

The Regional Implications of the Establishment of a Palestinian State

Executive Summary



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Ground breaking research performed by Israeli, Palestinian, and Jordanian researchers examines for the first time the regional implications of the implementation of the two-state solution.

Under the auspices of the European Union Partnership for Peace program and co-sponsored by the Konrad Adenauer Stiftung, Israel, the S. Daniel Abraham Center for Strategic Dialogue at Netanya Academic College, in partnership with Data Studies and Consultation and the Amman Center for Peace & Development, have engaged in a two year, tri-lateral research project to examine the regional effects of a two-state solution. The research is published as an edited book in October, 2013 in three languages (English, Hebrew, and Arabic) and is being presented to key decision-makers, opinion-shapers, and publics in the region, attempting to affect regional processes, by illustrating to leaders what “the day after” a peace agreement would look like.

The participating researchers, leading academics, retired generals, and former diplomats, were divided into five research teams, each one comprised of one Israeli, one Palestinian, and one Jordanian, with each team given the task to examine how the establishment of a Palestinian state would affect a certain key fields, described as follows.

The following is a summary of each research group's findings.

Group I: The political character of the Palestinian state

The researchers assess that the Palestinian state that arises will be a democratic state, emphasizing the institutionalization of a civil society, in which citizens

enjoy freedom of speech and are treated equally under the law. The official religion of the state will be Islam, allowing for complete freedom of religion and separation of religion and state.

The contribution of the Palestinian researcher focuses on the challenge of state building and discusses the mechanisms and regulations designed to support a viable democratization process and the specific democratic features of Palestine.

The contribution of the Jordanian researcher discusses different aspects for consolidating a viable Palestinian state, including geography, economy, socio-demographic as well as political aspects and deals with diverse implications of a Jordan-Palestine confederation and of a tri-state confederation of Palestine, Jordan and Israel, which could contribute to the viability of the Palestinian state.

The contribution of the Israeli researcher argues that establishing a Palestinian statehood should be considered to be a means for advancing institutional coordination between the two rival parties and promoting political unification of the two territorial areas of Palestine.

Group II: Regional normalization

The researchers assess how the two-state solution would affect regional normalization – what are “the fruits of peace” for each of the regional players. They found that the establishment of a Palestinian state would result in gradual normalization, including economic cooperation, education for peace, and the establishment of diplomatic relations around the region, based on the principles of the Arab Peace Initiative.

There will be a need for symbolic reconciliation between the nations to ensure that peace is not only between leaders. The researchers emphasized the importance of the need for Palestinian economic independence and a feeling of social justice to ensure the sustainability of peace. Third parties, such as the European Union, have an important role in advancing normalization. In conjunction with international law and human rights there should be guarantees for democratic governance, civil rights and free engagement in normalization for the willing.

Group III: The national aspirations of the Palestinian Diaspora

This research group dealt with the issue of how the establishment of a Palestinian state would satisfy the national aspirations of the Palestinian Diaspora by presenting a conceptual shift in Palestinian identity, based on the establishment of political-ethnic center for the Palestinian people everywhere in the form of an independent state. The Israeli and Jordanian researchers offer a theoretical model – an “axis of conductivity” towards national fulfillment, in which a self-perception as an “exiled people” transforms into a self-perception as a “people in Diaspora”. This axis is based on the three factors of the viability of the Palestinian state as the Palestinian national center, the policies of host countries, and “push and pull” dynamics of the socio-economic conditions in both host countries and the Palestinian state. Thus, the very establishment of a Palestinian state serves as an important solution to the refugee problem, as, by being a Diaspora rather than a people in exile, they will feel a connection to Palestinian identity without having to physically return.

The researchers offered Palestine-Jordan confederation as a possible solution to the Palestinian refugees of Jordan, who would not need to return to Palestine, but could live in Jordan as citizens of Palestine, under a confederation arrangement.

The Palestinian researcher presents a survey of the plight of Palestinian refugees in various host

countries, including their various economic and welfare challenges. The paper presents practical proposals for their rehabilitation and contribution to the Palestinian State and its economy, presenting a comprehensive plan for the various efforts that must be made by all interested parties to ensure the re-settlement of Palestinian refugees, according to the final-status peace agreement signed by Israel and Palestine.

This paper argues that erasing the right to self determination including a “symbolic” return to Israel will not satisfy the national aspirations of the Palestinian refugees, who have the largest refugee population in the world. A unique scenario was offered which attempts to avoid the taking either of the contradictory stances of a massive return to Israel or cancellation of the right to return.

Based on this new scenario, the paper tried to establish a link between the Right to Remain in Palestine and the Palestinian Right of Return to Israel; the number of Israelis exercising the Right to Remain would in fact determine the number of Palestinians able to exercise the Right of Return to Israel. This flexible mechanism (the “Law of Exchange”) could break new ground in the peace process by offering different modalities of co-existence between Israelis and Palestinians in the two states in a way, which is sensitive to both Parties’ interests.

Group IV: Security and regional balance of power

The researchers examined how a two-state solution could positively affect regional security and the regional balance of power, as follows:

- Israel, Palestine, and Jordan would form in mutual defense pacts.



- Palestine would not have an army beyond light arms needed for security forces to protect borders and combat terror.
- The establishment of a Palestinian state would damage the legitimacy of non-state actors and terror organizations.
- Third party players such as NATO and the European Union would need to offer security guarantees to assure that each side keeps its side of the defense pact.
- A regional security mechanism called the Regional Middle East Cooperation, based on the principles of NATO, would be formed, which would include Israel, Palestine, most of the Arab League states, and Turkey.

Group V: Economic implications

This group examined the economic effects of a two-state solution. They found that the price of the current conflict is approximately 3 million tourists per annum, lowering of 5-8% of exports, and a lack of confidence to invest in the region.

The researchers expect that a two-state solution would result in 100% growth in tourism, significant lowering of the costs of electricity in the region, better use of land for green energy projects, and increasing the attractiveness of the region for foreign investment.

Furthermore, the issue of foreign migrant workers would likely be solved due to greater use of local labor, greatly improving productivity in the fields of agriculture and construction. Cooperation between Israel, Palestine and Jordan will also facilitate the construction of gas pipelines and the export of natural gas resources for the entire region's benefit.

Israel can provide both Palestine and Jordan with the technology to desalinate and recycle water. Moreover, cooperation with Jordan and Palestine will also reduce the costs for Israel as well.

Finally, ICT outsourcing between Israel, Palestine, and Jordan would greatly save costs and increase productivity, cutting down in the need to outsource to the Far East.



This project is funded by the European Union

"This publication has been produced with the assistance of the European Union.

The contents of this publication are the sole responsibility of the S. Daniel Abraham Center for Strategic Dialogue at Netanya Academic College, Data Studies and Consultations, and the Amman Center for Peace and Development, and can in no way be taken to reflect the views of the European Union."

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