of Israel, the West Bank and the Gaza Strip.

United States make critical decisions now. In the presence of indecision, evolution into a bi-national state is likely. A bi-national state could likely mean Palestinian control of Israel as well as a loss of US influence within the region.

A.   BACKGROUND AND THE ONE STATE SOLUTION

Chapter II provides the background necessary for understanding the current dilemma and examines the one-state solution. This chapter delineates the underlying principles of the Israeli-Palestinian situation, as well as describes in detail the ideology behind a one-state solution, what sides are for and against this solution and the consequences of an "Israel for Jews only." With the success of the Likud party in Israel during 1977, Revisionist Zionists changed the perspective of discussions to a more one-sided approach. Notions of a greater Israel include the land of Judea and Samaria, the biblical terms for the West Bank. Since that time, there has been a strong undercurrent belief among the Israeli political right wing that the Palestinian West Bank is part of Israel and that the Palestinian infestation must come to an end. The actions that must be undertaken to accomplish this solution include a variety of unsavory options: ethnic cleansing, military expulsion and economic expulsion. The analysis indicates that implementation of a one-state solution would cause condemnation and rejection by the international community, and possibly another Arab-Israeli War. The option of "one state" actually threatens the future security of Israel and Israel's long time dream of normalization.

B.   THE BI-NATIONAL STATE SOLUTION

Chapter III explores the question of a bi-national state. This chapter examines the details of the current situation on the ground as well as the political situation to show how indecision is leading to a bi-national state. The unintended consequences of this uncontrolled political drift are numerous and will result in a solution virtually no one wants.

Given the current circumstances of an all but obliterated Palestinian Authority and the intensely interwoven communal infrastructures of the Israeli and the Palestinian territories, it is likely that we will witness an evolution into a bi-national Israel. Israel has dominated the West Bank and Gaza Strip (WBGS) through military occupation, control and development of basic infrastructure and the continued push for new settlements in

WBGS. Water, power and communications are so intensely interlinked that breaking them would mean a step backwards. The degradation of these systems is something that the already strained population of the WBGS would be unable to bear. The policy of establishing new Israeli settlements in WBGS has further complicated the issue. If an Israeli leader were to agree to remove Israeli settlements, it would almost certainly mean their political demise and possibly their life. The Israeli option to change their present course and develop a separate Palestinian State requires tough decisions that no one wants to make. The resulting unintended consequences of this indecision (a bi-national state) would not be a drastic change for many Palestinians already under Israeli autonomy, but it is not the preferred Palestinian solution. Only a few intellectuals in Palestine want such a solution. The Israeli political right wing still believes that it is possible to either contain Palestinians in small urban enclaves or that it is possible to "transfer" them from the WBGS. The Israeli political left wing is aware of this political drift towards a bi-national state and they certainly don't want this solution. However, the left wing has neither the courage nor the constituency to make the hard decisions to avoid a bi-national state.

The acceptance of a bi-national Israel would require a shift in Israeli ideology. The foundation of Israel was built on the basis of Zionism, which purported Israel's dominance of its opposition, not its assimilation. Zionism promoted either a two-state solution or the idea of transfer (expulsion of remaining Palestinians from "Eretz Israel[3]"). Essentially, a bi-national state would mean the dissolution of Zionism, because the two cannot coexist. Currently, an "Ethnocracy"[4] exists precluding any other ethnicity (other than Jewish) from participation in governance. A bi-national state with democracy means that Palestinians would participate in governance and could eventually gain political control of Israel.

C.   THE TWO-STATE SOLUTION

Chapter IV will address the two-state solution. Progress in the Middle East peace process has been slow at best. Palestinian statehood has been dangled in front of the

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[3] Eretz Israel is the Hebrew biblical name for the Land of Israel.

[4] Ethnocracy is a democracy where only one ethnicity has the power to participate in government. All other races are excluded.

Palestinian people as an incentive to conform. However even with compliance, the journey toward statehood appears to be unending. Each time the peace process breaks down, the argument is raised that the Palestinians are not ready or don't deserve statehood. This chapter demonstrates that Palestinian statehood is their "right" as a people, examines who is for and against this solution and argues that a two-state solution will create stability within the region and will help prevent future breakdowns while promoting a lasting peace.

The Palestinian Authority (PA) cannot reasonably be expected to rule effectively over the spread out terrain in which they have no effective control. The constantly shifting areas of responsibility due to Israeli infringement add to the difficulty. Statehood would allow the PA to gain a legitimate base of authority and have control over a sovereign border. The establishment of sovereignty alone defines a controllable area in which order can be established. The establishment of order and rule of law would allow the Palestinians to rid themselves of the divisive elements that have propagated most of the political unrest between Israel and Palestine. A nation must have control of its borders to control the people within them.

With a two-state solution, Israel would benefit greatly from the stability and possible normalization with its neighbors. The long-term objective of "normalization[5]" for Israel, dreamed of by its founders, could finally be achieved. The costs of a two-state solution are minimal compared to the immense benefits associated with normalization and stability. The Israeli community desires a two-state solution, but no one has been willing to make the tough decisions to get there. A US led "carrot and stick[6]" approach could ensure that this solution comes to fruition. The benefits to all parties involved outweigh costs in all dimensions of analysis.

D.   IMPACT OF EACH SOLUTION ON THE ACHIEVEMENT OF US INTERESTS

Chapter V discusses the impact of each scenario on the US's ability to achieve its interests in the Middle East. This chapter reveals how both a one-state and a bi-national

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[5] Normalization refers to the demilitarization of the Israeli society. They can instead get back to being civilians in a stable environment.

[6] Carrot and Stick refers to a reward and punishment system to encourage compliance or conformity.

state solution would be detrimental to US achievement of interests in the Middle East. Thus, it behooves the United States to encourage a two-state settlement. Additionally, the degree to which the US is involved in the two-state settlement and the establishment of a Palestinian State is directly proportional to the amount that America's ability to achieve future interests in the Middle East would be enhanced. America's ability to claim a portion of the responsibility in establishing a Palestinian State would help remove the perception of a one-sided, unjust nation and patron of Israel that the United States has inherited among Arab countries. The removal of this seemingly unimportant stigma would facilitate stability in the region by reducing tension Arab regimes face because of their association with the United States. In addition, cooperation from Arab regimes in pursuit of US interests, such as the "War on Terror," would be facilitated. The relationship between the US and Saudi Arabia is the best example of this tension. Saudi Arabia has been attempting to put daylight between their regime and our government due to domestic political pressure. The Saudi regime is suffering guilt by association. The US has simply not given the regime any positive reasons to be associated with America that they can sell to their people. The Saudi regime has expressed reservations about assisting the US with another attack on Iraq also stemming from resistance created by internal political pressure. Our ability to claim responsibility for establishment of a Palestinian state would build "political clout," which the US could use anyway the US government sees fit. This could prove crucial in the continuing US led "War on Terror" and an impending assault on Iraq. In order to bring both sides to the negotiating table, tough decisions must be made by all parties involved to come to a resolution. This chapter discusses some of those decisions and potential ramifications for those that make these decisions.

II.   BACKGROUND AND THE ONE-STATE SOLUTION

There are three possible solutions to the Israeli-Palestinian conflict: the one state solution, the bi-national state, and the two-state solution. This chapter establishes a firm understanding of the dilemma surrounding the current conflict and examines the least likely outcome - the one state solution.

A.   THE BACKGROUND

The conflict between the Israelis and the Palestinians should not be viewed as a domestic squabble, but as a regional conflict with global implications. Since 1948, tensions between Israelis and the Arabs in the region have remained high. This tension has culminated in several conflicts – the war of Israeli independence and Palestinian catastrophe (al-Naqba) 1948, the 1956 War, the Six Day War in 1967, the Yom Kippur or October War in 1973, the first Intifada 1988 and now the al-Aqsa Intifada. Since 1967, the United States and Israel have been joined in a strategic partnership. The United States has supplied Israel with weapons, economic aid and shared technology.

No Arab state has been able establish such a close relationship with the United States and this leaves the U.S. on the opposite side of the battle line. Conventional thought among the Arabs is that the United States is a unconditional supporter of the state of Israel. In reality, "America supported the exchange of land for peace, refused to acknowledge the Israeli annexation of East Jerusalem, and considered the building of Jewish settlements in the occupied territories illegal and an obstacle to peace" (Shlaim A., pp. 116, 117). However, the U.S. has provided arms and money to Israel, which have been utilized to engage in military actions against Arabs in the region. In the Arab mind, this not only forces America to share in blame for Israeli actions, but also demonstrates that the U.S. government condones the actions of Israel.[7]

While more stable Arab regimes in the region are able to accept these implications, the less stable regimes like Saudi Arabia are subject to the undermining influences of Islamists partly due to the "Palestinian Cause" as it is an integral part of both Arab solidarity and Islamic religious identity (Jabber, p. 11).   These regimes are

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[7] Both the Mutual Defense Assistance Agreement and the U.S. Arms Export Control Act indicates that

forced to grapple with the complexities of dealing with the United States, which is guilt by association with Israel, and trying to maintain power over their domestic constituencies. This struggle drives them to make decisions that affect the achievement of U.S. interests within the region.

The current situation is out of control and the ability of the United States to achieve its interests in the region is at stake. The United States must re-establish stability, force progression toward a comprehensive solution and parent this solution until fruition. Without the establishment of such control, the United States has given the divisive powers in the region the ability to dictate its fate. It is imperative that America takes control of the situation or it will suffer the consequences discussed in chapter V.

It is important to understand the positions of the three main factions involved in the current conflict. The Palestinian Authority led by Yassir Arafat wants to end Israeli occupation of the West Bank and Gaza Strip (WBGS) and establish a contiguous Palestinian state with sovereignty. The borders of the state would be defined as the pre-1967 borders of the WBGS. The Likud-led government of Israel, with Ariel Sharon as Prime Minister, wants to maintain control of the land comprising "Greater Israel" (consisting of Israel proper and the West Bank). Former Israeli Prime Minister Benjamin Netanyahu recently forced a vote within the Likud party in which a clear majority of the Likud party voted to rebuke any claims or attempts to establish a separate Palestinian state west of the Jordan River now or in the future (AP, p. 1). In contrast, the majority of Israelis (57.9%) recognize that the final settlement must contain two separate states (JMCC, p. 5). However, a majority of 58.2 percent of the Jewish citizens of Israel also believes that even if there is a "two states for two people" solution, it will not end the historical conflict (JMCC, p. 6). Finally, Islamist factions -- opposition groups to the Palestine Liberation Organization (PLO) -- such as Hamas and Islamic Jihad have made it clear that they are committed to opposing any comprehensive resolution with Israel and want the outright destruction of Israel (Jabber, p. 9). Another group opposing any peace with Israel is the Palestinian Liberation Front (PLF) (Mark, p. 12).

One may find it stunning that the complexity of the conflict is not due to the variety of competing positions, but due to the way in which each faction uses the actions

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the recipient of any U.S. weapons must use them for legitimate defense only.

of the other to perpetuate validity of their own actions. There is no clear starting point, but one must start somewhere. The Islamists will claim that they have a right to strike back for any Palestinian killed and will send suicide bombers to attack Israelis. Keeping in mind that the Islamists' main goals is to disrupt any chance of peace, these groups are a primary catalyst to conflict perpetuation.

The Israeli government correctly claims the right to protect its citizens and will conduct military actions against those attacking the citizens of Israel. The incursions into the Palestinian territories are based on the claims that the Palestinian Authority (PA) is controlling the Islamist factions. This is far from the truth. Arial Sharon, the Prime Minister of Israel, has blamed Arafat for the violent suicide attacks against Israel and stated that the government of Israel will no longer recognize or deal with the PA (Washington Post, p. A24). Sharon later recanted his hard line stance, but still blames Arafat. The Israeli Defense Forces (IDF) has been conducting retaliatory attacks against PA security forces. The irony is that Islamist groups are responsible for conducting most of the suicide bombings and the IDF has been targeting the assets that Arafat can use to crack down on the offending groups (Williams, p. A19). As noted in a recent Congressional Research Brief, "there are unconfirmed reports that the US was investigating the use of Apache helicopters to assassinate Palestinians suspected of terrorism, as well as the use of F-16 aircraft in attacks against Palestinian facilities" (Mark C., p. 11). Most of the world knows these accusations to be true and is amazed that the U.S. is willing to turn a blind eye to these occurrences.

The truth is that the Israeli military actions have a twofold purpose. First is to destabilize and de-legitimize the PA. Destabilization is achieved through destruction of the security and administrative infrastructure. De-legitimization is achieved by demonstrating that the PA is unable to repel Israeli incursions and by forcing Yassir Arafat to make absurd proclamations demanding the cessation of violence conducted by factions he does not control. The second purpose is to conduct direct action on Islamist factions (a legitimate use of force). The guiding principle of the incursions is based on "divide and conquer." As long as the Palestinian Authority is destabilized and de-legitimized, the PA will never be able to control the Islamist factions in the WBGS.

Therefore, the suicide bombings will continue, thus ensuring a continuing need for Israel to control the West Bank and Gaza Strip.

Yassir Arafat is an easy target for criticism. Israel claims he is a sponsor of terror. His Palestinian opposition claims that he is an Israeli puppet and is ineffective in dealing with the Israelis and the US has also blamed Arafat for his lack of control of the violence. Senior US officials have said that Colin Powell has pressed several European governments not to issue any invitations to Yassir Arafat (Sipress, p. A24). Arafat is condemned no matter what action he undertakes or statement he makes, but inconsistencies in his statements and his party's actions leave questions. On one hand, Arafat will condemn the suicide bombings, but then members of his own government will claim responsibility for a bombing. The question remains, "does Arafat have that little control or is he simply looking the other way?" After all, allowing suicide bombings to go on would give Palestinians the perception that Arafat is continuing to fight for the cause and is not just a puppet. He just cannot admit to it for fear of the ramifications. Like him or not, Arafat does not seem to have a successor. Any change in leadership now would likely damage the peace process and create a power struggle in the Palestinian territories (Rubin, p. 9). The outcome of this struggle may be a less acceptable leader further complicating the current conflict, and most certainly a more "hard-line person."

1.   Making the Problem More Complex

The creation of Israel was based on Zionism, the belief in establishing a Jewish national home in Palestine. The hard liners or right-wingers of the Jewish Knesset claim that Jews have a right to the lands of Greater Israel,[8] while the left-wingers realize that Palestinians have a right to self-determination in the WBGS.[9] One might ask why the West Bank is so important to some Israeli factions? It is simply a matter of how they define their borders. Some factions claim that in order to achieve the realization of Zionist goals Israel must strive for the re-establishment of "Greater Israel" or "Eretz Israel." The name Eretz Israel comes from the time of the kingdoms of Israel and Judah. Israel reigned until 722 BC and Judah lasted to about 586 BC (Smith, pp. 1,2). The

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[8] Commonly referred to as post-1967 borders.

[9] Commonly referred to as the post-1948 borders or pre-1967 borders.

restoration of Eretz Israel would mean the reclamation of the lands of Judea and Samaria, known today as the West Bank, as well as the annexation of the Gaza Strip.

Within Israel there is a strong belief in what one could refer to as the "Jewish Equation". Israelis believe in four basic values: a Jewish national home, democracy, the re-establishment of "Eretz Israel" and peace[10] (Arian, p. 362). These values are in direct conflict with one another and cannot simultaneously exist. The Israelis can have a "Jewish" state and democracy, but the reestablishment of Eretz Israel would eventually undermine the Jewish state. Palestinians would immediately constitute around 43 percent of the population and with their higher birth rates would eventually gain population parity (Avnery, p. 4). Thus, through democracy, the Jewishness of the state would certainly be lost. On the other hand, if Israel attempted to occupy the WBGS and refused equal rights to Palestinians living in the occupied territories, then Israel could no longer claim to be a democracy. This dilemma has resulted in a rift in Israeli politics splitting it into two political camps – the group that wants to maintain control of the WBGS and the one that is willing to exchange the land if it will lead to a secure Jewish state (Arian, p. 364).

The fourth Israeli value is peace. Israelis define peace as assured security and normalization. Security can never be assured as long as the PA remains too weak to stop Islamist factions in the WBGS. The alternative of ensuring Israel's security in the short term is to maintain a military occupation of the WBGS. In the long term, this will sow the seeds of discontent and increase recruitment in the Islamist factions. Therefore, the only long-term hope of security is to ensure the PA can stop the Islamists from within.

Normalization is the creation of a non-militaristic lifestyle achieved only through living in a low threat environment. Normalization also includes the warming of relations and building of friendships with Israel's neighboring Arab countries. This state is unattainable as long as Israel's security is threatened. Until recently, normalization has only been a dream, but the recent Saudi peace plan has made normalization a possibility.

Even if Israel and the Palestinians are able to resolve their differences with their domestic constituencies as well as with each other, there are still major issues that seem unsolvable. These points of contention are the status of Jerusalem, Israeli settlements in the WBGS and the right of return for the Palestinian Diaspora (Mark, pp. 7-10). Israelis

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[10] Peace is defined as assured security for Israel and normalization.

claim the status of Jerusalem is non-negotiable and the Palestinians demand an Israeli withdraw from east Jerusalem (Mark, p. 7). Clearly this is a stopping point. As for Israeli settlements, the Palestinians claim that the settlements are illegal according to International Law[11] and demand an immediate withdraw (Mark, p. 10). The Israelis have at times frozen any new settlements, but no administration to date has even considered a complete withdrawal of these settlements as a viable option. The fact is the Israeli government has encouraged these settlements under the premise that Jews have a right to all of "Eretz Israel." This is yet another major roadblock to achieving a lasting peace.

The last show stopper is the Palestinian Diaspora's right of return to their homes. The Israeli government claims, "allowing Palestinian refugees to return to their homes left in 1948-1949 or 1967 will destroy the Jewish nature of Israel" (Mark, p. 10). Palestinians respond by arguing that the United Nations General Assembly Resolution 194 of December 11, 1948 expresses their right of return. The resolution states that Arab refugees have a choice of returning to their homes in Israel, which they left in 1948-1949, or to receive compensation for lost property or both (UNGA, p. 3). Many believe that the Palestinian claims to the right of return are a matter of justice backed by international law. In other words, the Palestinians see Israel's acceptance of the right of return as accepting blame for an injustice they committed long ago (Mark, p. 11). If this is truly the case, then there may be an amicable solution to this point of contention.

As one can see, there are a great variety of complexities to the Israeli-Palestinian conflict and the brief summary provided does little justice to this Celtic knot of issues. Without a lifetime to spend, one can only hope to grasp the major issues and become familiar with the main stances of the parties involved. The general overview provides a basis to begin the exploration of the possible outcomes to this conflict. The least likely but still possible outcome is that of the one state solution.

B.   THE ONE-STATE SOLUTION

The one state solution is based upon the premise of Zionism described above. Most, but not all Zionists believe that "Eretz Israel" belongs to the Jews. Hence, any

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[11] Specifically paragraph 6 of Article 49 of the Fourth Geneva Convention on Protection of Civilian Persons in a Time of War.

non-Jews living in Greater Israel are essentially trespassing. This leads to the belief that these trespassers must be transferred from the land of Israel. Israel's first Prime Minister David Ben-Gurion completely supported the idea of transferring the Palestinians but recognized that discretion was a key element to success (Morris, p. 254). Thus, the belief patterns of the right-wingers in Israel were established. It is generally accepted today that Israel has a right to exist based on a variety of stances. It is the right-wingers of Israel's Knesset that have been able to spin these stances into the belief that it is Israel's sovereign right to claim the Palestinian territories as their own. In fact, the romanticized dream of a one-state solution comprises a plethora of ugly realities. In this solution, Israel must displace the Palestinian population to reestablish Greater Israel in order to maintain both their Jewishness and democracy. Obviously, there would be resistance to be overcome. The armed resistance would be dealt with through direct military action. The passive resistance would be eliminated by the destruction of Palestinian infrastructure, agriculture and housing. Basically, the Israelis would have to make conditions so bad that Palestinians would want to, or have to, leave. If they still remained, Israelis would have to kill them, physically expel them, or round them up and put them in tiny enclaves.

If the above actions are indicators of a possible future, than an analysis of statistical data regarding these indicators is imperative. The Israeli human rights organization B'Tselem maintains such statistics and it paints a bleak picture of the current political drift of Israel. In the WBGS including east Jerusalem, statistics as of the month of May 2002 indicate that over 60 houses[12] have been demolished since the beginning of the al-Aqsa Intifada (B'Tselem HDS, pp. 2, 3). This number pales in comparison to the damage done in the first Intifada where over 380 houses were demolished with over 240 houses sealed[13] and more than 80 houses partially sealed (B'Tselem HDS, p. 2). As of 12 May 2002, Israel holds 2,368 prisoners and detainees in their containment facilities with over half being detained for interrogation or administrative purposes (B'Tselem I, p. 1). The death toll of the current Intifada is staggering when compared to the first Intifada. The first Intifada claimed the lives of 485

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[12] This number does not include the recent campaigns in Jenin.

[13] Sealing a house ensures that no one will return in an attempt to reside in the dwelling. Sealing is a

Palestinians and 21 Israelis in the first nineteen months (Bennet, p. A8). In the same period for the al-Aqsa Intifada over 1445 Palestinians and over 485 Israelis have died (B'Tselem F, pp. 1-3). This is a clear indication that the current Intifada is much more intense and that the disparity of number killed is rapidly shifting. There were 23 Palestinians killed for every one Israeli in the first Intifada. Current statistics indicate that gap has closed to a three to one ratio.

The Israeli Defense Force (IDF) attacked all levels of infrastructure in Palestine. Most seriously the IDF leveled many agricultural sites. IDF soldiers uprooted orchards and ran over low-lying crops like squash and lettuce with tanks (Solomon, p. 2). According to the Palestinian Center for Human Rights in Gaza, more than one-fifth of the area's crops were flattened by the IDF during the conflict. The Palestinian Health Development Information and Policy Institute (HDIP) notes that 32,760 dunums[14] of land were bulldozed and 25,000 olive and fruit trees were uprooted during the Intifada (HDIP, pp. 1, 2).

B'Tselems's researcher Yehezkel Lein recently presented a report on the Israeli settlements in the West Bank. The major finding of the report is that the settlements are built on only 1.7 percent of the West Bank land but they control 41.9 percent of the land through administrative and protective zoning (Lein, p. 2).

While all these statistics do not prove that the Sharon government is aspiring to a one-state solution, they certainly indicate that there is indeed a political drift towards this solution. Thus, it is imperative to understand that continued actions of this sort can only result in two possible outcomes; either a one-state solution or a bi-national state as discussed in chapter III. The one-state solution equates to the elimination or expulsion of Palestinians (transference) in the WBGS and a bi-national state means future Palestinian subjugation for the purpose of maintaining Israeli dominance. In either circumstance, no good can come from these solutions for any party involved in the conflict. The violence is destroying the fabric of Israeli society, intensifying the hatred on both sides and destroying any chance of peace as the war progresses. So, why is this concept not

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form of punishment usually conducted on a criminal violator or suspected violator's family.

[14] Approximately four dunums make about an acre of land.

recognized and averted? To answer this, one must explore who is for and against the one-state solution.

1.   Who is For and Against?

There is only minority support for this option, but a majority attitude of appeasement is virtually dragging the state of Israel into the one state solution. The supporters of the one state solution are fairly obvious and are comprised of Revisionist Zionists and Religious Zionists parties. The parties are, in order of most seats held in the Knesset, the Likud Party (19), [15] Yisrael Ba'aliya (6),[16] the National Religious Party (5), United Torah Judaism (5) and the National Unity Party (4) (JVL, p. 1). [17]   All together these groups comprise only 37 of the 120-seat Knesset. In the Knesset, the modus operandi is not about individual party power; rather it is that of building coalitional support. The strongest parties attempt to build patron-client networks with the weaker parties. The strong help the weak on minor issues in exchange for majority power in addressing major issues like a peace resolution.   Inevitably the weak compromise on their views on the Israeli-Palestinian conflict. One of the key terms that one-state supporters use is "transfer."   "Transfer" is the Israeli euphemism for "expulsion." The term has become popular, as it has soften the real meaning of the term – ethnic cleansing or expulsion.

The opposition groups to the one-state solution are as easily delineated. It is quite obvious, but still worth mentioning that the main opposition to the one-state solution is the Palestinian population. None of the Palestinians would refute that this solution would assure their long-lived hardship or demise.

Among the Israeli opposition, the left-wingers, secularists and supporters of democracy are the primary antagonists of the one state solution. They are in order of most seats held in the Knesset, the Labour Party (23), Meretz (10), Shinui (6), United Arab List (5), Hadash (3), Gesher (2), National Democratic Alliance (2) and Meimad (1) (JVL, p. 1). These groups comprise 52 seats in the Knesset.

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[15] These numbers indicate the number of seats held in the Knesset.

[16] Democratic Choice (2) was part of a coalition that broke away from YB leaving them with only 4 seats.

[17] All citing of the Jewish Virtual Library (JVL) are targeted to one Internet address, which allows navigation to a description of each specific Knesset party.

One may ask how 37 seats in favor of the one-state solution are able to overpower 52 seats against it. The answer lies in the parties considered as swing voters on this issue. These parties are the centrist parties or supporters of individual groups. These parties comprise 29 seats in the Knesset. Among the most notable of these are the Shas Party (17) and the Center Party (6) (JVL, p. 1). Coalitions that capture the swing vote are able to control the Knesset.

One would think that the varying views would inhibit any bonding of parties with opposing views. This is not the case. Recently Likud formed a coalition with other smaller parties that enabled it to overpower its rival, the Labour Party. Labour chose to join this coalition rather than lose what power they had. As a result, the Labour Party is currently relegated to a pathetic state of acquiescence offering no clear alternative to Ariel Sharon's current agenda (Seale, p. 2). Thus, the strongest opposition group to the one-state solution has been assimilated into a coalition that actually supports the reestablishment of Greater Israel. At one point, the Labour party had the option of allying itself with other parties that support a two-state solution, but since they were Palestinian-Israelis the party felt an alliance would weaken its future position. Thus, the Labour party will continue to be passive due to present conditions and the popularity of Sharon. Therefore, the political drift will also continue toward a one-state solution. "The Labour party is a shattered wasteland, with no serious prospects for Prime Minister on the horizon" (Steinberg, p. 1).

2. Costs and Benefits

There are few benefits to be gained in the one-state solution. The key benefit is the establishment of a Jewish, democratic state in Eretz Israel. This certainly facilitates success of three parts of the Jewish equation, but at a high cost. Essentially, Israel has to transfer Palestinians from the WBGS, which equates to a "quiet ethnic cleansing" (Ashrawi, p. 1). Killings, expulsions, detention, house demolitions, Israeli settlements, destruction of infrastructure and transfers of property continue with regularity and have contributed to the recent increase in violence in the area. These sorts of atrocities would have to increase under a one-state solution, thus ensuring that Israel will never live in peace. Tensions would be certain to increase among Israel's Arab neighbors. The actions of Israel would most likely spawn increased domestic pressure within Arab states

to oppose Israel, coming from increasing influence of the "Palestinian Cause" as it is an integral part of both Arab solidarity and Islamic religious identity (Jabber, p. 11). There would be an increase in violent attacks from Islamist organizations. Israel would be subjecting itself to attacks from all directions -- inside and out. The Islamist groups of Hamas, Islamic Jihad and secular groups like PFLP will grow exponentially and their attacks will become even more gruesome. The Palestinians, having nothing left to lose, would flock to these resistance movements. Islamist organizations outside of Israel will set up operations like the Democratic Front for the Liberation of Palestine (DFLP) and Hezballah have done in order to assist the resistance movements, as well as conduct their own attacks. By taking the WBGS, Israel risks becoming the next target of an Islamic Jihad. For decades, Islamist groups have used Israel as an example of how unfairly the west treats Muslims. The full occupation of WBGS could very well be the catalyst that sparks a greater conflict or holy war. Israel's dream of normalization would never be achieved and it would remain a militaristic society in order to ensure its own security.

Israeli actions that move the situation toward a one-state solution would certainly draw the attention and condemnation of the world community. Western states are sure to face increasing domestic pressure to withdraw support from Israel as they did in the case of South Africa under its apartheid-supporting government. A decrease in support for Israel in financial and military assistance would likely come at a time when Israel's security is threatened the most. Indeed the potential costs of the one-state solution are far higher than the majority of the Jews in Israel are prepared to pay. It seems apparent that these costs have not gone unnoticed. In fact, a recent poll in Yediot Aharonot indicated that 63 percent of Jews in Israel actually favor the creation of a Palestinian state (BBC1, p. 2).

This paper cannot explore all the possible social, political, and economic factors that may result from a united Israel. However, a correlation can be drawn between Israel's potential situation and England's long occupation of Ireland. This brief comparison may be able to shed light on a possible outcome if an attempt to establish Israeli rule in the WBGS occurs.

England suffered through a long occupation of Ireland. Its occupation resulted in a variety of resistance groups. Among the most famous groups are Sinn Fein and the

Provisional Irish Republican Army (IRA). Ireland fought the rule of England by military force until c.1169 when King Henry II of England launched an invasion and captured Ireland (NIO, p. 2). In 1782, Ireland was granted autonomy but due to civil strife was reunified with England in 1801 (NIO, p. 2).

The struggle for Irish autonomy created a great rift within Ireland. Some of the population wanted British rule, while the rest did not. During and after World War I, private armies were established on both sides of the opposition. The Nationalist Irish Volunteers (one of the main predecessors to the IRA) began to call more aggressively for autonomy. In this context, similarities can be seen between the Islamist factions and the PA on one side (correlating to the Irish nationalist opposition) and Israel on the other side (correlated to the British Government).

No group among that opposing British rule had solid, mainstream support; however, the Easter rising of 1916 was a major turning point. The revulsion at the execution of 15 opposition leaders stiffened the Irish nationalist opposition (NIO, p. 3). British use of violence solidified support for the Irish opposition much like the situation between Israel and the Palestinians.

Both armed and political struggles continued until 1922 when Ireland was granted autonomy, however, some of the provinces of Ireland chose to remain under British rule. This began the violent campaigns aimed at forcing a British withdrawal. The campaigns of murder, bombings and violence that targeted civilians from the opposition as well as British troops in Ireland began in 1969. However, by 1973 the violent campaigns extended beyond the borders of Ireland into England (NIO, p. 4). Each act of violence or destruction of property was met with a retaliatory act of violence, which began an escalation process for the next quarter decade (O'Brien, pp. 51-64). Similarly, Israel can expect to battle sporadic acts of violence if it occupies Palestine.

Peace negotiations in Ireland finally began in 1992, but suffered numerous set backs due to violence from those who did not want the negotiations to succeed. Britain realized the purpose of these acts and refrained from strong acts of retaliation. Finally, an agreement was reached on 10 April 1998, "the Good Friday Agreement" (NIO, p. 4). Like Britain, Israel would eventually have to come to the peace table again. The damage

to Israel's economy from these sporadic attacks will be devastating. If a lasting peace is not attained, Israel will never realize its dream of normalization (Shlaim, pp. 568-601).

For Britain, the process of giving autonomy back to Ireland is a gradual one. Increased political autonomy and power are directly correlated to demilitarization of factions such as Sinn Fein and the IRA. Today, Britain and Ireland are still grappling with their problems, but they have resolved to come to a solution peacefully.

Avi Shlaim points out in his book "The Iron Wall" "… the premise underlying the Declaration of Principles was that the resolution of the Israeli-Palestinian conflict had to be effected gradually in order to facilitate trust, mutual friendship, and normalization of relations before more difficult topics were confronted (Shlaim, pp. 568-601). The principle belief behind this concept was that only through time and patience is the peace process able to work. This process has been a proven failure. The intent of the Oslo process has been abused and the increased Israeli settlements have pushed current political drift toward a one-state solution. The time for a dramatic and rapid move for peace is now. Palestine has shown little commitment to protecting Israel's security and Israel has not demonstrated adequate dedication in allowing the peace process to occur. It must be noted that the prodding and pulling done by the international community in the name of the "peace process" may have also had adverse affects. There have been several attempts to force a resolution between the two parties, but each attempt was not supported by a contingency plan. The international community must apply pressure for an immediate resolution on the Israelis and the Palestinians if the current drift is to be averted.

C.   CONCLUSION

There is still hope for Israel and Palestine. They are at a fork in the road. In one direction, there is a high potential for stability, prosperity, and peace (the two-state solution). In the other direction (the one-state and bi-national state solutions), there is a high potential for long-term instability, economic crises, and possibly war. The world is anxiously waiting to see which route they will choose. The one-state solution is the worst possible outcome of the three solutions. The majority of Israelis and Palestinians do not want the one-state solution. Yet, few Israeli political parties resist the continued settlement of the West Bank and the political drift continues. The cost of this solution is

much too high for the parties involved and therefore the logical conclusion is that the ongoing course will be altered to some degree making this solution the least likely. However current passiveness of the Israeli opposition to the one-state solution indicates that the course probably will not be altered radically unless major changes occur. Additionally, it seems that none of the actors from the international community are willing to step in and force the changes necessary to avoid this catastrophe. Step by step approaches have failed and it is imperative that a change to a more immediate comprehensive solution is now undertaken. The impetus for the international community is to let Israel handle the "problem." This is very surprising considering that it may be the international community that has to fix the "problem" later. As Henry de Bracton said, "an ounce of prevention is worth a pound of cure" (DeLegibus, c.1240).

III.   THE BI-NATIONAL STATE SOLUTION

Israel has denied support for the Palestinian bid for statehood in all but the most recent peace agreements. However, even the support for statehood seems only notional, as Israeli actions have indicated no change to the traditional opposition. The same political drift down the pathway toward a one-state solution also leads to a second possibility – a bi-national state. Noting the intense costs that each party will suffer from the one-state solution, logic indicates that each entity will engage in situational avoidance of the one-state solution. Thus, the current political drift is more likely to lead to a bi-national state (BNS) than a single state.

This chapter explores the question of an Israeli bi-national state. It will define a bi-national state, identify who is for and against a bi-national state, determine what indicates that Israel is heading for a bi-national state, and then explore the benefits and ramifications for both sides of the issue.

A.   DEFINING A BI-NATIONAL STATE

A bi-national state is a state with two major nationalities that compete for political power. A BNS differs from the one-state solution because there is no idea of "transfer"-- the Israeli catch phrase for expulsion or ethnic cleansing of Palestinians from the WBGS. In Israel's case, a bi-national state would mean that Israel would include the Palestinian Arab population of the West Bank and Gaza strip in their political process.   This inclusion would change the face of Israeli politics as well as erode their cherished national identity as a Jewish state.

B.   WHO IS FOR AND AGAINST?

In determining who is for a bi-national state (BNS), one must examine the platforms of both the Israeli political parties and the political groups of the Palestinians. Few groups are for a bi-national state, but there are major forces that are driving the endstate towards this solution. According to a poll conducted in December 1999 by the Jewish Media and Communications Center (JMCC) only 15.3% of Israeli Jewish citizens prefer the bi-national state solution to other solutions (JMCC, p. 5).   Among Israeli political parties, there are only two clear proponents of the establishment of a bi-national

state, the *Yisrael Ba'aliya* party and the outspoken Dr. Azmi Bishara of the Arab Democratic Party (ADP). *Yisrael Ba'aliya* is a moderate right wing party, which holds 6 of the 120 seats in the Israeli Knesset (Electionworld, pp. 1,2). It promotes equal rights for all citizens of Israel and supports Palestinian autonomy while opposing the establishment of a Palestinian State (JVL, p. 1). The ADP is an offshoot of the Palestinian-Israeli coalition of the United Arab List (UAL), which holds 5 seats in the Knesset (Electionworld, pp. 1,2). Although the first preference of the UAL is the establishment of a Palestinian state, Dr. Bishara's group continues to lobby for equal rights for Palestinian Arabs and the establishment of a bi-national state within Israel (JVL, p. 1).

On the Palestinian side the aforementioned JMCC poll indicated that only 20.6% of Palestinians preferred a bi-national state solution to other possible solutions (JMCC, p. 5). The major proponents among the Palestinians are from the Palestinian Diaspora, most notably Professor Edward Said of Columbia University. Professor Said purports that the bi-national state is not just a short-term solution, but a long-term one. He believes that a bi-national state is really not a dramatic change from the status quo. It is merely a realization of what is (Amr, pp. 1-3). [18]

Among the Palestinian groups holding most of the political power are Fatah,[19] Hamas, Islamic Jihad and the Palestinian Front for the Liberation of Palestine (PFLP). Like the Palestinian Authority (PA), these groups ignore the possibility of a bi-national state and would never except Israeli rule in a bi-national state under any conditions. For them to accept Israeli rule would be to accept defeat as well as domination by infidels. These principles of rejection are clearly laid out in Said Qutb's book "Milestones," which are followed by both Hamas and Islamic Jihad.[20] However, by ignoring the changing trend the probability of an evolution into a BNS becomes much higher.

If the likelihood of a bi-national state is based on belief systems, principles and political party platforms, then it is highly unlikely that a BNS will come to fruition

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[18] Said indicates that Jews have always been a minority in the Middle East and this is simply a realization of that status.

[19] Fatah is the main political support behind the Palestinian Liberation Organization (PLO) and the Palestinian Authority (PA)

[20] Jihad must occur to remove *jahili* governments (Muslim government that has lost its way in Islam) or against those that refuse *jizyah* (to pay tribute) or refusal to recognize Islam (Qutb, p. 44)

(Avnery, p. 3).   However, based on the strong political drift one must assess the possibility of the unintended consequences from a power struggle among the parties involved.

C.   WHAT INDICATES THAT ISRAEL IS HEADING FOR A BI-NATIONAL STATE?

The bi-national solution is not an issue due to political party support, but is a result of a larger political struggle for the middle ground. In Israel, as in the United States, the right and left wings battle over the middle ground in an attempt to attain a political majority. On one hand, there is the left-wing Labour party and center-left Center party that concede a two-state solution is probably best for Israel, but will not openly commit to this position for fear of losing constituents in the center. On the other hand, there is the right-wing Likud party and center-right *Yisrael Beitenu* party that might aspire to the one-state solution, but refrain from open support due to a need to hold their political ground in the center (JVL, p. 1).

One of the keys to understanding the ongoing political drift is the understanding of party positions on settlements and a comprehensive peace. The Labour party believes in the Palestinian right to self-determination and their right to limited sovereignty. They are somewhat tolerant of other groups and want a comprehensive peace resolution. This left-wing party is willing to make concessions to achieve a lasting peace. The Labour party also believes that the ongoing settlement of the WBGS must stop, but supports the existence of already established settlements (JVL, pp. 1-4). Despite their support for the Palestinian right to self-determination and sovereignty, Labour party leaders continue to support instruments that breach both. These settlements are a major point of contention in the ongoing conflict and undermine Palestinian sovereignty.   Since 1987, Israeli settlements in the West Bank have more than tripled from 55,000 settlers to more than 190,000 settlers in the year 2000 (Smith, p. 416). Although the Labour party began as a supporter of new settlements, as a general rule, the current Labour party usually prohibits new settlements (Smith, p. 303). Conversely, the Likud party has always supported Israel's expansion and traditionally accelerates new settlement construction when in power (Smith, p. 369). The Likud party believes in Israel's right of ownership of Judea and Samaria (the biblical names for the West Bank). It proposes the restoration of Eretz

Israel by any means necessary. The Likud party claims to place peace as the central objective of Israeli policy, but will not sacrifice security to achieve this peace. This right wing party has placed the establishment of peace as precursor to any negotiations for a comprehensive status resolution (JVL, pp. 1-3). This view is in complete conflict with the views of the Palestinians who state that there will not be peace until a Palestinian state is recognized. As long as Likud remains in power, Israel will continue to push for domination of the West Bank no matter the cost. The current Israeli government seems trapped in a cycle of violence that is unending.

The lack of decisiveness within these major parties will result in their inevitable drift into the center. Based on this indecision and the inability of each party to take a decisive stand on the issue the default solution of the major parties becomes a bi-national state. Included in this battle are other political parties that openly support either a one-state or two-state solution. As a result of this diverse system, there is a major power struggle that is creating an overall political drift into the center. It is relevant to note that this drift towards the political center is in direct conflict with the aims and goals of almost every party for a permanent solution, as we will see later in the discussion of the ramifications of a bi-national state for Israel.

Despite the political rejection of a BNS by a vast majority of political entities, the current evolutionary trends indicate a seriousness that cannot be discounted. After the crises at the World Trade Center on September 11, 2001, the United States began a "War on Terror." The Israelis, under Ariel Sharon, have used the "War on Terror" as a vehicle to launch severe retaliatory attacks for Palestinian aggression. One can quickly become confused regarding who started what in this "Tit for Tat" exchange. The escalation of violence seems unending and, as statistics show, the violence has become more deadly with time especially for the Israelis. The Israeli human rights group B'Tselem is cited in a New York Times article indicating that in the first Intifada the exchange of life was approximately one Israeli life for every twenty-five Palestinians killed. In the al-Aqsa Intifada the inequality of the exchange has been diminished to one Israeli for every three Palestinians and the death toll is almost three times higher within the same amount of time (Bennet, p. A1, A8). This increasingly bloody exchange is deepening mutual hatred and diminishing any hopes for a peace resolution. The ongoing violence ensures that

opposition factions like Hamas will continue to gain power as it did in the first Intifada (Nusse, p. 178). This indirect rise to power by Yassir Arafat's opposition is further complicated by Israel's direct attempts to destroy the PA. Israel continues to crack down on the PA in spite of the fact that Hamas and Islamic Jihad claim responsibility for many of the bombings (Williams, p. A-19). In December 2001, Ariel Sharon, the Prime Minister of Israel, announced that he considered Mr. Arafat "irrelevant" and that the Israeli government would no longer recognize the Palestinian Authority because it failed to bring the rising violence under control (BBC, p. 1). The current "War on Terror" has further exacerbated the situation. The PA relies heavily on public attention during conflicts to ensure its message is heard. Similar to the first Intifada where the Gulf War diminished the Palestinian message, the "War on Terror" seems to have the same effect (Farsoun and Zacharia, p. 246).

The undermining of the PA and the strengthening of Islamist groups that oppose a two-state solution is leading to a narrowing of options for Israel. If there is no leader or governing body of the Palestinian people, then Israel will have to take up the mantel of control to ensure their own security. Since, the one-state solution has been previously ruled out as unattainable; a bi-national state is becoming the only alternative.

One could draw an association between Israel's refusals to adhere to United Nations Security Council Resolution 242,[21] or as some see it the failure of Oslo I and II, and the beginning of the drift towards a bi-national state. For some, Oslo proved that the Palestinian nationalist goal was unattainable (Abu-Odeh, p. 4). The PA fought for pre-1967 borders, while the Israelis examined the situation from a post-1967 context. The resulting negotiations for land would be comical if they weren't a reality. To fully understand the difficulty of the situation, one must examine the areas that the PA has assumed responsibility. According to the Oslo Accords in 1995 (Oslo II), there is a clear delineation of control into zones A, B, and C (see figure 1 next page). In zone A (15-18% of the West Bank), Palestinians have full control of security and administration. In zone B (20% of the West Bank), Palestinians have administrative control and Israel has control over security for the region. In zone C (62-65% of the West Bank), Israel has

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[21] UNSC Resolution 242 (22 Nov 67') was drafted in response to the Six-Day War. Among the directives are –Israel's withdraw from occupied territories and settlement of the Palestinian refugee problem.

complete control over security and administration. As one can clearly see, the PA has full control over only 15-18% of the West Bank and administrative control over another 20% (Smith, p. 469-472). From the map, one can see the difficulty a governing entity might have attempting to maintain control over a non-contiguous principality with differing degrees of authority. The PA is autonomous only in zone A, where Arafat's Fatah party dominates. The contradiction is that Arafat is being admonished for his lack of control over groups operating outside of zone A.

One of the early Zionist leaders, Ze'ev Jabotinsky called for the principle of the "Iron Wall." The "Iron Wall" concept was intended to ensure that Israel was able to negotiate from a

Figure 1 (from Smith, p. 473)

position of power. Ultimately having attained this position, the Israelis would negotiate with the Palestinians. Jabotinsky believed that the Palestinians deserved a home as the Jews did and had no intention of prohibiting them from achieving their goal (Shlaim, p. 598). The distortion of this concept is evident in Israel's settlement policy and in the Oslo accords' lack of fulfillment. The continued control of the WBGS clearly indicates that Israel may have ulterior motives. The Palestinians cannot negotiate from a position of power, thus they rely on the only powers they have, violent opposition or a refusal of options presented. These issues are at the very crux of the argument. Without Oslo and the establishment of a separate Palestinian state there remains one alternative, a bi-national state.
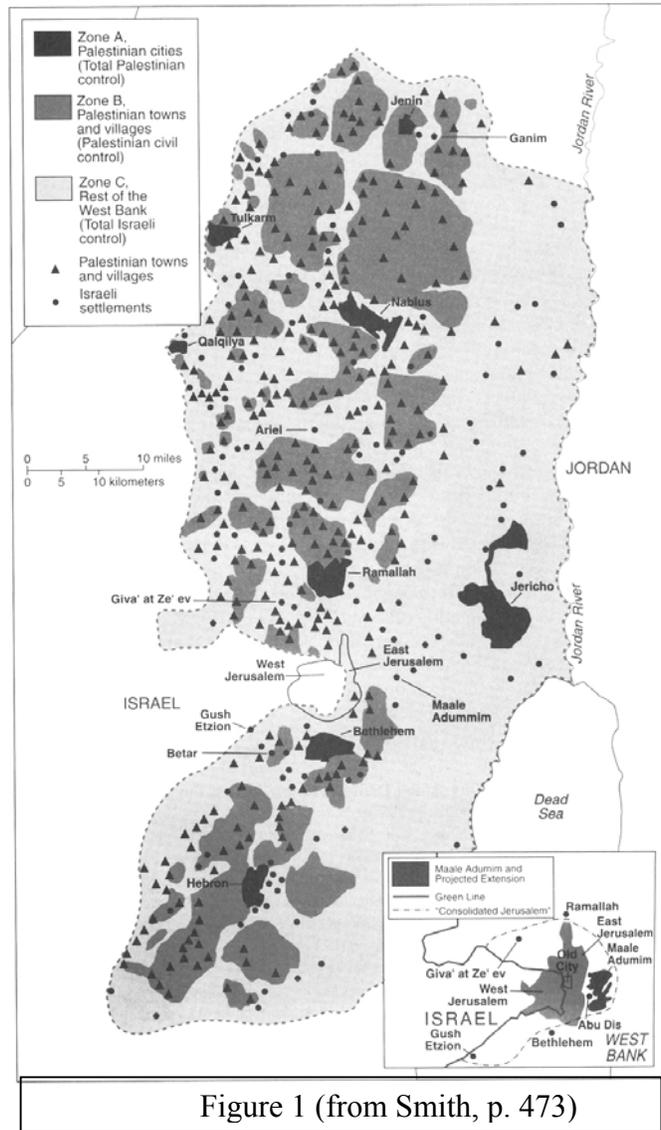
D.   COSTS AND BENEFITS

For the Palestinians, the benefits of a BNS are numerous if the state remains democratic. The biggest benefit for Palestinians is the theoretical belief that they would eventually have parity with Jewish Israelis and ultimately political dominance. In Israel, there are over 4.75 million Israeli Jews while Israeli Arabs constitute around one million people (CIAFBI, p. 3). The Israeli Arabs are a minority and thus have little political power. Although the Israelis occupy the West Bank and Gaza Strip (WBGS), Arabs in the occupied territories have never been allowed to participate in any Israeli politics. In the WBGS, the majority of the population consists of over 3.25 million Palestinian Arabs (CIAFBW, p. 3 and CIAFBI, p. 3). If a BNS became a reality, the numbers become startling - 4.75 million Jews to 4.25 million Palestinians. Given the Palestinian birth rates, Palestinians would achieve demographic parity in a little over a decade (Amr, p. 1). The reality is that Israel would never allow Palestinians to gain this kind of dominance.

For the Israeli side, the benefit of a bi-national state is singular, the realization of "Eretz Israel." After years of violence and political struggles, the Zionist dream of a Greater Israel could be realized. However, the cost of fulfilling this dream is higher than many in the Israeli community are willing to pay. The main problem of a bi-national state arises from the Jewish Equation (Jewish State, Democracy, Judea & Samaria) discussed in chapter II (Arian, p. 362). Only two parts of the three-part equation can coexist. If Israel attempts to absorb the Arab population of the West Bank, Israel must choose between Jewish statehood and democracy. To allow Arabs from the West Bank to participate in Israel's democracy means that Israel would certainly lose its identity as a Jewish State. The sheer number of Palestinians indicates a majority status would be close at hand. Thus, to allow Palestinians from the West Bank to participate in the Israeli democratic process flies in the face of institutionalized Zionism (Abu-Odeh, p. 2).

The alternative is not to allow Palestinians to participate in Israeli political structures. This would mean a loss of Israel's democratic status and most would consider it an apartheid state. Apartheid conduct, much like that seen in South Africa years ago, means that Israel would become a pariah within the free world, a heavy cost for Israel.

Ian Lustick paints a vivid picture of the conditions the Israeli Arabs face in his book "Arabs in the Jewish State."   One might use Lustick's detailed analysis of what

Palestinians of the WBGS could expect in a bi-national state. Lustick indicates how the Israeli government developed a program of control for Israeli Arabs based on segmentation, dependence and co-optation (Lustick, p. 77). While Israelis have ensured that Israeli Arabs can participate in politics, the government systems ensured that the Israeli Arab population was divided, dependent on Israelis for economic and political resources and co-opted through payoffs and benefits (Lustick, p. 77). Through this elaborate system, the Israelis have been able to keep their Arab population under control. This analysis, used as a future vision of a bi-national state, indicates that the Palestinians would continue to be subjugated under the illusion of democracy. From the Israeli point of view, it would be essential to maintaining the Jewish State.

Academic Oren Yiftachel claims that Israel has never been a democracy, but instead is an "Ethnocracy." He purports that an Ethnocracy is a system similar to a democracy, but only one ethnicity controls the majority of the political power. Yiftachel's position is based on the realities of Israel's segregated communities, limited civil rights extended to minorities, and dominance of one ethnic group controlling the state apparatus (Yiftachel, p. 11). Given Lustick's analysis and Yiftachel's assessment, the cost for Palestinians is very high, as Palestinian independence would be exchanged for a bi-national state.

Given the history of Israel's treatment of Palestinians in Israel, and the ethnocratic nature of government, the aforementioned theories paint a bleak picture for the Palestinian population under a bi-national state. However, in the event that the Palestinians were able to overcome Israeli repression Israelis may face a modern-day version of the *ahl al-dhimma* system of protected non-Muslims in the House of Islam (Karsh, p. 1). This is a system based on the old Islamic Empire. The Muslims claimed tolerance and allowed non-Muslims to live among them as long as they recognized Muslim dominance. Israeli Academic and Zionist supporter Efraim Karsh describes a bi-national state backed by Palestinians as a "Trojan Horse." He ascertains that bi-nationalism is derived from the Palestinian rejection of the Jewish right for statehood (Karsh, p. 1).

Any situation by which a bi-national state would evolve must include some form of democracy exercised by both sides otherwise one must consider it an apartheid state.

Democracy is defined not only by citizen participation, but also by equal rights under the law. This raises some very contentious issues: rights to land, water, migration and the return of the Palestinian Diaspora. Two major themes in Israeli politics present themselves in direct opposition to these issues. First, the Zionist platform indicates that Jews have an unequivocal right to the "Land of Israel", all of its resources and maintaining a Jewish majority in Palestine (JVL, p. 1). Second, Israel's key principle regarding policy development is security, as demonstrated by virtually every Israeli political platform (JVL, p. 1). The unequal distribution of water resources in the WBGS would be of paramount concern for the Palestinians. Israel receives about 60 percent of its water from the aquifers of the West Bank (Schiff, p. 2). According to Mekorot,[22] Israelis consume twice the amount of water on a per person basis than the Palestinians (Rosenblum, p. A-10). Mekorot estimates are considered conservative yet the truth still remains. Israeli consumption is disproportionate and must be adjusted if equity is to be achieved. A continued Israeli monopoly of resources in the WBGS would further accentuate an apartheid status.

Lama Abu-Odeh, a professor of law at Georgetown University, used hyperbole to describe the potential ramifications of a bi-national state. He said that the adoption of a bi-national state that is secular-constitutional and liberal would bode well for the Palestinians. The Palestinians would have to change their political agenda from a right to national self-determination to one supporting constitutional liberalism (Abu-Odeh, p. 5). From this position, Palestinians could make claims to equity in resources, land, residence locations, and political representation under their claim to equal rights. The Palestinian "Right of Return" could finally be recognized through the proclamation that Israel's law of welcoming Jews abroad as citizens must be applied to the Palestinian Diaspora in all fairness (Abu-Odeh, p. 11). This shift in tactics under a bi-national state could take on the flavor of the civil rights movement of the 1960's and Americans would identify more with a civil rights movement than a struggle for national independence (Abu-Odeh, p. 9). Abu-Odeh wrote the article to convince anyone who would listen that there is an alternative to the current course of violence. Even though some of his points seem unattainable, the points raised demonstrate the clear conflict that must be overcome

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[22] Mekorot is the largest Israeli Water Company in Israel.

within a bi-national state. From an Israeli perspective, the possibility that ones entire culture, belief system and guiding principles could be undermined and made irrelevant is nightmarish. From a Palestinian perspective, there is a crushing realization that as a precursor to achieve any of the aforementioned possibilities one must weaken the bonds of Palestinian identity, force Palestinians to reconsider their Arab ties and overcome their own resistance to being incorporated into a European-industrialized society (Abu-Odeh, p. 2). Both cultures are based on ideology and it is highly unlikely that either is prone to change in a way necessary for a bi-national state to be successful.

Tangible economic hurdles are found beyond the apparent incompatibility of the Palestinian and Israeli cultures. Israel has a highly industrialized, high-tech, "First World" economy (Efrat, p. 3). The Palestinian economy a struggling "Third World" economy with an industrial output equal to that of a medium sized Israeli factory (Efrat, p. 3).[23] Israel would be unable to avoid the deteriorating effects of absorbing such a small, dilapidated economy. For example, in the report Development Under Adversity, Diwan and Shaban delineated huge infrastructure gaps in Palestine as compared to other countries at similar income levels. The gaps in WBGS are due to years of neglect and under-investment in transportation systems, electricity supply, telecommunications, water supply, and sanitation (Diwan and Shaban, p. 1-15). The economic impact for Israel would be devastating. On the other hand, the Palestinians seem to have nowhere to go but up.

The only economic bright side from the Israeli perspective in a BNS is that the Palestinians have a large, cheap labor force on which the Israeli industrial sector could capitalize. The reduced cost of production would directly increase revenue for the Israeli side. Prior to the al-Aqsa Intifada, Israel employed over 131,000 Palestinians, which resulted in over 2 billion dollars in income for the Palestinian people (FPCCIA, p. 2-4).

Noting that the Palestinian economy is agricultural and the Israelis are industrial, the symbiotic relationship of a balanced society with strong industrial and agricultural sectors could develop. However, damage done to Palestinian agriculture by recent Israeli attacks may undermine this possibility, especially in the near term. According to reports, the Israeli Government was so frustrated by the Palestinian attacks that they have resorted

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[23] R. B. Efrat sites Meron Benvenisiti, Intimate Enemies, University of California Press, 1995, p. 218.

to unfathomable means of deterrence. The IDF attacked all levels of infrastructure in Palestine. Most seriously the IDF leveled many agricultural sites as depicted in chapter II. The Palestinian economy is based on agriculture and even after the incredible damage done to Palestinian orchards and farms, 60 percent of the Palestinian economy is still based on agriculture (B'Tselem, p. 1-3). Agricultural economies grow slower than industrialized or high tech economies and sustaining damage exponentially complicates recovery. Thus, no matter the final solution, the rebuilding process for Palestinians will be long and very expensive. The costs of a bi-national state are almost insurmountable for Israel without aid from the international community.

Given that a bi-national state came to fruition within the next couple of years (however unlikely), Israel would be the majority leader in the near term. Israel's economic and infrastructure management has served their community well. Israel's leadership of a new bi-national state would prove to be a major benefit to both concerned parties. However, it would be only a matter of time before the Palestinians became the majority and assumed the leadership role of the country's economy and infrastructure. Based on past experience with PA management of economics, this would be a bleak future. When the PA gained control in 1994, they pledged to promote private sector growth and allow private management of major infrastructure systems (USCS, p. 1-3). However, existing trade agreements and government practices not only discouraged private investment, but also hindered the performance of Palestinian businesses (WBG, p. 3-5). History indicates that the PA has poor management skills. Therefore, eventual Palestinian leadership seems to be costly for both sides.

The analysis above indicates that Israel has nothing significant to gain from a bi-national state except the fulfillment of an ideological goal -- the realization of Eretz Israel -- and everything else to lose. As indicated in chapter II, Israelis want a Jewish state above all else with democracy and peace tied for second on their agenda (Arian, p. 364-365). While a democratic bi-national state might be tenable in the short run, it would soon devolve into either a non-democratic Jewish state ostracized by the international community for its apartheid nature or a non-Jewish democracy. Israelis would prefer a two-state solution to either of these outcomes.

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Obviously, the Palestinians have more to gain than the Israelis do in a BNS especially in the forms of eventual demographic parity and future dominance. The Palestinians benefit more from a BNS in almost every category: political, economic, infrastructure and equal rights. Nonetheless, Palestinians will strongly protest a bi-national state due to cultural issues. Palestinians have come to identify themselves primarily with their nationalist struggle for independence and secondly with the Arab community. For Palestinians, a bi-national state means giving up these identities, which is highly unlikely. A comical comparison is how one might define a kangaroo. It hops and it has a pouch. One cannot define the kangaroo without these two key identifying features. For a Palestinian, the nationalist struggle and their Arab ties are what define them as Palestinians. A bi-national state asks the Palestinians to change who they are.

E.   CONCLUSION

As indicated through analysis, a bi-national state will not be deliberately chosen as a viable solution by anyone involved. The costs associated are too high to endure even for those benefiting the most. However, the current political drift indicates that a bi-national state could arise as an unintended consequence. Given the ideologies of the Israelis and the Palestinians, it seems highly unlikely that either culture would have the capacity to overcome their ideology in order to coexist. This indicates that a bi-national state would not be a peaceful solution, but one ridden with violence and plagued with an increased amount of control exercised by fundamentalists on both sides. Thus, no matter whether a bi-national state develops by choice, or as an unintended consequence, Israel and the Palestinians will continue to live in intense conflict due to their "Clash of Civilizations."[24] A bi-national state clearly has little value as a comprehensive settlement in ongoing peace negotiations and must be averted. However, left unchecked by leaders unwilling to make choices, the current predicament will evolve into a no win situation – a bi-national state.

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[24] Clash of Civilizations is a term used by Samuel P. Huntington in his book by the same name to indicate that there is an impending clash of civilizations due to conflicts of culture.

IV.   THE COMPREHENSIVE SOLUTION – TWO STATES FOR TWO PEOPLE

Progress in the Middle East peace process has come to a halt. Until recently, Palestinian statehood had been dangled in front of the Palestinians as an incentive to conform. But even with compliance, the journey toward statehood seemed to be unending. Each time the peace process broke down, the argument that the Palestinians were not ready, or that they didn't deserve statehood was used. This chapter examines the two-state solution, which sides are for and against it and then explores the UN declarations surrounding the Palestinian situation. The chapter then conducts a brief analysis of the current situation to determine what must be done to build prosperity in a Palestinian state and how this prosperity will create stability as well as lasting peace within the region.

A.   DEFINING A TWO-STATE SOLUTION

The term "two-state solution" has been used to define a variety of possible outcomes between Israel and the Palestinians. In Palestinian minds, the two-state solution means a return to the old pre-1967 borders when the West Bank and the Gaza Strip were two complete and contiguous pieces of land, as well as a complete withdrawal of settlers and military occupation. In Israeli minds, the idea of a two-state solution varies from person to person. Generally, the right-wingers (if they even consider this an option) claim that a Palestinian state can be created from the Gaza Strip and Zone A as indicated in the Oslo Accords (see map in chapter III p. 35). The Israeli left-wingers claim that a two-state solution is viable and it should consist of the Gaza Strip and the entire West Bank -- excluding the Israeli settlements and the land on which they are located. For our purposes, the two-state solution is defined as the Palestinians define it, because there can be no lasting peace without clearly defined and manageable borders with sovereignty.

B.   WHO IS FOR AND AGAINST?

Earlier chapters described the parties that were for and against the one-state and BNS solutions. Not surprisingly, those for either of the first two solutions are against a

two-state solution (and those who advocate a two-state solution are against the other approaches). As expected the Zionists, Revisionist Zionists, Orthodox and Ultra-Orthodox parties are against Palestinian statehood. In brief, they are the Likkud Party (19), Yisrael Ba'aliya (6), the National Religious Party (5), United Torah Judaism (5), and the National Unity Party (4) (JVL, p. 1). Additionally, it is important to note that Israeli settlers in the WBGS will reject any offer or demand for withdrawal from their settlements. The settlers carry some political clout in the Knesset and in the past it was necessary for the IDF to physically remove settlers from their settlements. This is important to note not only because of the difficulties that Israelis would face in dismantling the settlements, but also because the domestic fervor generated by this issue in Israel could cause power shifts in the Knesset. Party withdrawals could lead to a sooner than expected new election. Thus, the face of Israeli politics could change and the peace process dashed.

From a completely different perspective, the Islamist groups like Hamas, Hezballah, and the Islamic Jihad along with other secular groups like PFLP do not want to accept the two-state solution because it means compromising their positions. In short, these groups prefer the destruction of Israel to making any concessions, even if the concessions will greatly benefit the Palestinian people.

The proponents within the Israeli political system for a two-state solution are Labour (23), Meretz (10), Shinui (6), United Arab List (5), Hadash (3), Gesher (2), Meimad (1), National Democratic Alliance (1) and Arab Movement for Change (1) (JVL, p. 1). As in previous chapters one can note that those for a two-state solution carry a larger share of the seats in the Knesset. However, as illustrated in chapter II, it is the Likud-led coalition[25] that has managed to dominate Israeli politics. Labour actually had a chance to dominate this coalition, but chose to go along rather than allying itself with either centrist or Arab parties, which are viewed as political lightning rods. Until Labour is willing to stand up for the future of Israel, the Likkud drums will continue to dictate the direction of Israeli Policy.

On the Arab side, a slim majority of the Palestinian people (51.5%) believes that the pattern for peace established in the Oslo Accords could result in the establishment of

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[25] Labour is part of this coalition even though they have opposing political views.

a genuine sovereign Palestinian state (JMCC, p. 2). As the current conflict continues, these hopes are dwindling. However, the recent acknowledgement by the United States and other members of the world community that Palestinian statehood is essential for a lasting peace is sure to create at least a glimmer of hope among the Palestinians.

Members of the international community (IC) have also demonstrated their support for the creation of a Palestinian State through their votes in the United Nations (UN) General Assembly. A brief summary of the resolutions adopted by popular vote over the last half a century provides evidence of international support for a two-state solution.

The General Assembly passed resolution 181 (II) dividing the Palestinian territory into an Arab and a Jewish state in 1947 (UNDPI, pp. 5, 6). As a result, intense violence broke out in Palestine and in the ensuing months persistent outbreaks of violence resulted in exchanges of delineated Arab and Jewish lands. Thus, borders and land divisions established by UN resolution 181(II) began to mutate and the world did not intervene.

Israel declared its independence on 14 May 1948 and intense fighting erupted the next day. Huge numbers of Palestinian refugees fled their homes to neighboring countries in order to avoid the intense fighting. The Security Council called for, and achieved, another truce but no agreement on an extended truce could be reached. Fighting erupted again in October 1948 and more land was exchanged in battle. On 11 December 1948, the General Assembly adopted resolution 194 (III) that delineated ways to resolve the Arab refugee problem and boundary questions. The UN Conciliation Commission for Palestine was created and was responsible for overseeing the implementation of resolutions 181 (II) and 194 (III). After the war in 1967, the Security Council adopted resolution 237 (1967) guaranteeing sovereign rights to the Palestinian people and resolution 242 (1967) claiming the Palestinian Diaspora had a right to return (UNDPI, pp. 6-8).

War broke out again in October 1973. The Security Council passed resolution 338 (1973) that demanded peace and implementation of resolution 242 (1967). In 1974, the General Assembly passed resolution 3236 (XXIX) reaffirming Palestinian rights to self-rule, independence, and national sovereignty (UNDPI, p. 10). One can clearly see

that for over five decades the international community has supported the Palestinians and their right to sovereignty.

Many members of the western world including the United States and France believe it is a population's right to choose the government that rules it. Americans love to talk about the "Declaration of Independence" but few have truly thought about the concepts that this document outlines. A brief quote of the Declaration of Independence is as follows:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, that <u>whenever any form of Government becomes destructive of these ends, it is the Right of the People to alter or abolish it and to institute new Government</u>, …Governments long established should not be changed for light and transient causes;… But <u>when a long train of abuses and usurpations, pursuing invariably the same</u> Object evinces a design to reduce them under absolute Despotism, <u>it is their right, it is their duty, to throw off such Government</u>, and to provide new Guards for their future security.

Thomas Jefferson and the signers of the Declaration of Independence felt it was the right of men to choose their government, but to do it wisely. They delineated clear circumstances that they felt were good reason to cast off the yoke of an oppressive government. Israel is guilty of 22 out of the 27 reasons our forefathers gave as reasons to cast off their government. Some of the reasons to cast off one's government described in the Declaration of Independence are as follows: dissolving of government bodies, not allowing participation in government, cutting off trade with the rest of the world, depriving the people the benefit of a trial, abdicating government and then waging war, being subjugated by a leader whose character is thus marked by every act which may define a Tyrant (Zimmerman, pp. 2, 3).

The French have a similar history of revolution as well as a similar document declaring the rights of man. The "Declaration of the Rights of Man and of the Citizen" is now the preamble to the French constitution. Much like the United States, French democracy was founded on the fundamental belief that men have certain inalienable rights. These rights include participation in government through chosen representatives;

equality of persons before the law; protection against loss of property through arbitrary action by the state; freedom of religion, speech, and the press; and protection against arbitrary arrest and punishment (Encarta, p. 1).

The French declaration had great influence on political thought and institutions. This declaration became the model for most of the political and civil rights adopted by European states in the 19th century (Encarta, p. 2). Many of the laws established according to these beliefs persist today. These beliefs are inherent to the current systems of European governments. Therefore, in view of the case for Palestine, one can draw a correlation that the western powers must support the creation of a Palestinian state. This is absolutely essential and in keeping with the concept that all men have certain inalienable rights.

Further support for the argument that there should be a Palestinian State comes from one of the forefathers of Israel itself. Ze'ev Jabotinsky, the founder of Revisionist Zionism, believed that Israel must be established first through a declaration of complete Jewish sovereignty over the Palestinian Territories (Shlaim, p. 598). Jabotinsky saw this as a crucial step for establishing the principle of the "Iron Wall" (Shlaim, p. 598). The motive of this principle was to ensure that Israel could negotiate from a position of power and from this position could then begin negotiations for the creation of a Palestinian state (Shlaim, p. 598). Jabotinsky was also the first Zionist leader to acknowledge that the Palestinians were a nation and they could not be expected to renounce their rights to self-determination (Shlaim, p. 598). He saw the removal of Arabs from their homeland as unacceptable (Shlaim, p. 12). Jabotinsky realized that normalization of Jewish life could only be achieved through a strong Israel and the recognition of Palestinian national rights (Shlaim, p. 598).

Palestinians do have a right to statehood. Some would argue that the Palestinians have done nothing to show they deserve a Palestinian state. This argument defeats the true concept of the ideals held by the international community and the very nature of Jabotinsky's vision of Israel and Palestine living in peace side by side. The Palestinians have repeatedly tried to appeal to the international community with only limited success. Their right to a state is derived from the original agreement, by UN decree and from their inalienable rights to an acceptable government. The western world professes to have

built their governments upon these rights. If these rights are refused, the members of the international community will effectively dash any hopes of holding the moral high ground asserted by their status as a democracy.

C.   BUILDING A LASTING PEACE

What measures are necessary to transform the Palestinian Territory into the state of Palestine? It will most certainly take the participation of the international community. Since many western nations are perceived to have disenfranchised the Palestinian people, non-governmental organizations should fill the lead roles. The organizations best suited to nation building are the UN, US AID, the International Monetary Fund (IMF), and the World Bank. The framework must contain three elements of focus: (1) delineation of borders and establishment of sovereignty, (2) national security, and (3) infrastructure building with simultaneous development of the economy for future sustainment. The endstate must be the creation of a democratic state capable of sustaining itself without external rents, because economically successful and democratic regimes are more stable and less prone to violence (Collier, p. 14).

How does the process start? A coalition must be built with strong support from the UN General Assembly. Unfortunately, the difficult part is convincing the US not to veto a UN peacekeeping force in the UN Security Council, as it did previously on 27 March 2001 (Habib, p. 2).

If UN peacekeeping troops are not an option, a unified world coalition must be formed with the capacity to apply unprecedented economic and political pressure on the governments of Israel and Palestine to comply with any brokered peace deal. This new coalition would also fall under the mantel of a peace enforcement contingent. Dangling the "carrot" of "real" sovereignty in front of Palestine would be a major incentive for compliance. The UN could grant tentative sovereignty to the Palestinian Authority enabling them to make a major transition in decision-making and governmental systems. The international community could watch over the PA and ensure that it grows in the appropriate direction and away from its authoritarian nature. Israel would need pressure applied economically from the international community and the United States, as well as needing reassurance that its security needs would be met.

A nation must establish its borders in order to claim sovereignty. Palestine must be given clear, internationally established borders. The borders delineated in 1967 as the West Bank (WB) and Gaza Strip (GS) would be a good starting point. These borders encompass less land than what the UN resolution of 1947 had established. However, the land acquired by the Palestinians from these new borders is far more than they have now. A connecting, east-west super-highway must be constructed between WB and GS. Movement must remain unrestricted east-west and north-south. In addition, both Palestine and Israel will have the right to deny residence to anyone settling within the limits of their borders since 1967. Those settlers that are permitted to remain must declare citizenship according to their location. There cannot be any dual citizenship. All claims to natural resources that conflict with these boundaries are nullified and the host nation acquires the right to these resources. A demilitarized zone must be established between the state of Israel and WBGS. A special commission must be established to determine whether Jerusalem will be divided or becomes a true international entity. All religious sites must remain open to people of all nationalities. Glenn E. Robinson proposes in his book, "Building a Palestinian State," that there are three indicators that ensure Palestine will remain authoritarian: political inertia, imbalance of power, and the Palestinian rentier state (Robinson, p. 198). The establishment of sovereignty as is mentioned above will remove many of the imbalances of power that have historically existed between Israel and the Palestinian Authority. (Although this tier of the framework doesn't address the factors of political inertia or Palestine as a rentier state, they will be addressed later.) After these standards for sovereignty have been established, the process can shift its focus to establishing national security.

Perhaps the most crucial element necessary to the survival of a nation state is the consideration for security. The opponents to the two-state solution must be heavily pressured according to their own actions. Political opposition could be dealt with through information campaigns – "it is unpatriotic not to support a strategic move to secure the future security or sovereignty of your country." Fundamentalist groups from both Israelis and Arabs must be dealt with swiftly and violently, while minimizing collateral damage to the civilian communities. A sense of social justice must be established by each government organization. Since the international community is also concerned with

regional stability, it must establish standards that ensure Palestine's ability to protect its sovereignty, while restricting its ability to take up aggressive behavior. Initially, a UN peacekeeping force must be deployed along the borders of Palestine to ensure the opposing factions are separated. A limited international peacekeeping force can be used to assist the government of Palestine in maintaining internal stability. The IC must make it clear that any provocation (suicide bombings or shelling) or retaliation for provocation will not be tolerated and will be met with military force. Sporadic acts of violence between two sovereign nations can turn quickly into armed conflict. The benefits of engaging in this type of conflict must be eliminated through deterrence by increasing the cost of participating in violence. This "tough love" is the only way to ensure peace has a chance between Israel and Palestine.

In democracies, the government provides services to its citizens through an impersonal bureaucracy to which all should have equal access, at least in theory. In this way, the legitimacy of both the government and the regime are increased. In the case of the PA, the government has had only limited success in providing services to the people since its establishment in 1994 and the services it has provided have been channeled through highly personalized patron-client networks. The PA was able to establish a civil service for tax collection and delivered public services such as health, education, public utilities, and enforcement of the legal system (Diwan and Shaban, p. 2). However, the PA was never able to adequately service much of the population and Islamist factions such as Hamas soon filled the gaps. The Islamists have capitalized on the PA's inability to service its public and gained a great deal of support through the establishment of a variety of institutions such as mosques, medical clinics, relief societies, orphanages, schools, nurseries, and cultural and sports clubs (Hroub, p. 239). . To the extent the PA has achieved political support, it has been through the use of networks of patron-client relationships that distribute government jobs and resources and through the authoritarian use of military control in WGBS The PA traditionally draws its main political support from the distribution of government jobs, control over national purse strings and military control in WBGS (Robinson, p. 178). This method of governance will perpetuate authoritarian rule and remain unstable. Therefore, the reforms must start with the development of institutionalized and impersonal government systems in Palestine.

President[26] Yassir Arafat has thus far rejected the institutionalization of a clear chain of command. This approach inhibits continuity, efficiency, economic development, democracy and discipline within the PA (Rubin, p. 5). Arafat's refusal to delegate any significant authority is demonstrated most clearly when he leaves the country; nearly all government activity stops, even if he leaves for just one day (Rubin, p. 5). This type of authoritarian rule must end for the sake of Palestine's future.

Obviously, the Palestinians should be heavily involved in their own evolution. Experts should draw up sets of options from which a Palestinian council would choose. The aim of this reform would be to establish a fair, legal, auditable, and accountable system of government. This "transparent" government system would inhibit the corruption that has plagued Palestinian development in the past.

When the PA gained control in 1994, they pledged to promote private sector growth and allow private management of major infrastructure systems (USCS, p. 6). Unfortunately, existing trade agreements and government practices not only discouraged private investment, but also hindered performance of Palestinian businesses (WBG, p. 7).

Changes in legal codes are terribly needed in Palestine. Property laws are confusing and cannot be enforced. Banking laws and creditors' rights are sadly lacking. Lenders are often unable to hold their customers accountable for loans given. Investment laws are ambiguous and their application results in unpredictable outcomes. There is little regulation of national markets. Trade laws and customs taxes are oppressive and inhibit importing and exporting of goods to and from foreign markets. Currently, Israel controls the majority of Palestinian exports and can shut them off at will. Expert assistance from the IMF and World Bank should be provided in changing old laws and in the formation of new ones.

Although donations have fallen off sharply since the mid-90s, the world community could provide assistance in the form of free grants and technology. The UN should establish a donor control entity that would ensure money was directed at the highest payoff targets. The entity would ensure that donations were used appropriately and would make every member of the world community's contribution a lasting one. The controlling entity would also help eliminate the disappearance of huge quantities of

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26 "Ra'is" is his title in Arabic, which means president.

donor money. The donor control could finance a variety of projects from infrastructure rebuilding, to high payoff investments in human capital like education. The donor money would be used as an initial "big bang"[27] to establish the infrastructure of Palestine. Huge monetary assets could be brought to bear in establishing durable and expandable power grids and telecommunication systems. Running water could be directed to every town. New water lines would reduce water lost due to leakage, which amounts to 60 percent in some towns according to B'Tselem (Rosenblum, p. A10). New sewage systems in every town would sharply reduce seepage of sewage into the aquifer. As previously intended by the PA, private entities would take over the infrastructure systems such as power, water, telecommunications, and sewage (USCS, p. 6). A strict program of tapering off of any subsidizing of built infrastructure would have to be implemented. This tapering off ensures the infrastructure's ability to stand-alone after the donors are gone. The development of government controlled, improved road and railroad systems would make all areas accessible. This accessibility would facilitate future investments in industry.

The PA must use the rebuilding process as a method of changing its economy from primarily agriculture to primarily industry. Before the conflict flared, the Federation of Palestinian Chambers of Commerce, Industry and Agriculture were marketing the benefits of investment in Palestine. Among their accomplishments were free trade agreements with the European Union, the United States, the European Free Trade Association, Jordan, and Egypt. They were also were working out details of free trade with Canada and the Gulf countries (FPCCIA, p. 3). Palestine has a large unemployed labor force that can be employed cheaply. Palestine can also offer free access to regional markets.

Assistance programs should be implemented and coordinated through a single controlling entity. The UN could be the controlling agency while the other agencies such as the IMF, World Bank, and US AID could provide the expertise required. The assistance programs would focus on reforms that have been suggested in numerous World Bank, IMF and US AID reports.

Vast projects in education should be funded. This investment in human capital would ensure a future for Palestine. Children should have a guaranteed high school

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[27] This indicates that all construction, financing, and reformations occur simultaneously.

education. Scholarships for advanced degrees could be developed by the PA and by private entities. Adults should receive new job training or continuing education. All educational developments would mark the highest long-term economic payouts for Palestine. Research indicates that each year of education acquired by a nations population reduces the risk of conflict by around 20% (Collier, p. 5). Additionally, for each year a nation experiences a five percent growth in its economy, it has about the same effect as a year of education in reducing the possibility of conflict (Collier, p. 5).

Building the infrastructure is just the beginning. Getting the investors in the door would facilitate making Palestine a stand-alone country, economically free from any burden. We must remember, however, not to give the investors the keys to the palace. A Finance and Development article notes that direct foreign investment can work both ways. It can benefit the developing host country or pose serious risks as well (Loungani and Razin, p. 6). Financial transactions can be reversed thus turning what once was benefit into adversity. So skeptical monitoring must occur in accepting any outside investment.

The West Bank and Gaza Update (WBGU) produced by the World Bank noted that economic development depends on the public sectors ability to establish four fundamental cornerstones. They are (1) fiscal stability, (2) a viable program of social services, (3) a prudent and humane social safety net and (4) an environment encouraging private sector growth (WBG, p. 1).

The first steps that are crucial to economic development are fiscal stability, accountability and transparency[28] (WBG, p. 2). Fiscal stability also entails fiscal responsibility in times of change. To accomplish this, education and enforcement of standards for planning and budgeting at all levels of government must be enforced. Efficient systems must replace redundant systems that have archaic approval stovepipes, as it is essential to fluidity of action. "A government whose finances are under control can undertake the actions needed to foster development and civil society" (WBG, p. 2).

Education and health make up "the viable program of social services" as the second cornerstone of the World Bank's program. The targets within education and health are planning and management. The WBGU report indicates weaknesses in

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[28] This is the ability to trace or see exactly where all the money is going.

looking toward the future and inability to react to change. Questions such as "what do we do to maintain school enrollment?" or "what can we do to ensure disease prevention?" must become fundamental in establishing solid and enduring social services.

The third cornerstone was the establishment of social safety nets. These are services that most established countries take for granted. Unemployment assistance for sick or injured workers and Social Security payments for the elderly population reduces possible strains on established economic systems.

The final cornerstone is support for private sector development. This is simply making the atmosphere in Palestine conducive to investment. As previously noted, reformation of the legal system is a start. Once the legal system is overhauled and infrastructure construction has begun, private entities and individuals will become willing to invest in Palestine. The Palestinian economy has three important resources to offer: (1) a strategic geographical position; (2) a relatively open economy with little industrial base at risk; and (3) preferential access to European and US markets for industrial goods (WBG, p. 3).

Every group or government in the world has suggestions to improve Palestine. The World Bank, IMF, US Aid and others have worked with the PA before the Intifada and definitely should engage the PA now at this crucial moment. We must remember that Palestinians are a proud people. They are, by all accounts, very good businessmen. So, the IC must also be able to step back and allow them to take an active role in their evolution.

As noted by the WBGU, we do not need to re-invent the wheel in facilitating Palestinian economic development. The Palestinian businessmen know what their economy needs with regard to reforms. After the establishment of the PA in 1994, the Palestinian Trade Center (Paltrade) was organized to foster a dialogue between the private and public sector. Paltrade developed a project known as the National Trade Dialogue (NTD). The World Bank approved this forum and it also provided technical assistance to promote institution building and economic development in the WBGS (WBG, pp. 8, 9).

D.   BENEFITS OF THE ENDSTATE

The desired achievement is a democratic Palestinian government supported through participation of the population in politics and through a solid infrastructure of transportation, communications and human services. These objectives are crucial to establish a lasting, stable regime capable of standing up to subversive political opposition. The economic targets must be set using achievable goals throughout the nation building process.

The economic endstate is a non-rentier Palestinian state capable of consistently recording economic growth one percent above the population growth rate. The government of Palestine must also have back up systems to economically safeguard against recessions, as well as other states of emergency. As stated earlier, states that experience economic growth are less likely to be involved in conflict and are much more stable.

The Palestinian security system should be capable of maintaining internal stability and ensuring law enforcement. National security for Palestine from threats beyond its borders is a distant long-term goal and should be separated from the achievements necessary in creating a sustainable nation.

The time frame should not be compressed. A fifteen to twenty year period will likely be required in order to establish solid systems capable of surviving adversity. The reason for this duration is the need to institutionalize the infrastructure. Palestinian children and young teenagers must grow up and be educated under the auspice of the new Palestinian government for it to take root. This generation turnover will continue to work to the benefit of the Palestinian state as long as stability is maintained. The principle is to make life so good that citizens will fight to keep their peaceful way of life. Palestinians have nothing to lose in fighting against Israel right now. The international community must give Palestinians something to lose before they will fear the consequence of having it taken away.

The involvement of the international community should begin quickly and decisively. A choice to pursue a comprehensive solution cannot be taken lightly and must be decisive. The previous step-by-step programs have failed and it is time for immediate separation and mutual recognition of statehood between Israel and Palestine.

Sustaining a comprehensive solution is more difficult. Setting up internal gates for the PA to pass through should focus on achievements and sustainability of the achievement. As the PA is deemed capable of practicing sound government, support can be withdrawn in an appropriate manner. The IC can't afford to set up all the systems in Palestine and then walk away only to have them collapse. This process of phasing out support will ensure sustainability and will prevent the creation of power vacuums from collapsing systems.

E.   CONCLUSION

The two-state solution seems to be the only viable solution available to the Arab-Israeli conflict. Every nation in the world will derive benefit from the stability it would create in the Middle East. In fact, many nations could immediately benefit economically from the start of the process of nation building. It is clear that the Israeli-Palestine situation is the lynch pin of stability in the Middle East. One cannot discuss politics or security of the Middle East without addressing the Palestinian issue. The importance of this issue is self-evident and its resolution is crucial to establishing a lasting peace throughout the region. The establishment of an autonomous Palestinian state is the most logical solution to the resolution of conflict. As demonstrated above, a solution is attainable and, if established properly, will ensure lasting stability.

Although the current political drift toward the unintended consequences of a one-state or bi-national state solution continues, there is still hope for Israel and Palestine. They are at a fork in the road. In one direction, there is a high potential for stability, prosperity, and peace. In the other direction, there is a high potential for long-term instability, economic crises, and possibly war. The best solution is quite clear after a simple analysis of costs and benefits. One can only hope that the key actors in the current conflict can look beyond the present and make decisions to secure their future.

V. IMPACT OF EACH SOLUTION ON THE ACHIEVEMENT OF US INTERESTS

The preceding analysis of the three possible solutions to the Israeli-Palestinian conflict paints a clear picture of the potentially disastrous political drift that may lead to unintended consequences. The consequences will certainly extend beyond the borders of Israel and the WBGS. The close association of the United States to the situation means it is most likely to suffer the ramifications or reap the benefits of the possible outcomes. This chapter explains why the United States must be involved with a final settlement, explores the impact of each possible outcome on US interests. and concludes the thesis with a reiteration of the main points.

A. WHY SHOULD THE UNITED STATES BE INVOLVED?

The role of the United States as the sole remaining "super power" is interpreted differently from culture to culture. The most striking interpretation in the Middle East is the common belief among Arabs that the United States ultimately has power over the major decisions and policy development of Israel (Jabber, p. 2). Thus, in the Arab mind, the United States bears some responsibility for Israel's behavior and policies (Jabber, p. 3).

How can the United States be labeled as a "unilateralist supporter" of Israel? There are five main reasons. First, the strong relationship that has been fostered over the years is based on the perceptions of commonality. The US and Israeli populations are believed to share Judeo-Christian principles and "democracy." Additionally, Americans have a strong empathy for Israel as an apparent embattled underdog and great sympathy for the experience of the European Jews in World War II (Mark, p. 1). While these are somewhat true, one must also recognize that Jewish-Americans have the strongest, most effective pro-Israel political support organization, which ensures that the United States is made much more aware of Israel's point of view (Mark, p. 1). One need only access any form of media in the United States and it becomes obvious that the Israelis have capitalized on these perceptions.

Second, as late as the mid-1980's, the United States treated the Palestinians as a problem to be solved for peace in the Middle East, not as an active partner (Mark, pp. 1, 2). This position alienated not only the Palestinians, but also some of the Arab countries that strongly supported the Palestinians in their cause. Unfortunately, these impressions last lifetimes.

Third, the United States gives Israel over $3 billion in military assistance and economic aid each year. Through fiscal year 2000, the United States has provided Israel over $84 billion in aid, which amounted to $69 billion in grants and $15 billion in loans (Mark CR, p. 6). Israel receives more tax dollar expenditure from the United States than all other Middle Eastern countries combined. In fact, Israel has received more aid from the United States than any other country in the world (Quandt, p. 61). Because of the special relationship, Israel also receives special privileges when it comes to all forms of aid. Israel received $40 billion in waived loans from 1974 to 2001. The next closest country in the region was Egypt, which had $6.7 billion in military loans waived in the same time period (Mark CR, p. 6). While the United States places stringent accounting restrictions on virtually all countries as precondition to receiving aid, Israel faces few restrictions. The USG usually disperses economic aid in quarterly installments to specific programs on the precondition that the country sets aside enough money in its budget to pay down the long-term loan (Mark CR, p. 8). In contrast, Israel sets aside only enough money to pay the current year (not the full amount) and can have the funds transferred in a lump sum directly to the government of Israel rather than a specific program (Mark CR, p. 8). These loose accounting practices have left the USG and Israel open to allegations of the misuse of funds. Under the restrictions of the USG, US aid cannot be used in the WBGS. Some have suggested that Israel has been using US aid for settlements in the WBGS; because of the direct government to government transfer the United States must trust Israel's word that these are false accusations (Mark CR, p. 7). These practices make it clear to many in the Middle East that the United States favors Israel over all other Arab countries. Yet this is not the most devastating validation of US unilateral support for Israel.

The final straw in the Arab mind that indicates US collusion with Israel is the use of US weapons for other than defensive purposes. As mentioned previously, weapons

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purchased under the Foreign Military Sale (FMS) program can only be used for defensive purposes.[29]   There are numerous accusations of Israelis misusing US weapons -- from using Apache helicopters to assassinate Palestinian leaders, to using Apache helicopters, Cobra helicopters and F-16 fighter-bombers to attack Palestinian facilities. No matter the accusation, the US Congress seems unwilling to acknowledge any validity of these claims (Mark CR, p. 7). One need only turn on their television to find the truth. Seeing an M60A3 tank roll through the streets of Bethlehem followed by M113 Armored Personnel Carriers and hearing the newscaster explain how F16's bombed the Palestinian Authorities Police Headquarters in the West Bank should be enough to form one's own opinion.

Finally, American support has not been limited to financial assistance, but has extended into the realm of international political support as well. The United States' unwavering political support of Israel is clearly demonstrated by the use of its veto power in the United Nations Security Council. The US has vetoed every proposal that would restrict Israel's encroachment on the Palestinian territory. In the last eleven years, the US has vetoed five proposals that would have restricted Israeli occupation, use of force and the establishment of a UN peacekeeping force to protect Palestinian civilians (Habib, p. 1).

These five points strongly indicate the validity of the Arab claim that the United States is a unilateralist supporter of Israel. Indeed, actions speak louder than words and in this case, it is costing the United States political clout. With the political capital from the US-led coalitional victory in the Gulf War waning, it is imperative that the United States begins to look at ways of rebuilding this clout. The Arab-Israel crisis, which had lost its appeal to the common Arab in the wake of the Gulf War, has experienced a renewed popularity. The United States now finds itself in a precarious position when trying to achieve its interests in the Middle East. Arab regimes with significant Islamist opposition groups are in turn suffering "guilt by association" with the United States. Any perception that these regimes are dealing with or doing favors for the United States is used as a rallying point against that regime. Some analysts have even argued that the current Palestinian situation is the most popular rallying point for unified action in the

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[29] See Arms Export Control Act, P.L. 90-629.

Middle East since Arab nationalism in the 1950's (Jabber, p.15).   Thus, it is imperative to the achievement of US interests in the Middle East that the United States reconsiders the intensity and direction of its involvement in the Israeli-Palestinian conflict.

The United States has taken some steps in the right direction such as sending US envoy MG Anthony Zinni to mediate between the Israelis and Palestinians and recognizing the Palestinian right to statehood. However, the USG still views the crisis in a "we-them" perspective and this is counterproductive to the desired position of evenhanded mediator. If the United States wants to continue its hegemony in the region and succeed in the "War on Terror," the best position would seem to be one of neutrality coupled with "coercing" Israel into a lasting peace. The status quo solution of supporting Israel while they take care of their "problem" is detrimental to the best interests of the United States. In the absence of an active peace process, there is "a Damoclean sword hanging over the Palestinian-Israeli arena" (Jabber, p. 17). Yet there still remains a question of which solution is in the best interest of the United States?

B.   IMPACT OF THE ONE-STATE AND BI-NATIONAL STATE SOLUTIONS

The two possible outcomes of a one-state solution and a bi-national state are similar in costs to the United States, but vary in intensity. Obviously, the more radical of the two (a one-state solution) will force a much more severe reaction than would a bi-national state. Nonetheless, either way the United States would suffer from its own "guilt by association" with Israel.

The US could suffer a range of adverse effects, from strained relations to a severing of diplomatic ties with Muslim nations. Americans could also increasingly become targets of violence both domestically and abroad. The instability resulting from either a one-state or bi-national solution would probably cause a rapid economic decline within the region. . In the case of the one-state solution, struggling regimes facing collapse might succumb to Islamist movements. The resulting power shift to Islamists could lead to all out war between Muslim nations and Israel. In the event that the United States and/or European community is able to contain the situation, Israel will still face long-lasting internal strife and the west will have lost any political clout it held.

From the perspective of the United States, the arrival of a one-state or bi-national state solution would provide absolutely no benefits, only costs. The costs would arrive in three forms: US unilateralism would ensure diminished US hegemony in the Middle East, US weapons and technology that have been provided to Israel falling into the hands of individuals not favorably disposed to the US, and a missed opportunity to broker a beneficial solution to the crisis.

American policy makers have pinned almost all their hopes of achieving US interests in the Middle East on their strong alliance with Israel. The US has supported Israel since its inception in 1948 and Israel has come to depend on this support. US policy after World War II attempted to achieve three main objectives: support the creation of Israel without alienating the Arabs, protect access to oil and contain the Soviet Empire (Quandt, p. 72). The United States has achieved these objectives in varying degrees. With respect to the first objective, the US has been overwhelmingly successful in supporting the creation of Israel, but has had much less success in trying not to alienate the Arab community. As demonstrated above, US attempts to balance attention between Israelis and Arabs have been terribly skewed in favor of the Israelis. Considering the distinct possibility that Palestinians will eventually gain control of a bi-national state, one can quickly see that the future relationship between a Palestinian Israel and the US would be sour, to say the least. The US, essentially having placed all its eggs in one basket, will witness the demise of the basket. Israel is the linchpin of US Middle East policy; if the pin breaks then the rest of the policies will fail. The history of US unilateralism regarding support for Israel will ultimately diminish the strength of any bonds to Arab countries in the region. The US will not be excluded from achieving its interests in the Middle East, but the process would certainly become much harder.

Another major concern for the United States would be the huge number of weapons and vast amounts of technology that it has sold to Israel. Currently, the United States and Israel are working together in several joint defense weapons development programs to include: missile defense, unmanned aerial vehicles, precision guided munitions and reactive armor (JUIDP, p 1.) The mere possibility of a bi-national regime engaged in internal conflict and having such a vast amount of US military equipment at its disposition would further destabilize the Middle East. It seems unlikely that a highly

trained sophisticated military force like the Israelis would continue under Palestinian rule. However, a Palestinian Israel in economic hardship might sell previously acquired US weapons to soften existing difficulties. The United States has sold Israel some of the most advanced weaponry it has and is currently negotiating sales of new, advanced equipment on par with the equipment fielded within the US military (SC, p. 1). The US cannot afford even the possibility of having such advanced weaponry in the hands of its enemies. This one factor could mean the beginning of a slow decline of US hegemony in the world. The mere possibility of this indicates that a one-state or bi-national state is something that must be averted.

Given the current political drift towards a one-state or bi-national state, the United States must intervene to ensure a more favorable solution. If the US continues to allow the drift to occur and a one-state or bi-national state solution evolves, one might accuse the US of having missed an opportunity to lead an international coalition to stop the drift before it is too late. This is increasingly more important with the US led "War on Terror." Vice President (VP) Dick Cheney toured the countries of the Middle East in an effort to rally support for this war. Arab countries refused to acknowledge any possible support for the war until the Israeli-Palestinian Crisis was addressed (Alcorn, p. 1,2). Clearly the conflict is of increasing importance and must be addressed ahead of other issues in order to ensure US interests are achieved. So, why not put it at the top of the US agenda? After all, a one-state or bi-national state solution would only arrive as an unintended consequence not as a choice. This being the case, one of the three involved parties must make a choice. "The USG must become more forthcoming and put the moral and political weight of the United States behind final status compromises both sides must make but are unable domestically to produce on their own" (Jabber, p. 10). If the US makes the tough choices to avert a one-state or bi-national state solution, theoretically, it will have saved everyone from a disastrous outcome and placed itself at a possible center of control in determining its own favorable outcome. The US must become increasingly involved in averting a one-state or bi-national state solution or it will suffer the consequences.

C.   IMPACT OF THE TWO-STATE SOLUTION

From the perspective of the United States, a two-state solution provides a myriad of benefits and little or no costs. Strong US support for the creation of a Palestinian state could quickly build political clout within the region of the Middle East, which could be used to decrease the tensions that have escalated during the current US "War on Terrorism" (Jabber, p. 17). As it stands now, "anti-American sentiment is near an all time high among traditional Islamic groups as well as more secular groups in the urban sectors of society" (Jabber, p. 17). Many analysts are speculating about the possibility of future US strikes on Iraq. If there is no change to the status quo, the US could suffer from a broken coalition and end up in a war no one supports. However, the political clout gained from US support for Palestine could soften the adverse reactions expected from US strikes on Iraq and other counter-terrorist measures in the region. Thus, the US could use the creation of Palestine as a means of furthering its interests in the Middle East.

The costs to the United States are measured in the amount of strain on US-Israeli relations. As a strategic asset, Israel was very important during the Cold War in ensuring that the Soviet Union was unable to gain a significant foothold in the region. Now, the amount of shared technology and issues of weapons of mass destruction make the US assurance of Israeli security essential. Within their sphere of influence in the Middle East, Israel has been a destabilizing element, which has in some ways negatively affected the achievement of US interests in the region. Yet, the United States must continue to support Israel for security purposes as well as US domestic concerns.

The creation of Palestine is the lynch pin of stability in the Middle East. One cannot discuss politics or security of the Middle East without addressing the Palestinian issue. The importance of this issue is self-evident and its resolution is crucial to establishing a lasting peace throughout the region. The establishment of an autonomous Palestinian state is the most logical solution to the resolution of conflict. As demonstrated in this paper, a solution is attainable and, if established properly, will ensure lasting stability in the Middle East as well as the achievement of US interests in the region.

D.   CONCLUSION

This paper has provided only a brief analysis of the three possible solutions to the ongoing Arab-Israeli conflict. Essentially, there are two possible directions the crisis can go. The first direction – of increased violence – will lead either toward a one-state or bi-national state solution. The costs associated with these two solutions are much too high for all the parties involved and the benefits are few. The second direction, toward a two-state solution, is the path of progress and lasting peace. The costs associated are political in nature for the hard line factions of the Israelis and Palestinians. On the other hand, the benefits seem to be boundless. Yet, the current course indicates that Israel and the Palestinians are drifting toward the unintended solutions; the domestic pressures faced by leaders on both sides of the conflict have essentially disabled their leadership from averting the calamity.

The recipient of the Nobel Peace Prize, John Nash, recognized that strict competition -- in which each competitor pursues his first preference and there is only one real winner -- does not always provide the optimum outcome. Nash's theory stipulated that if all competitors selected the one best option, then outcomes could be optimized. In the case of the Israeli-Palestinian situation, there are some underlying assumptions about the preferences of the actors involved. First, Israel's primary concerns are security, continuance of a "Jewish" state, democracy, and eventual achievement of normalization. Second, the Palestinian Authority is primarily concerned with the establishment of a Palestinian state with sovereignty. Third, the primary concerns of the United States regarding the Middle East are the security of Israel, stability in the region, and the ability to achieve its interests.

Both the one-state and bi-national state solutions require the actors to sacrifice more of their preferences than would a two-state solution. A one-state solution delivers only a portion of what Israel truly desires (the Jewish state and "Eretz Israel") and denies them democracy, future peace, security and normalization. The United States and the Palestinians find the costs of this solution much too high to consider it viable.

A bi-national state allows the Palestinians to eventually gain their desired Palestine through demographic parity. In a bi-national state, Israel has accepted the Palestinians as citizens and has achieved the establishment of Greater Israel. However,

this benefit is short lived. Over time, Israel will lose the Jewishness of its state through demographic parity and this will sound the death knoll for the state of Israel, as we know it. Again, the United States receives no benefit from this solution.

A two-state solution, however, satisfies all desires. Israel maintains the Jewishness of its state and democracy. The one cost for Israel is that there will be no reestablishment of Greater Israel. The "carrot" for Israel is the possibility of normalization. The recent Saudi Peace Plan asserts that normalization could be achieved with a complete withdrawal from the WBGS. With the support of the United States, the plan may even work. The United States also achieves its goals in this solution as well. The clearly defined borders of Israel, along with normalization of relations with Israel's Arab neighbors, increase the chance of heightened security for Israel. As the primary sponsor of a Palestinian state, the United States would build the "political clout" essential to the continuance of the "War on Terror" and reduce the guilt by association experienced by regimes dealing with the USG.

Thus, it is clear to see that there is only one viable solution for all parties involved. Tough decisions must be made in order to achieve a lasting peace in the Middle East. When the representatives from either the Israelis or Palestinians are incapable of making the tough decisions, it is imperative that the United States use its moral and political weight coupled with pressure applied by a US led international coalition to force the peace process in a positive direction. After all, as the world's only "superpower" the United States should be able to dictate outcomes in its own best interests and in the interest of lasting peace in the Middle East.

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