



ISRAEL'S PALESTINIAN CHALLENGES

THE STATE'S IDENTITY,
A LEADERSHIP CRISIS
AND THE "NEW" MIDDLE EAST

Karolina Zielińska

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MAIN POINTS

- The conflict with the Palestinian side is a long-term existential challenge for Israel. It plays out on four levels: territory; population; national aspirations and identity; security. Each of them generates conditions that make a resolution of the dispute or its absence decisive for the future character of this state in terms of its ethnicity (will the majority of the population still be Jewish?) and political system (will it remain a democracy?), as well as its external and internal security. At the same time, the Palestinian question remains a matter of concern for the international community – particularly public opinion – which makes it a major issue in Israel's international relations.
- The conflict resembles a Gordian knot due to political divisions both inside Israel and on the Palestinian side. Something akin to a state of limbo has endured for years, guaranteeing Israel a minimum of security and a varying degree of influence over the disputed areas, while also allowing the country to function. At the same time, the perpetuation of the status quo involves, among other things, the development of Jewish settlements in the Palestinian territories, which is increasingly constricting and fragmenting these areas, and a breakdown of the Palestinian state-building process, as it petrifies the existence of two conflicted parastatal entities with different views on the desired method and outline of a potential solution to the crisis. As a result, the chances of ending the conflict in accordance with the international consensus, which envisages satisfying Palestinian national aspirations with the creation of a state of Palestine alongside Israel (the so-called two-state solution), are fading. Meanwhile, apparent alternatives to this solution are rejected by the majority of the population concerned and amount to a denial of the right to self-determination of one of the nations, thereby precluding a just and stable long-term change in the situation. The most serious obstacle to a peaceful settlement of the dispute is the activity of radicals, particularly those who oppose the creation of a Palestinian state (especially Jewish settlers) or support the destruction of Israel (such as Hamas).
- The status quo was challenged by the actions of US President Donald Trump's administration (notably bringing about the normalisation of relations between Israel and four Arab states in the second half of 2020), the strengthening of the Hamas terrorist organisation that rules the Gaza Strip as a result of an escalation of its conflict with Israel in May 2021, and the

formation of a new governing coalition in Israel in June 2021. These developments resulted in a number of qualitative changes in the dynamics of the conflict. First, they made the Palestinian issue the subject of intensified engagement by international actors. Second, they increased its importance in the internal Israeli debate. Third, they exacerbated the intra-Palestinian leadership struggle. These developments should be seen in the context of the sense of Iranian threat shared by Israel and some Arab countries – Hamas, which does not recognise the right of the Jewish state to exist, is part of the Iranian network of influence in the region.

- The political shake-up in Israel opens up an opportunity for the gradual emergence of a new generation of leaders capable of seeking a lasting solution to the Palestinian conflict in the future, but internal developments are neither a foregone conclusion nor the only decisive factor. The country's ability to deal with the issue in question depends on the external environment. Taking advantage of the new regional situation and drawing on US support in this context, Israel will increasingly rely on cooperation with Egypt, Jordan and the United Arab Emirates to manage the threats related to the Palestinian issue. This cooperation will aim to weaken Hamas and strengthen (in relation to Hamas and in terms of domestic legitimacy) the internationally recognised Palestinian institutions (the Palestinian Authority) through efforts to improve the situation of its residents.
- In the foreseeable future, a fundamental breakthrough in the Israeli-Palestinian dispute can hardly be expected. While the status quo is currently and potentially becoming more fluid, it is far too early to prejudge the durability or future course of this fluidity. Until the issue is finally and comprehensively settled, the identity of Israel and its citizens, the democratic nature of the state, its borders and relations with the outside world remain undetermined.

INTRODUCTION

The Israeli-Palestinian dispute emerged as part of a wider conflict between Jews and Arabs that had been going on since the 1920s, particularly since 1947 (when the United Nations granted Israel the right to declare independence). The intensity of the Israeli-Arab conflict, especially in its military dimension, has been waning since the Arab countries lost the 1973 war against Israel, and the issue is gradually being settled with successive inter-state agreements: on-going flare-ups with Syria and Lebanon are today primarily linked to Iranian influence (meaning Persian rather than Arab and Shiite rather than Sunni) in those countries. As the Palestinian national movement emerged in the second half of the 1960s and gained support in the 1970s, the importance of the Israeli-Palestinian dispute increased for both Israel and world opinion – it became distinct from this broader conflict and gradually replaced it. The Oslo peace process (in the first half of the 1990s) saw the establishment of the foundations of independent Palestinian authorities, yet numerous obstacles stand in the way of Palestinian independence in accordance with the vision of creating two states for two peoples, as put forward by the UN in 1947 and repeatedly reaffirmed by the international community.

This text does not discuss the conflict as such, nor the attempts to settle it, but highlights the key parameters of the dispute from the Israeli perspective (although there is hardly any uniform point of view). Drawing attention to the importance of becoming accustomed to the state of limbo that has lasted for years and is both comfortable and problematic, it underscores the challenges and role of the Palestinian question for the country's future and shows what internal tensions and transformations are present within the colourful mosaic of Israeli society and what external factors are shaping different approaches to the issue. In particular, it emphasises the significance of the formation of the “government of change”, which operates in a new regional reality (marked by growing and increasingly institutionalised cooperation between the Jewish state and pro-Western Arab states), the involvement of the United States, and the confrontation with Iran's network of influence, which includes Palestinian Hamas. Thus, the paper attempts to assess the significance of the recent changes and to make predictions for the future. Importantly, it does not address the possibility of settling the dispute in the short term, but instead discusses the prospects for developments that may be conducive to future change in one way or another.

Chapter I outlines the key parameters of the conflict and characterises the situation on the ground, commonly termed the “status quo”. Chapter II explains the motivations behind different attitudes towards the dispute seen in Israeli society and how they translate into state policy. Chapter III analyses the changing attitudes of major international actors towards the issue and their potential to influence both sides. It also describes the attitude of the Palestinian side, which, from Israel’s point of view, is an external regional actor but is also involved in the conflict and influenced by other foreign actors. The study ends with a summary and an outlook.

I. IN THE GRIP OF THE STATUS QUO

1. The parameters of the conflict

The Israeli-Palestinian dispute revolves around four parameters: territory; population; national aspirations and identity; as well as security.

Its primary object is territory, defined by the borders of the British Mandate of Palestine (1920–1948). In November 1947, the UN General Assembly recommended that the Mandate territory be divided into two states, referred to as the “Arab State” and the “Jewish State”, and that the district of Jerusalem be separated as a city under international supervision. Following the rejection of the plan by the Arab side, the “Arab state” (Palestinian) did not come into being. In the 1948 defensive war, Israel held on to the territories it had been granted by the UN and also captured some of the areas assigned to the “Arab state”, while most of them were annexed by Egypt (the Gaza Strip) and Transjordan (the West Bank). Jerusalem was divided into two parts as a result of the war: the eastern part under Jordanian rule and the western part under Israeli rule. With the Arab states refusing to negotiate peace, the ceasefire lines became provisional national borders. More than 700,000 Palestinian Arabs were displaced, often by force, from the areas that came under the control of the Jewish state, leaving an Arab minority of around 15% within its borders (see below).

The Arab minority in Israel, or the Israeli Arabs

The Arabs who remained in the Jewish state after the 1948–1949 war of independence were recognised as full citizens and representatives of this community have sat in the Israeli parliament, the Knesset, from the very beginning. At the same time, the predominantly Arab areas remained under special military supervision up until 1966. In practice, this community is discriminated against to this day, such as with regard to investment in public infrastructure or housing issues. Military service – an important source of social bonds and professional skills – is not compulsory for members of this group, but it is available to those who wish to complete it.

Over time, the percentage of Israeli Arabs (as this community will subsequently be referred to) among the citizens has risen to 21% (just under 2 million people). The vast majority are Sunni Muslims and about 7% are Christians.

For historical, ethnic and cultural reasons, most Israeli Arabs can be described as Israeli citizens of Palestinian origin. They live mainly in the north (including the so-called Arab triangle in Galilee). However, this community also includes the Bedouins, culturally distinct from the Palestinians, who mainly inhabit the Negev desert region – about 300,000 people (i.e. almost 15% of Israeli Arabs) – and the Druze, who are also religiously distinct, with a population of about 150,000 (7%) concentrated in the north of the country. The Bedouins and the Druze feel less involved in the Palestinian cause, serve in the Israeli army much more often than other Arabs, and their relations with the Jewish state are shaped by issues specific to these groups and separate from those of the rest of the Arab community.

Israeli Arabs tend to live in Arab-only towns or neighbourhoods. On most well-being indicators (employment, income or health), their situation is worse than that of the Jewish population. They have their own compulsory education system, which allows them to preserve their language and culture while following the national core curriculum. However, this restricts their contact with the Hebrew-speaking majority. On the other hand, more and more of them undertake studies, which encourages such contacts and integration (though it requires a certain level of Hebrew language proficiency at the start).

The identity of Israeli Arabs is multi-layered. They identify themselves (in various combinations) with the Palestinian national movement, the Arab nation, the Islamic community, their place of residence and local clan, and the state of Israel and its citizenship. According to a 2019 survey, 65% of this community feel proud to be Israelis and 70% believe that Arab citizens who identify as Palestinians can be loyal to the state of Israel. They have a positive view of their relations with Jews, e.g. in workplaces. At the same time, they oppose Israel's self-identification as the state of the Jewish people (in particular, they object to a law passed in 2018 to that effect), feel they are treated unequally and have low trust in state institutions.¹

¹ 'IDI'S Conditional Partnership 2019: A Survey on Jewish-Arab Relations in Israel', Inter-Agency Task Force on Israeli Arab Issues, 17 October 2019, iataskforce.org. There is no reason to believe that the May 2021 ethnic riots, from which the community essentially dissociated itself, permanently increased the sense of identification with "Palestinianness" among Israeli Arabs at the expense of Israeli identity or the desire to integrate into local society. Instead, they increased pressure to build an enhanced partnership under new conditions, particularly in the context of the Arab Ra'am party's entry into the coalition that took power after these events with a programme of inclusive

The issues of Israeli Arabs' involvement in the political life of the country and their attitude towards the conflict are discussed in Chapter II.

The state of affairs described above lasted until June 1967, when **Israel, in its offensive war against Egypt and defensive war on the Jordanian front, occupied the Gaza Strip and the West Bank along with East Jerusalem.** Gaining control of these territories proved to be both a blessing and a curse, as they gave the Jewish state the desired strategic depth but were inhabited mostly by Palestinian people who, unlike Israeli Arabs, were not offered citizenship. Even at that time, some Israeli politicians and military officials warned that a prolonged occupation of these territories would lead to the creation of a binational Arab-Jewish state.

In a resolution of 19 June 1967, the Israeli government offered to return other areas captured during the war in exchange for peace agreements (the “land for peace” formula), but also requested that the Gaza Strip be recognised as part of its territory and deferred discussion on the West Bank. In September, the Arab League reached a decision to rule out peace, recognition of Israel’s claims and negotiations with it. Then, **the UN Security Council Resolution 242 of November 1967, which remains the cornerstone of the global consensus on the conflict to this day,**² called on the Jewish state to withdraw from conquered territories and on the parties to end all acts of aggression and to mutually recognise the sovereignty, territorial integrity and political independence of every state (thus also of Israel) in the region.

In spite of international mediation attempts, the problem remained unresolved, and in the meantime **the Palestinian national movement, represented primarily by the Palestine Liberation Organisation (PLO), gained strength in the 1970s.** It was politically and militarily active, especially in Jordan, Syria and Lebanon, where most refugees from the Mandate territory and their descendants lived. Supported by the Soviet Union and its allies (and by Iran after 1979), it was also behind a number of terrorist attacks against Jewish and Israeli targets around the world.

democracy and fighting discrimination, as well as further development of Israel’s cooperation with the UAE despite the May events. ‘Recording: Political Change and Social Unrest The Arab Minority and Jewish Arab Relations in Israel’, Inter-Agency Task Force on Israeli Arab Issues, 15 June 2021, iataskforce.org. See also: S. Smootha, ‘Arab-Jewish Relations in Israel After the May 2021 Unrest: A Survey by Sammy Smootha’, Fathom, October 2021, fathomjournal.org.

² T. Greene, ‘1967 | The wisdom of Resolution 242’, Fathom, spring 2017, fathomjournal.org.

The Gaza Strip ceased to be a matter of dispute with Egypt following the 1979 peace agreement under which it was supposed to become the nucleus of Palestinian autonomy. Israel partly pulled out of Gaza in the 1990s, as a result of the Oslo peace process, and withdrew completely in 2005 by unilateral decision. **The existing Jewish settlements in the Gaza Strip were then dismantled and their residents evacuated.** As for the West Bank, Jordan held negotiations with Israel on its return and the establishment of a Palestinian self-government there, but in 1988, in the face of the first intifada,³ it abandoned its claims to the territory.

In 1994, as a result of the peace process initiated by the informal Oslo talks, Israeli forces began to gradually withdraw from the occupied territories and transfer them to the Palestinian National Authority (PA) based in Ramallah in the West Bank, established as a transitional nucleus of Palestinian statehood. To date, **the Jewish state has withdrawn from the entire Gaza Strip and 40% of the West Bank. The remaining 60% (the so-called Area C) is usually treated by the international community as part of a future Palestinian state**, crucial for its territorial cohesion and economic development (see Map). Jewish settlement activity in Area C, which has continued practically since the West Bank was captured (with the support of successive governments, although with varying intensity), indicates that **Israel still hopes to gain more ground in the territory and its policy of grabbing land by building settlements and roads bears the hallmarks of fait accompli tactics. So far, however, the country has not formally extended its civil legislation to any part of the West Bank except East Jerusalem, which was annexed in 1980.** As a result, within the former Mandate territory there now exists one state (Israel) and two Palestinian quasi-states of differentiated status – the PA's rule in the West Bank is limited by the presence of Israeli security forces inside the territory and on its external borders, and by the regime of Areas A, B and C, where Area C is a disputed territory with Jewish settlements expanding in some of its parts; while Hamas rules the Gaza Strip single-handedly and there are no Jewish settlements there.

³ A spontaneous Palestinian uprising against the occupation that lasted from 1987 to 1993, primarily involving a general strike, demonstrations and clashes with the Israeli military in the occupied territories.

Map. Palestinian territories and Jewish settlements in the West Bank



Source: the author’s research based on materials from B’Tselem – The Israeli Information Center for Human Rights in the Occupied Territories, btselem.org.

Therefore, Israel is still a state without a defined eastern border, although the West Bank is separated from the rest of the country by checkpoints while the PA-ruled territories are, *de jure* and in practice, a no-go zone for the country’s Jewish citizens. Moreover, the state of Israel has never explicitly stated where it sees its future border in the east. In the minimalist version, it would be the 1949 armistice line – the provisional delimitation until 1967 (the “Green Line”) – and in the maximalist version it would be Jordan’s western frontier, or the Jordan Valley. The intermediate option, which would see the country annex some of the settlements and parts of East Jerusalem, has been (and will

be when they resume) the subject of negotiations with the Palestinian side. **Apart from the positions presented during the talks, the only concrete declaration of the Jewish state as to the desired shape of the border can be seen in the route of the so-called security wall** – a barrier planned and largely built during the second intifada⁴ to prevent terrorist attacks. It separates Israel's 1967 borders and most of the West Bank settlements from the Palestinian territories (see Map). It is estimated that around 9% of the West Bank lies within the area defined by the wall. It must be noted here that the barrier has never been completed and its course has been (and may still be) adjusted. At the same time, it is a physical manifestation of the view that calls for **a unilateral “separation” or “disengagement” from the Palestinian side to protect Israel from further adverse consequences of the continued conflict**, in the event that a final peace agreement remains out of reach.

The second, **demographic dimension of the dispute, from the Israeli point of view, involves answers to questions about the future ethnic composition of the state and how this will affect its political system**. The territory of Israel proper – within the pre-1967 borders – is inhabited by its citizens: Jews and the Arab minority (see pp. 9–11 and Table 1 on pp. 16–17). The vast majority of Palestinians under PA sovereignty live in the so-called Areas A and B of the West Bank and Gaza Strip (see Map). Ramallah has full authority to manage the civil affairs of this population (the Gaza Strip is formally part of Area A, but in practice Hamas took power there in 2007 and does not recognise PA prerogatives in the Strip). Nevertheless, this does not mean that Israel no longer bears moral, legal or practical responsibility for the welfare of this population, as the Gaza Strip remains an exclave and the PA-ruled West Bank areas do not form a coherent entity. The areas between the islands of Palestinian self-government – the so-called Area C – remain under Israeli control, which impedes (and often prevents) the free movement of people, the use of farmland or the expansion of towns and villages, particularly where the activities of the Palestinian population clash with the interests of Jewish settlers. The international consensus (see p. 18) accepts that, as part of the peace process which envisages a two-state division, those Jewish settlements in the West Bank which are adjacent to recognised Israeli territory (located along the Green Line) could be included in a land swap, with Israel having to cede equivalent areas to Palestine in exchange. Settlements deep within the Palestinian territories would either have to be evacuated or become enclaves of the Jewish

⁴ An organised campaign of terror in 2000–2005, primarily involving suicide attacks on civilian targets in the territory of Israel proper (i.e. within the 1967 borders).

minority in Palestine. What remains unknown is the extent of the land swap, the Palestinian Authority's acceptance (or non-acceptance) of the existence of a Jewish minority in a future state, and the chances for confidence-building measures that would allow Israel to forgo providing security for such minority enclaves.

The demographic dimension also includes the problem of Palestinian refugees and their descendants. Many Palestinians demand that people of Palestinian origin who changed their place of residence as a result of the conflict, as well as all subsequent generations (most of these people reside in Arab countries and, with the exception of Jordan, are deprived of full citizenship rights by their governments) be given the "right to return" to Palestine. The radical option is to allow them to settle in Israel, which would also apply to those currently living in the West Bank and Gaza Strip. This demand is unfeasible and unacceptable to the Jewish state. It serves as a rhetorical weapon and a pretext for the Palestinian side to break off peace talks. In negotiations to date, the international community has seen an acceptable compromise in a situation where Israel would accept tens of thousands of genuine refugees (i.e. people who are still alive after fleeing the wars of 1948 and 1967), while Palestinians from all over the world would be granted the right to settle in Palestine. This would be accompanied by compensation for individual persons and economic aid to Arab countries hosting larger Palestinian populations – in return for granting them full rights.

Table 1. Demography as the key parameter of the conflict (data in millions)

Israel*		Palestine**	
total citizens	9.25	total citizens	5.10
– Jewish population	6.84		
– Israeli Arabs	1.95		
– others	0.46		
Residents of the former Mandate territory (total)			
Jewish population	6.84	Arab population	7.04
Areas inhabited by Israeli citizens – estimated data			
1967 borders		8.6	
– including Jewish population		6.2	
– including Israeli Arabs and others		2.4	
East Jerusalem		>0.2***	
– including Jewish population		0.2	
– including Israeli Arabs and others		no data****	
West Bank settlements		>0.4	
– including Jewish population		0.4	
– including Israeli Arabs and others		no data	

* [ישראל במספרים ערב ראש השנה תשפ"א](#) (*Israel in Figures – Rosh Hashana Selected Annual Data 2020*), The Israel Central Bureau of Statistics, 16 September 2020, cbs.gov.il.

** [‘About 13.5 Million Palestinians in the Historical Palestine and Diaspora’](#), The Palestinian Central Bureau of Statistics, 11 July 2020, pcbs.gov.ps.

*** Estimates of the number of Jewish settlers in the occupied territories based on: E. Hareuveni, D. Etkes, [This Is Ours – And This, Too. Israel’s Settlement Policy in the West Bank](#), B’Tselem, March 2021, btselem.org.

**** After the annexation of East Jerusalem by Israel, about 25,000 of its Arab residents were granted citizenship (since then they have been counted as Israeli Arabs). A. Ramon, [Residents, Not Citizens. Israeli Policy towards the Arabs in East Jerusalem, 1967–2017](#), Jerusalem Institute for Policy Research, 2017, jerusalemstitute.org.il. In addition, there are cases of Israeli Arabs moving from locations within Israel’s internationally recognised borders (Green Line) to Jewish settlements in the disputed territories, particularly in East Jerusalem. The scale of this phenomenon is difficult to estimate. See e.g. D. Williams, [‘Leave or let live? Arabs move in to Jewish settlements’](#), Reuters, 7 December 2014, reuters.com.

Areas inhabited by Palestinians****	
Palestinian Authority	5.10
- Gaza Strip	2.05
- West Bank	2.68
East Jerusalem	0.37*****
Arab countries	5.60

**** From the Palestinian perspective, this section should probably also include the 1.94 million Israeli Arabs. However, as explained in the box on pp. 9–11 in Chapter I, and also in Chapter II, this group of citizens is internally diverse and not all of its members identify themselves as Palestinians. Most of them support the creation of a state of Palestine while wishing to remain citizens of Israel. At the same time, they have strong familial and cultural ties to PA society.

***** These people are counted by Ramallah as its subjects and voters of the PA government, even though East Jerusalem has been unilaterally annexed by Israel. They have Israeli residency and the right to vote in local elections, but the vast majority do not hold Israeli citizenship. Depending on sources, between 39% and 52% of Palestinians living in East Jerusalem, given the choice between Israeli and Palestinian citizenship, would choose the former. At the same time, a large number of them hold Jordanian temporary passports and even (a decreasing group) Jordanian citizenship. This is a legacy of Jordan's rule over East Jerusalem and its continued claim to this part of the city until 1988. A. Ramon, *Residents...*, op. cit.

The issue of demography, illustrated by Table 1, is a weighty argument in the Israeli debate on possible solutions to the conflict. Supporters of maintaining control over the entire territory of the former Mandate argue, on questionable grounds, that the Jews would constitute the majority in a joint Palestinian-Jewish state in the near future. Opponents, meanwhile, claim that the Arab population would outnumber the Jews. The consensus among specialists is clear: despite the rapid population growth among ultra-Orthodox and settlement-friendly religious Zionists (see Chapter II), the Arabs already are (and will be) more numerous in the territory of the former Mandate of Palestine. In this situation, **a one-state solution would see Israel lose the feature that constitutes it as the sole Jewish state.** At the same time, it can hardly be expected that the Palestinians would receive equal rights in such a binational state, and consequently it would cease to be a democracy.

The third parameter of the conflict affecting discussions about the feasibility of Israel's withdrawal to the 1967 line (adjusted by territorial exchanges) are the issues of history, religion and identity. These go beyond the questions posed above concerning the political system or ethnic composition of the state. This is particularly evident in the case of Jerusalem: the historic Jewish quarter along with Judaism's most important holy site –

the Western Wall, the only remnant of the central Jewish temples destroyed by the Romans – was on the Jordanian side between 1948 and 1967. Importantly, the Western Wall is at the same time the outer boundary of the Temple Mount complex that once housed those principal Jewish places of worship, but which is also considered Islam's third most important holy site. Numerous other significant sites for the Jewish religion (or for the archaeology of ancient Israel) are also located in the West Bank, such as the Cave of the Patriarchs in Hebron. It is difficult to imagine an agreement that would exclude any Jewish presence at such locations. However, there is a lack of trust on the Israeli side that a future Palestinian state would respect minority rights, including religious freedoms.

The international consensus on settling the key aspects of the conflict through a two-state solution on the example of the so-called Clinton parameters (23 December 2000):

- There will be two territorially coherent states with a border based on the Green Line; the exchange of territories will be limited to 4% of the West Bank: Jewish settlement blocs near the border line will become part of Israel and the Palestinian side will receive equivalent territories.
- Israeli forces will withdraw from the occupied territories within three years with international forces replacing them (a symbolic Israeli military presence on the border with Jordan, including three radar stations as an early warning system, would fall under international command).
- The Palestinian state will have no regular armed forces, only internal security and border defence forces.
- Jerusalem, divided along ethnic lines, will become the capital of both states.
- There will be a right of return for people of Palestinian origin to the State of Palestine.

The fourth parameter – **the security issue – from the Israeli point of view includes military and terrorist threats. At present, these are identified primarily with Hamas** and smaller organisations, such as Palestinian Islamic

Jihad, whose radical ideology rejects the possibility of recognising Israel's right to exist and which have the potential for engaging in real military confrontation with Israel and taking control of the Palestinian national movement. More broadly, the faction that currently rules the PA – Fatah – also called for armed struggle against the Jewish state not long ago and initiated the bloody attacks of the second intifada, and it promotes the cult of terrorists as “martyrs” to this day. Given the fundamental lack of trust in the sustainability of a potential transformation of the Palestinian national movement towards unequivocal support for peaceful methods and definitive acceptance of the existence of the Jewish state, Israel calls for a possible future state of Palestine to be demilitarised (arguing that the long common border would expose virtually all of its residents to rocket attacks from the West Bank, similar to those from Gaza). It also demands some form of control over Palestine's future border with Jordan – the Jordan Valley – to rule out the possibility of radical militants and contraband infiltrating Palestinian territory. In fact, it was primarily security issues that led to the establishment of Jewish settlements in the valley, far from the Green Line. In previous negotiations, Israel called for an international force to be deployed there at the very least. **Meeting the security requirements of the Jewish state opens the way to a two-state solution. A destabilisation of the Palestinian territories, on the other hand, would cause Israel to lean towards a one-state option** – taking full control of security matters in the entire area. This, in turn, would mean at least a temporary catastrophic breakdown of internal security (as it would inevitably lead to a wave of terrorist acts against Israelis) and a significant deterioration in the human rights situation, especially for the Palestinian population.

The issue of settlements in the Palestinian territories, or Jewish housing built in violation of international law in the West Bank, is a crucial issue because, as shown above, it interweaves all the four key parameters of the dispute.

2. The status quo

The failure of Palestinian attempts to resolve the conflict by force and an impasse in successive rounds of talks on a final settlement held in the 1990s and 2000s led to the situation turning into a stalemate. It could be described as a permanent state of limbo (as well as an increasingly blurry line between Israel and territories with a non-final status), which, although problematic and unsustainable, has certain advantages. Over the decades, the Jewish state has developed ways to manage it, and its citizens – including

younger ones, unfamiliar with a different reality – have learned how to operate within it. The status quo (described here in the present tense, although it was disrupted in some dimensions by the developments of the first half of 2021, which are discussed in subsequent chapters) is marked by the following dynamic parameters of continuity and change:

- **Israeli occupation is consolidating** and Jewish settlements in Area C are expanding. This zone is becoming the main arena of conflict as the Palestinian side, despite significant restrictions, is simultaneously trying to cement its presence there by developing villages and economic activity;
- **the Palestinian political scene is deadlocked** as a result of the split between the Hamas terrorist organisation, which seized control of the Gaza Strip in 2006, and Fatah, which rules the West Bank; the latter dominates the PA and the PLO, which remains the internationally recognised representative of the Palestinians. The **internal legitimacy of the Palestinian leadership – particularly the corrupt and ineffective PA – is being eroded**, but there are no threats to its rule (see Chapter III);
- **the state of Israeli security** (internal and of settlers in Area C) **is relatively good**, in part thanks to the Jewish state's cooperation with the PA. Periodic escalations of the conflict with Hamas less and less often lead to punitive Israeli ground offensives thanks to mediation efforts by Egypt, Qatar and the UN special envoy, which further cements Hamas's grip over the Gaza Strip (through the use of authoritarian tools and at the expense of the civilian population);
- **domestic pressure** to seek an end to the dispute is low on both sides, with **both Israel and the PA shying away from engaging** in further peace negotiations. Israeli unilateralism means consolidation of control over Area C through settlement expansion, while Palestinian unilateralism is reflected in efforts to secure recognition of Palestinian independence by other countries and within international organisations;
- **the resumption of talks depends on the actions of external actors**, with the course of negotiations since 2000 showing that successive Israeli governments enter them because of the conditional nature of external support, knowing that their objective is a two-state solution, and bearing domestic political consequences. The Palestinian side, on the other hand, not being ready to end the conflict but assuming that external support for its cause

is unquestionable (see Chapter III), treats dialogue as a means of obtaining tactical concessions and often makes its entry into talks conditional on receiving them.⁵

The status quo – the state of limbo that has persisted in the Palestinian cause as a result of the second intifada – may in the long run lead to a one-state reality (where the Jewish state would *de facto* shoulder responsibility for the entire population living in the former Mandate territory, even if it would not assume it *de jure* through annexation), and dismantling it is a significant challenge for the parties interested in a two-state solution. In Israel, the awareness of the threat of a one-state option, combined with the failure of negotiations and the rejection of another possible unilateral withdrawal from parts of the West Bank – given the security downsides of leaving the Gaza Strip – has led to a number of proposals on how to break the impasse. Perhaps the most significant one, due to the status of its publisher, is the 2018 plan of the Institute for National Strategic Studies (INSS).⁶ It remains a valid reservoir of concrete steps that the Israeli side can take to avoid a one-state scenario and create conditions to sustain the chances of a two-state solution. It can be summarised in three key postulates: discontinuing the expansion of isolated settlements (i.e. those far from the Green Line, situated deep inside the Palestinian territories), strengthening the PA in cooperation with external partners,⁷ and developing regional cooperation. These assumptions are particularly relevant in the context of the developments discussed in Chapter III. This is because Donald Trump's presidency brought significant changes in the external environment of the conflict and the goal set by Joe Biden's administration is indeed to sustain the prospect of a two-state solution through such actions.

Meanwhile, one may surmise that **the continuation of the status quo pushes the creation of a Palestinian state further out of reach**. Chapter II attempts to explain why it is so difficult for Israel to take the decision to implement the steps proposed by the INSS despite overwhelming public support for eventual separation from the Palestinian side.

⁵ The standard negotiation dynamics is well illustrated in: B. Birnbaum, A. Tibon, 'The Explosive, Inside Story of How John Kerry Built an Israel-Palestine Peace Plan – and Watched It Crumble', The New Republic, 21 July 2014, newrepublic.com.

⁶ *The INSS Plan: A Strategic Framework for the Israeli-Palestinian Arena*, The Institute for National Security Studies, November 2018, inss.org.il.

⁷ Examples of contemporarily proposed steps to strengthen the PA: C. Touboul, 'Gazan Futures | Five ways to strengthen the Palestinian Authority and facilitate its return to Gaza', Fathom, June 2021, fathomjournal.org.

II. IN THE ISRAELI BAZAAR: THE POLITICAL CRISIS AND THE PALESTINIAN QUESTION

1. The conflict and the political scene

The Palestinian issue creates deep fissures in Israeli society. Local philosopher, writer and lecturer Micah Goodman, while diagnosing the nature of domestic political paralysis over the issue, pointed out that **the left and the right see each other's views on the matter as wrong and dangerous**. For the right, fulfilling the left's demand for withdrawal from the territories means that Israel would shrink, weaken, become vulnerable to physical destruction and be detached from much of its historical heritage. According to the left, the right's proposed continuation of the military and civilian presence in the Palestinian territories means moral bankruptcy and international isolation for the country, while also spelling its demographic annihilation (as a Jewish state – see Chapter I). The Israeli right has evolved from an ideology combining maximalist territorial demands with the idea of equal rights for all⁸ to messianism. The weakening of the liberal, secular right, which focused on the role of the occupation in providing security, was accompanied by the rise of the religious right, which regarded the territory occupied in the 1967 war as a divine bestowal, due to the fact that it belonged to ancient Israel and because of the “miraculous” way in which it was conquered. The first intifada sealed this turn, emphatically demonstrating the contradiction between liberal ideals and ruling over another nation. Meanwhile, the left, for decades sceptical about the possibility of coexistence with Arab neighbours and focused on building a model welfare state, became focused in the 1980s on seeking peace with the Arab world, especially the Palestinians. These efforts were undermined by the trauma of the second intifada, which in public perception buried any hopes of a negotiated peace based on mutual trust and goodwill. **The left's argument that the occupation was to blame for the continuation of the conflict was devalued, as unprecedented violence erupted precisely in response to an unequivocal Israeli declaration of its willingness to withdraw and agree to the creation of a state of Palestine as indicated by international consensus** (see p. 18), in exchange for peace. Since then, the attention of this part of the political scene has been focused on human rights in the occupied territories and the occupation's damage to Israel's morale and democratic

⁸ Equality was one of the fundamental tenets of revisionist Zionism propagated by the ideologue and progenitor of the Israeli right-wing Ze'ev Jabotinsky. For example, the Herut party – the predecessor of Likud – opposed the military supervision (in effect from 1948 to 1966) imposed by the then left-wing Israeli government on the predominantly Arab areas.

character. At the same time, the drama of the second intifada and the consequences of the withdrawal from the Gaza Strip (the Hamas takeover and the continued cross-border attacks by terrorist groups against the Jewish state) have reinforced the case for continuing the military presence and settlement activity in the West Bank on security grounds.⁹

The events described above, which undermine the rhetoric of the left and validate the narrative of the right, are the reason for the two-decade-long “turn to the right” on the Israeli political scene. Although the majority of citizens oppose the use of violence to rule over another nation, parties that call for an end to the occupation at all costs are in the minority in parliament, while centrist factions that seek peace through a negotiated two-state solution (while ensuring Israel’s security) maintain stable but insufficient support to govern on their own. Since 2009, power has been held primarily by parties whose policies of maintaining the occupation responded to the needs of voters motivated by a sense of insecurity, distrust of the Palestinian side and a lack of faith in peace initiatives (including the determination of the international community to ensure Israel’s security after its possible withdrawal from the territories), as well as religious considerations that place commandments and historical heritage above human rights and international laws.

It must be noted, however, that right-wing voters also include supporters of a two-state solution (who elect these parties for other policy reasons or who do not believe it is possible to launch effective negotiations in a realistic time frame), while politicians exercising power – regardless of their camp – show understanding for the dangers resulting from the demographic factor. **It is the fear of a binational state where Jews would be a minority that has driven recent peace efforts (since 2000), clearly aimed at achieving a two-state solution, undertaken by almost all the successive Prime Ministers and Foreign Ministers, who hailed both from the left and centre and from the right.** The strength of the demographic argument is also demonstrated by the fact that the signals sent by politicians in the first half of 2020 about plans to annex part of Area C¹⁰ contained a clear message: large centres of Palestinian population would not be included. The positions of most parties and their leaders – especially those in high office – on this issue (see Table 2) should therefore not be considered in dogmatic terms. Indeed, principled demands

⁹ M. Goodman, *Catch-67: The Left, the Right, and the Legacy of the Six-Day War*, Yale University Press, 2018, pp. 4–8, 28–35, 37–39, 47–48, 58–61.

¹⁰ K. Zielińska, ‘Między Planem Trumpa a rzeczywistością. Perspektywy aneksji izraelskich na Zachodnim Brzegu’, *Komentarze OSW*, no. 339, 15 June 2020, osw.waw.pl.

presented during election campaigns are verified when confronted with actual possibilities, concrete peace plans and pressure from the international community. For example, support for the peace treaty with the United Arab Emirates (UAE; see Chapter III) was widespread among Israeli political actors and their voters, even though it meant giving up the possibility of annexing parts of the West Bank.

Israeli society is tired of the conflict, commonly perceived as unresolvable without a change of Palestinian leadership (the “lack of interlocutor” argument – see Chapter III), it is lulled by the relatively favourable conditions of the status quo¹¹ and focused on other challenges, such as social issues, problems in state-religion relations or corruption. **At the same time, the distribution of electoral preferences is based on identity issues, where the approach to the Palestinian question is one of the main determinants.** This was clearly shown by the political discourse following the March 2021 elections, when Benjamin Netanyahu’s camp defined “being right-wing” (which it understood as legitimacy to govern) precisely by its attitude to the dispute and, above all, to Jewish settlements and the future of Jerusalem (its division or Israel’s continued sovereignty over the entire city).

Moreover, **the escalation of the conflict with Hamas in May 2021 and the formation of a new Israeli government in June resulted in an attempt to develop a new approach to the Gaza Strip issue** – particularly as the terrorist groups operating in that territory have increasingly sophisticated weaponry and attack capabilities. At the same time, a wave of ethnic unrest caused great concern, highlighting problems of coexistence and discrimination against Israel’s Arab community. The Palestinian issue has returned to the political agenda: both of the rotating Prime Ministers have spoken of the need to address the dispute with the Palestinians and “shrink the conflict” (a term actually coined by the above-mentioned Goodman)¹² in the absence of any prospect of its final

¹¹ A focus group survey conducted in 2018–2019 found that a significant part of the Israeli public supports the continuation of the status quo and, among the available alternatives, prefers a two-state solution. D. Egel, A. Ross, S. Efron, R.T. Karam, M.E. Vaiana, C.P. Ries, *Alternatives in the Israeli-Palestinian Conflict*, RAND Corporation, 2021, rand.org. The split of opinions depending on identification with the left or right side of the political scene is also shown in the survey הראונות העיקריות של הציבור הישראלי- מצב הכלכלה ומגפת הקורונה (*The main concerns of Israeli society – the economic situation and the coronavirus pandemic*), Israel Democracy Institute, 2 August 2021, idi.org.il. It finds that some 40% of Israelis are in favour of a two-state solution, with the figure standing at 34% among Jews (41% prefer the status quo); those who vote for the Arab parties, Meretz, Labor Party, Yesh Atid and Kachol Lavan, prefer a two-state solution, while the status quo option receives the highest approval among the voters of Yamina, Likud and ultra-Orthodox factions.

¹² B. Ravid, ‘Naftali Bennett: How Israel’s new PM plans to handle relations with Biden’, Axios, 16 June 2021, axios.com.

resolution in the near future, through gestures to make life easier for the Palestinian people and to strengthen the PA. The assumption that the dispute cannot be resolved during their current term also allows them to openly proclaim different visions of an eventual exit from the crisis. This stance stands in stark contrast to the rhetoric of Netanyahu, who played down the conflict, and represents a departure from one of the foundations of the status quo.

It should also be stressed that there are circles in the Jewish state (both on the right and on the left) that take an interest in the conflict and try to influence the government's decisions; and social groups that gain such influence even by inertia – as these are also communities with the greatest potential for demographic growth among Israeli citizens.

Table 2. Attitudes of Israeli parliamentary groups to the Palestinian issue*

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties opposed to a two-state solution</i>			
Religious Zionism	Bezalel Smotrich	6	This electoral alliance views politics in the occupied territories in religious terms as a process of redemption. It calls for mobilisation to rapidly expand settlements – primarily by establishing new ones in the territories and legalising all the existing isolated settlements – and for advancement of Israeli sovereignty over the territories (a transfer to the government of all the governance matters that are currently the domain of the military) regardless of US opposition. The settlements and the Jordan Valley should be immediately annexed. According to this bloc, it is imperative to prevent the Palestinian side from continuing its “fait accompli” policy which it de facto uses to build a Palestinian state in Area C. The goal is to encourage one million Israelis to move to the West Bank. See also the subchapter ‘Interest groups’.

* The table includes the political parties that entered the Knesset as a result of the 23 March 2021 elections. It arranges them from the parties most radically opposed to a two-state solution to those most strongly advocating such a solution. [C] was put next to the factions that have been part of the ruling coalition since June 2021. Compiled from official Hebrew-language party programmes; ‘[The Elections for the 24th Knesset 23.3.2021](#)’ by The Israeli Democracy Institute (en.idi.org.il), and additional sources indicated below. In describing the ultra-Orthodox factions, the following was also used: A. Skorek, *Żydowskie ugrupowania religijne w państwie Izrael*, Nomos, 2015.

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties opposed to a two-state solution (cont.)</i>			
Yamina (Rightwards) [C]	Naftali Bennett	7	It rules out the creation of a Palestinian state on the grounds of security (given the risk that it would be a failed state and Israel's need to control its border with Jordan) and identity (the party represents the "modern Orthodox" and has its roots in the religious Zionist movement). It supports the annexation of 60% of the West Bank (Area C) and offers the Palestinian side broad autonomy in Areas A and B, including self-government, taxation, infrastructure and education, without granting Israeli citizenship to Palestinians living there. It sees concessions to the Palestinian side as a path to its escalating demands and wants to ensure the demographic advantage of the Jewish element through mass immigration from the diaspora.** At the same time, the leader of the party has repeatedly declared that the implementation of this maximalist plan is not the most important task at present. On this issue, he struck compromises necessary to form the "unity government" with centrist and left-wing factions.
Tikva Hadasha (New Hope) [C]	Gideon Saar	6	The party, which emerged from a split in Likud (see below), is unequivocally opposed to the creation of a Palestinian state. It prioritises the expansion of Jewish settlements, citing the historical and natural rights of Jewish people in the land of Israel. It calls for dispersing the population "within the borders of the state", including the West Bank and the Jordan Valley. It devotes much attention to Jerusalem – promoting the transfer of embassies to the city and the development of its eastern part in a way that cements Israeli sovereignty. It immediately offers the Palestinian side facilitated access to work in Israel and, ultimately, broad autonomy and the right to self-governance, with security threats reduced to a minimum.

** D. Horovitz, 'Bennett: I'm more right-wing than Bibi, but I don't use the tools of hate', The Times of Israel, 24 February 2021, timesofisrael.com.

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties opposed to a two-state solution (cont.)</i>			
Likud	Benjamin Netanyahu	30	<p>As a matter of principle, it calls for the unity of “all of Israel” – and therefore opposes giving up territories. It has never stated explicitly where it sees the final borders of the state. Its last programme was published in 2015. It says that the Palestinian leadership is not ready to make compromises; instead of unproductive negotiations, the programme proposes calming the situation on the ground by investing in the development of Palestinian society. It emphasises the indivisibility of Jerusalem. During the campaign for the 2019 and 2020 elections, the party pressed its demand for the annexation of the West Bank, and in 2021 it promised to legalise Jewish settlements that had not been recognised by the state. In practice, Likud – as the ruling party from 2009 to June 2021 – engaged in negotiations and implemented the provisions of the peace agreements, while also supporting settlement expansion in the occupied territories. Prime Minister Netanyahu’s statements veered from declaring support for a Palestinian state to ruling out such a solution. From 2015, he was increasingly willing to enter into coalitions with forces opposed to a two-state solution. In 2020, he supported Trump’s peace plan (see Chapter III) providing for the creation of a Palestinian state. Although it would have limited sovereignty, simply calling it a state carried considerable political weight. As Israeli leader, Netanyahu would probably have been able to get the party to accept the internationally agreed compromise for a two-state solution. However, for the leader of a party that once again, despite winning the elections, was unable to form a government, the Palestinian issue was the main tool for attacking political opponents and a means of pressuring right-wing groups not to form a cabinet with the opposition (numerous statements warning of a “dangerous left-wing government”, which would allegedly proceed to dismantle the settlements and divide Jerusalem once again). His removal from power cemented Likud’s traditional position of opposition towards a Palestinian state.</p>

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties reluctant to a two-state solution, whose position may be adjusted (in both directions)</i>			
Shas (Union of Sephardic Torah Observers)	Aryeh Deri	9	It calls for concluding peace agreements while safeguarding the security of Israeli citizens. Under Rabbi Ovadia Yosef, it has emphasised over the years that lives are more important than territories. When it was part of government coalitions, it supported peace agreements, including the withdrawal from Hebron, despite the fact that it is home to Judaism's holy sites. However, voter sentiment and close cooperation with Likud in recent years have hardened the party's stance, as it now actively supports settlement expansion, especially around Jewish holy sites, and particularly opposes the division of Jerusalem. Should it become necessary to take a definitive position, it will take into consideration the current preferences of the electorate, which in addition to the ultra-Orthodox community includes many traditionalist Jews with roots in Arab countries.
United Torah Judaism	Yaakov Litzman	7	It generally supports peace efforts, but its position on conflict-related issues remains fluid and is driven by the current political climate. The interests of the electorate and close cooperation with Likud in recent years have radicalised the party. Its support for or opposition to a potential surrender of the territories is supposed to depend on the future decision of the religious sages who run the party. They are unlikely to take such a decision until a viable deal is put on the agenda. Opportunities to obtain material support for the community or concessions on the relationship between the state and religion are expected to form the context for the ruling.

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties supporting a two-state solution</i>			
Israel Our Home [C]	Avigdor Lieberman	7	It supports a two-state solution developed as part of a regional deal involving Arab countries. In the party's view, this presupposes the existence of two ethnically homogeneous states, which is to be achieved through an exchange of territories, with no resettlement of the Arab population. The party's leader has previously called for a handover of certain areas of Israel within the 1967 borders inhabited by local Arabs (the so-called Arab triangle) to the Palestinian side (with their inhabitants losing their citizenship) in exchange for areas occupied by the largest Jewish settlements beyond the Green Line.
Kahol Lavan (Blue and White) [C]	Benjamin Gantz	8	It calls for an initiative by Jerusalem to ensure that Israel is Jewish and democratic. It supports a two-state solution, although it avoids using the term 'Palestinian state'. In the short term, it urges refraining from steps that impede peace and favours the development of Palestinian areas and free mobility of Palestinians in the occupied territories, while ensuring the development of settlements along the Green Line and decent living conditions for all Israelis living in the area. During the campaign for the 2021 elections, Gantz repeatedly stressed that it was his actions within the broad coalition government in power from May 2020 to June 2021 that thwarted plans by Likud and its allies to annex parts of the West Bank. He also said that regional peace requires active involvement of the Palestinian side. In his view, Israel will not withdraw to the 1967 lines, but a territorial compromise is possible, as is maintaining the indivisibility of Jerusalem and locating the Palestinian capital there.***

*** N. Majli, 'Gantz: Israeli Generals Seek Peace the Most', Asharq Al-Awsat, 17 December 2020, aawsat.com.

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties supporting a two-state solution (cont.)</i>			
Yesh Atid (There Is a Future) [C]	Yair Lapid	17	It supports a two-state solution based on the Green Line, assuming that this would entail Israeli annexation of the adjacent settlement blocs, the demilitarisation of the Palestinian state and Jerusalem remaining undivided. It calls for cooperation with Arab states to separate Israel from the Palestinian side. According to Lapid, it is necessary to urgently convene a regional conference to negotiate and implement a two-state solution. This would not necessarily involve reaching a final agreement to end the conflict – the existence of two states does not have to mean the absence of disputes between them, and the Palestinian side will not be ready to give up its narrative at this stage. ****
Israeli Labor Party [C]	Merav Michaeli	7	It supports a two-state solution to the conflict involving the creation of a demilitarised state of Palestine. It stresses the need to separate from the Palestinian side and to draw definitive borders of the state. It calls for halting the expansion of settlements, except those adjacent to the Green Line, and insists that no new settlements be built, as it considers them a threat to the security of the people living there and an obstacle to future negotiations.

**** Y. Lapid, D. Makovsky, T. Hermann, 'Countdown to Israel's Election: A Conversation with Yair Lapid', The Washington Institute for Near East Policy, 1 March 2021, [washingtoninstitute.org](https://www.washingtoninstitute.org).

Name	Leader	Number of MPs	Position towards the conflict
<i>Parties supporting a two-state solution (cont.)</i>			
Meretz [C]	Nitzan Horowitz	6	To ensure peace and security and in view of the enormous moral, social and political costs of the occupation, the party calls for an immediate cessation of settlement activity and an eventual withdrawal from the territories. It believes that Israel should come up with an initiative – a response to the 2002 Arab proposal – in order to start negotiations and achieve regional peace. It supports a two-state solution based on the 1967 borders with an equivalent exchange of territories (to retain the most populous settlements along the Green Line), a Palestinian capital in East Jerusalem (to keep the city united with a territorial division of state sovereignty, and with special arrangements for the Old City) and an international force as a guarantor of security. It envisages a compensation scheme to encourage Jewish settlers from isolated settlements to voluntarily return to Israel proper even before a final agreement is signed with the Palestinian side. According to the party, the final settlement should include freedom of access to holy sites for all religious communities in both states.
The Joint List	Ayman Odeh	6	The electoral coalition of three parties representing Israeli Arabs – the communist Jewish-Arab Hadash, the Arab nationalist Ta'al and the Palestinian nationalist Balad – calls for Israeli withdrawal from all the occupied territories and the creation of a state of Palestine with East Jerusalem as its capital.
Ra'am [C]	Mansour Abbas	4	The party, which represents Israeli Arabs with a conservative and Islamist profile, supports the creation of a Palestinian state with its capital in Jerusalem, seeks to end the occupation and dismantle the settlements, and also calls for the right of return for Palestinian refugees. At the same time, it prioritises issues of importance to the well-being and equality of its own electorate – the Arab community inside Israel.

2. Interest groups

The first group inside Israeli society with a clear agenda and high potential to influence conflict-related issues are organisations of the settlement movement. They make no distinction between Israeli territory inside the Green Line and the occupied territories of the West Bank, which they refer to by the biblical names Judea and Samaria. The West Bank, excluding East Jerusalem, is home to nearly half a million Jewish settlers, or more than 5% of Israeli citizens; including East Jerusalem, it is about 0.7 million people and 7.5% of the country's population. They are backed by religious-nationalist groups (represented in the March 2021 elections by the extremist coalition Religious Zionism and the more moderate Yamina party), but also by many right-wing mainstream politicians (Likud, New Hope) and their voters regardless of where they live. **A lot of settlers are motivated by economic issues – low housing prices – rather than ideology, but radicals are a highly visible presence among them.** The year 2020, in particular the discussion about a possible annexation of parts of the territories, saw increased activity of extremist groups responsible for the establishment of new settlements (not recognised even by right-wing Israeli governments) and attacks on Palestinian civilians and their property. They clashed with President Trump as the peace plan he put forward envisaged the creation of a Palestinian state, and they also got on a collision course with Netanyahu, especially after he walked back on the annexation. This led to their temporary political isolation and further radicalisation in terms of the means they employed. The government's refusal to legalise new settlements scattered across the West Bank, created without consultation with the authorities, prompted some settlers to go on hunger strike and escalate attacks on Palestinians, leading to clashes with the Israeli army and police. Moreover, settler youth engaged in ethnic riots in May 2021, which saw brutal beatings, attacks on Arab and mixed-race businesses, as well as arson attacks on cars, synagogues and Jewish homes. They descended on Israeli mixed (Jewish-Arab) towns to "protect" the local Jewish population, which sometimes meant looking for random victims among Arabs. There was also an increase in activity by (but also resistance to) the Garin Torani movement – radical religious-nationalist activists settling in Arab, mixed and secular Jewish towns within Israel. Their actions exacerbated tensions and even caused the conflict to spill over from the occupied territories into the country.¹³ At the same time, religious Zionists were increasingly split between hardliners who did not shy away from violence (also towards other Jews with

¹³ O. Kerman, "Nuclear' Torah: Judea and Samaria Are Here", Haaretz, 5 June 2021, [haaretz.com](https://www.haaretz.com).

whose views or lifestyle they disagreed) and those in favour of moderation and coexistence who were clearly opposed to aggression.¹⁴ This rift ultimately materialised when Yamina became part of the new ruling coalition, its leader Naftali Bennett became Prime Minister, and Religious Zionism became the main driver of escalating tension – both internally and externally.

In conclusion, **the settlement lobby has a disruptive effect on peace efforts.** This factor, in the context of a possible two-state agreement, will have to be taken into account by any Israeli government. In the climate of antagonised political dispute, even small steps to strengthen Palestinian sovereignty in the occupied territories (whether taken as part of initiatives to improve the situation of the local population or possibly in connection with future processes of normalisation of relations with Arab states) may provoke outbursts from radicals. Although the majority of settlers live in border settlements, which would presumably remain part of Israel in a territorial swap, resistance from extremist groups and those from isolated settlements – even if they are a minority – would also pose a serious political and security challenge in view of a possible negotiated two-state agreement. At the same time, any government decision to allow settlement expansion raises the cost of withdrawal from the territories. A possible annexation (currently off the agenda) would multiply it as, under a 2014 law, leaving annexed areas requires a two-thirds majority in parliament or holding a referendum.

The second clearly defined group of relevance to this issue is the ultra-Orthodox community (12% of the Israeli population). It accounts for more than 30% of Jewish settlers in the West Bank, mostly living in two settlements located along the Green Line and primarily motivated by economic issues. **However, their decision to live in the territories brings them closer to the settler communities.**¹⁵ In the context of the Israeli-Palestinian conflict, it should be noted that **it would be a fundamental problem for this group to possibly give up access to Judaism's holy sites in the disputed territories.** Two ultra-Orthodox groups, Shas and United Torah Judaism – though historically flexible in their attitudes towards the occupied territories – have been Likud's permanent allies over the past decade and their potential for cooperation with the centre or the left has substantially diminished. Not only have these factions stayed out of the new governing coalition, which they see as

¹⁴ See e.g. C. Ben-Dor, 'Naftali Bennett and Israel's (divided) National Religious Community: A Guide for the Perplexed', Fathom, June 2021, fathomjournal.org.

¹⁵ J. Magid, 'Black is the new orange: 30% of settlers are now Haredim', The Times of Israel, 18 July 2017, [timesofisrael.com](https://www.timesofisrael.com).

threatening the privileges of the ultra-Orthodox, but they have also roundly denounced its creators. The more the ultra-Orthodox live in Area C, the less flexible they become. Their younger generation is also increasingly inclined to vote for Religious Zionism, which puts pressure on these parties to toughen up their stance. At the same time, the influence of the ultra-Orthodox is limited by their strained relations with the secular part of society.¹⁶ The conflict caused by an unequal distribution of citizens' rights and obligations (specifically, the exemption of the ultra-Orthodox from conscription and thus from sharing the risks arising from the occupation) contributed to Israel's unprecedented political crisis, which triggered a series of early elections in December 2018. The pandemic has only exacerbated these tensions, and the group's disobedience to epidemic decrees also reflected tensions within the ultra-Orthodox community itself, which sees a clash of two tendencies: radicalisation towards even greater orthodoxy and autarky; or modernisation, implying a slightly more liberal approach to influences from and contacts with the outside world (which, however, does not necessarily mean a softening of political views). Secular Israelis are also becoming increasingly aware of the internal demographic problem: the ultra-Orthodox are the fastest-growing segment of population and their influence on the face of society will increase. It can be assumed that a one-state solution would help preserve the cultural and socio-economic autonomy of this community and could even lead to the introduction of legal autonomy for individual groups, thus further segmenting ("Lebanonising") society. A two-state option, on the other hand, would probably result in their wider integration. And conversely, integration of the ultra-Orthodox would favour a two-state solution, while their growing autonomy would encourage a one-state solution.

Another group whose influence on the state and society is growing, while it is also experiencing dynamic changes and internal diversification, is the Israeli Arabs (21% of the country's citizens). The political mobilisation of this community (e.g. a high turnout in the three early parliamentary elections of 2019–2020) has highlighted its willingness to participate in the country's political life – but also the inadequacies of its representation on that stage. Beyond their demands for an end to the occupation, the creation of a state of Palestine and the equality of Arabs within Israel, Arab factions differ in their worldview (see Table 2), so it is wrong to identify them all with leftism. Significantly, in the context of the Palestinian issue, Israeli Arabs

¹⁶ See M. Matusiak, 'Ultraorthodox Jews in Israel – epidemic as a measure of challenges', *OSW Commentary*, no. 341, 23 June 2020, osw.waw.pl.

broadly supported the peace agreements with the UAE and immediately embraced the opportunities for travel and economic cooperation they opened up. The United List's opposition to these agreements therefore sparked accusations that the Arab political representation was acting to the detriment of its own electorate. This community continues to support the establishment of a state of Palestine, yet wishes to function as full citizens of Israel. Therefore, it largely opposes the demands put forward by some circles (the Our Home Israel party) that the land it inhabits be transferred to a future Palestinian state.¹⁷ In contrast to the traditional abstention of Arab factions from participation in government, polls before the March 2021 elections indicated that 46% of the Arab community wanted them to join a new governing coalition regardless of its profile, 18% agreed to such a step provided that it would be formed by centre-left forces, and a further 21% said they could support a government from outside in exchange for community benefits. The most important demand of the electorate was to fight the crime plaguing the community.¹⁸ Ra'am (supported in particular by the Bedouin) was the first to break the taboo in autumn 2020, calling for cooperation with Likud in order to achieve such demands as improved security and increased investment in the Arab sector. During the campaign for the March 2021 elections, a number of parties reserved "winning" seats (those offering a good chance of getting into the Knesset) on their lists for Arab candidates.

May and June 2021 brought seemingly contradictory developments. On the one hand, ethnic riots broke out in Israel's mixed cities, largely involving unemployed youths on the Arab side, instigated by local gangs and Hamas propaganda. These events were triggered by high-profile cases of evictions of Arab families in several locations and clashes with the police on Temple Mount, followed by another round of conflict with Hamas. However, the mainstream Arab community dissociated itself from these methods of expressing discontent and held a one-day peaceful general strike. On the other hand, despite these tensions (and in defiance of them), Ra'am became the first Arab party in decades¹⁹ to join a governing coalition and its chairman became deputy

¹⁷ See e.g. R. Ayyub, S. Abu Mayzer, 'Arabs in Israeli border towns fear Trump plan will transfer them to West Bank', Reuters, 3 February 2020, [reuters.com](https://www.reuters.com/article/us/israeli-border-town/arabs-in-israeli-border-towns-fear-trump-plan-will-transfer-them-to-west-bank-idUSKBN200087).

¹⁸ A. Rudnitzky, *A comprehensive survey of the Arab community ahead of the Knesset elections*, Konrad Adenauer Program for Jewish-Arab Cooperation at the Tel Aviv University Moshe Dayan Centre, 14 March 2021, [dayan.org](https://www.dayan.org).

¹⁹ In the 1950s, the ruling coalition included an offshoot of the socialist Mapai party that was in power at the time, comprising Christian Arabs from Nazareth, and in the 1970s – an Arab Bedouin list with close links to the Labor Party. Now, for the first time, a fully autonomous Arab party is a full member of a coalition, and a religious one at that.

speaker of the Knesset (moreover, a representative of the community and Meretz MP, Issawi Frej, became minister of regional cooperation, and Hamad Amar, a Druze from Our House Israel, became Minister in the Finance Ministry)²⁰. Ra'am represents a stream that favours concrete actions for the Arab community over national struggle. If the party succeeds in meeting the community's demands, this will pave the way for other Arab groups with a greater interest in identity issues to participate in future governments, and the political integration of local Arabs is likely to have a moderating effect on the state's policy towards the occupied territories. At the same time, it remains an ongoing challenge to assess the extent of support for Hamas among this community and to deal with it. Evaluation of prospects in this regard is only made more difficult by the fact that the rebellious youths who attacked Jews and their property in May 2021 included a significant percentage of Palestinians from East Jerusalem and individuals associated with gangs, which are a serious problem for the Arab community itself.

3. A leadership crisis

The political impasse that persisted since late 2018 was associated with a series of escalating, intractable problems that deeply divided society (such as the Palestinian issue or the aforementioned ultra-Orthodox privileges), as well as accusations against Netanyahu – the country's long-serving Prime Minister (since 2009) – and his efforts to avoid criminal responsibility and stay in power, even at the cost of undermining constitutional principles. The deadlock, marked by successive inconclusive early elections, between which the country was governed by a caretaker cabinet with limited powers and a Prime Minister whose legitimacy was weakened, or by a broad coalition government incapable of effective governance, was compounded in 2020 by a coronavirus crisis.²¹ This was followed in May 2021 by an escalation of ethnic tensions, fuelled by Religious Zionism MPs who owed their Knesset seats to Netanyahu.

The formation of the “government of change”, backed by a broad coalition in June 2021, marks a revolution in Israeli politics, dominated for more than a decade by the previous Prime Minister and his focus on exploiting social divisions, and the new cabinet could act as a bridge between the old and new leadership. The “coalition of change” includes parties representing

²⁰ Not to be confused with the Finance Minister – that post was taken by Avigdor Lieberman.

²¹ See K. Zielińska, ‘The grand coalition government in Israel. New faces of the political crisis’, *OSW Commentary*, no. 347, 10 August 2020, osw.waw.pl.

polar opposite visions of the desired way of resolving the Palestinian issue. As a result of this, with no viable prospects for an effective end to this conflict during the current Knesset term and given the gravity of other challenges, the government sworn in on 13 June 2021 has not proposed a concrete strategy towards the dispute. However, **a consensus has been reached on the need to address it through foreign contacts** (unlike under Netanyahu, who avoided talking about it) **and to endorse the international community's proposed support for the Palestinian people in exchange for stability and security.** From Prime Minister Bennett's perspective, such programmes advance the vision of Palestinian autonomy within Israel, while from the perspective of Foreign Minister and alternate Prime Minister²² Yair Lapid, they will be a factor facilitating future separation. In the context of the above-described issues of groups influencing the conflict, it can be expected that the implementation of the government's planned investments in the development of the northern part of the country and the Negev and Galilee regions would, on the one hand, improve living standards in Arab towns and, on the other, reduce the desire to settle in the West Bank by improving the quality of living and transportation and, above all, the availability of housing within Israel proper. The new cabinet will also promote the integration of the ultra-Orthodox, especially in the labour market, which is intended to prevent the alienation of individual communities in the long term. It will draw support from the part of the population that has mobilised in protest against aggression in political life, particularly ethnic unrest, demanding the coexistence and equality of all groups. At the same time, the expectations of the international community for measures to expand Palestinian sovereignty, the pressure of the ultra-right opposition and the government's own electorate on the right-wing parties in the coalition to expand settlements in the occupied territories, as well as the actions of the centre-left part of the government, which is reviving ties with the PA, quickly stirred up controversy inside the new cabinet. The coalition also has to deal with provocative actions by radicals (both Jewish and Palestinian) in Jerusalem. **If the "government of change" remains in power for a full term and implements its programme, it will not dismantle the status quo but, especially in combination with the processes described in Chapter III, it has a chance to halt the most dangerous trends** the status quo produces, which in the longer term may translate into new prospects for realising a vision of separation in the spirit of the INSS programme (see Chapter I). A failure of the "government of change", on the other hand, may pave the way to power for

²² According to the coalition agreements, Yair Lapid will take over as Prime Minister in August 2023 (or earlier, in case the coalition breaks up).

forces that, regardless of the circumstances and domestic and international consequences, will engage in actions leading to a one-state reality (annexation of all or part of the West Bank).

Israeli society is undergoing a process of change, the outcome of which remains to be seen. The Palestinian issue is only one of the parameters determining a party's place on the political scene and its potential coalition partners. Yet it continues to be a divisive issue that features in election campaigns. Internal demographic trends will make it increasingly difficult to reach an agreement with the Palestinians **and the politicisation of the issue by the Netanyahu camp – weaponising it to deligitimise opponents and radicalising demands – reduces the chances of achieving peace and getting it accepted by society.** Hence the crucial importance of lowering the temperature of the political dispute in Israel itself, which is what the founders of the new government have called for. The majority of Israelis still support a two-state solution, although they have lost faith in its feasibility. Any agreement must bring benefits in the areas of security and prosperity, and also in terms of identity (access to holy sites – especially in the context of the need to win support of at least some ultra-Orthodox and religious circles for such a scenario).

In conclusion, **domestic circumstances mean that Israeli governments avoid involvement in the Palestinian issue, particularly any explicit steps towards a two-state solution** (including those that could in theory be implemented unilaterally). This benefits radical factions opposed to ending the occupation. Re-evaluations – associated with the formation of the “government of change”, if it remains in power, and those described in Chapter III – may potentially make it easier for successive cabinets to engage in prospective peace talks, provided that the temperature of intra-political discourse is lowered, a sufficiently strong leader emerges, and the international community provides a substantial package of benefits. **Which way the balance will tilt depends largely on (re)building faith in the peace process among Israelis, which only foreign engagement can ensure.**

III. THE “NEW” MIDDLE EAST

Israel’s Palestinian dilemma should be viewed as a regional problem that goes beyond Israeli-Palestinian relations and has existential importance for the Jewish state. The international environment is a decisive, if not the only factor (especially at present) that favours adjustments to the situation. The discussion about a possible annexation of part of Area C in the first half of 2020 was an unprecedented wake-up call for advocates of a two-state solution. With Israel making the permanent inclusion of these areas conditional on US approval, which was not obtained, and then taking it off the agenda in connection with the peace agreements with the UAE and Bahrain, the international community intensified its efforts to genuinely secure the prospects for a two-state solution. These efforts are currently facilitated by the new US administration and the formation of the “government of change” in Israel. The parallel ongoing shift in the balance of power in the Middle East has fundamentally changed the international environment of the Palestinian issue. It remains an open question whether this change will lead quickly enough to significant re-evaluations in the dynamics of the conflict itself (status quo – see Chapter I).

1. The roles of Western diplomacy and international organisations

The United States has been Israel’s main ally for half a century, traditionally leading peace initiatives. The current situation in the region cannot be explained without referring to the Trump administration (2016–2020). The scale of controversy generated by some of the former president’s actions as well as the normalisation deals between the Jewish state and four Arab countries (UAE, Bahrain, Morocco and Sudan) that he brought about **have galvanised the situation, reviving the international community’s interest in the conflict and changing the regional environment of the dispute.** At the same time, **Trump failed to deliver a lasting change in the realities on the ground** and the effects of his policies in most dimensions – except the regional one – were quickly undone by the next administration.

The peace plan announced in January 2020,²³ the first US attempt to resolve the Israeli-Palestinian conflict since the 2013–2014 mediation, had the least

²³ *Peace to Prosperity. A Vision to Improve the Lives of the Palestinian and Israeli People*, the White House, January 2020, trumpwhitehouse.archives.gov.

lasting effect. Trump's proposals, though meant to be innovative, were based on standard items discussed at talks on a two-state solution. They differed from previous initiatives in that they essentially departed from the international consensus and the letter of the law in a way perceived as privileging Israel, although not necessarily serving its interests in the long term, since a two-state solution, according to the then-president's plan, had no chance to bring lasting peace. The plan, prepared without Palestinian participation and rejected by the international community, was de facto abandoned in the autumn of 2020, when normalisation of Israel's relations with the Gulf countries – actively supported by the United States – became a priority.

With regard to Jewish settlements in the West Bank, the Trump administration declared that it did not consider settlements illegal by definition, allowed goods produced there to be labelled as originating in Israel, and extended scientific cooperation agreements with Israel to institutions located in the settlements. However, no major actor in international relations (a state or organisation) has followed the US lead, although some businessmen from the Gulf states actually seem open to cooperation with entrepreneurs from the territories. Washington's actions have even prompted other actors (especially European ones – see further below) to intervene more forcefully. **Likewise, the administration of Joe Biden consistently condemns settlement expansion plans. The previous president's actions, however, fostered at least a partial "normalisation" of settlements** – a perception of Jewish settlements as a fait accompli that can, at most, be compensated to the Palestinian side with an exchange of territories. This is part of a consensual vision of resolving the conflict, but only within a narrowly defined scope (see p. 18).

The policy of the previous administration towards Jerusalem, in particular the opening of the US embassy there, may prove to have the most lasting impact. These steps strengthened the ongoing process of the growing recognition of Jerusalem as Israel's capital. This is reflected, for example, in the declining support for the annual UN General Assembly resolution *The Situation in the Middle East – Jerusalem*, which in Israel's view denies the Jewish people's ties to the city²⁴: from year to year, more and more countries do not vote on it or abstain. Nevertheless, Trump broke a taboo in December 2017 when

²⁴ This is because the resolution refers to Palestinian rights to East Jerusalem, but fails to recognise Israeli legitimacy to any (even the western) part of the city, instead emphasising the international community's interest in administering it. Moreover, it refers explicitly to Muslim interests on Temple Mount, but makes no mention of the site's Jewish heritage. '[Resolution 71/25 adopted by the \[UN\] General Assembly](#)', Jerusalem, 30 November 2016, undocs.org.

he announced the implementation of a 1995 law on moving the US embassy to Jerusalem. In doing so, he did not specify that he only recognised West Jerusalem as Israel's capital, but stressed that the move did not prejudice the substance of future agreements concerning the city (for the mission's final location only plots of land within the borders of West Jerusalem are taken into consideration). So far, Guatemala, Kosovo and Paraguay have opened representative offices in West Jerusalem, while Equatorial Guinea has announced that it will do so. The Czech Republic and Hungary have opened West Jerusalem branches of their embassies located in Tel Aviv, while Russia and Australia have recognised West Jerusalem as the capital of Israel, yet retained their missions in Tel Aviv pending the outcome of the peace process. On the one hand, these actions underscore how **difficult it is to continue to ignore the fact that (West) Jerusalem has been the capital of the Jewish state for seven decades. On the other hand, they perpetuate the Israeli narrative (supported by most political forces) that the city is indivisible and that annexed East Jerusalem is part of it**, and thus hinder the Palestinian side's efforts to re-divide it and establish the capital in its historic centre. The provisions of Israel's US-mediated agreements with the Gulf states (see further) reinforce Israel's role in ensuring the security of and access to Temple Mount. It will therefore become a major flashpoint in the years ahead, as the riots of April and May 2021 already demonstrated. These were related to such developments as the threatened evictions of hundreds of Arab residents of East Jerusalem (the result of controversial court decisions on property issues) and the cancellation of Palestinian elections by the PA authorities, as well as provocations on Temple Mount that led to a disproportionate police response. The unrest escalated into an open war declared on Israel by terrorist groups from the Gaza Strip and ethnic clashes inside the Jewish state itself. The Jerusalem issue thus became an opportunity for radical forces on both sides to try to torpedo the process of forming a new Israeli government, the political integration of Arab parties and further normalisation of Israel's relations with Arab states. **The city will remain an arena where radicals will seek to escalate tensions, and reducing them is one of the most difficult challenges facing the new cabinet.** Indeed, the situation in Jerusalem will impact Jewish-Arab relations in Israel, intra-Palestinian politics, the stability of Jordan (a large part of its population is of Palestinian origin and the monarchy's authority is largely based on its status as the formal custodian of Islamic holy sites in the city under the peace treaty with the Jewish state) and the attitude of other countries towards these issues.

Biden's rise to power marks a US return to its traditional approach to the conflict – while taking into account fundamental changes in the region, as discussed below – particularly with regard to its attitude to the settlements, which it sees as a fundamental obstacle to a two-state solution, with the exception of blocs of settlements adjacent to the Green Line.²⁵ The new administration has resumed relations with the Palestinian side and restored financial assistance. It has also announced its intention to reopen the US consulate in Jerusalem to serve the Palestinians,²⁶ expecting them in return to stop activities that undermine the prospects of a two-state solution – such as the campaign to delegitimise Israel and incite violence, or the payment of scholarships to those convicted of attacks against the Jewish state and to the families of “martyrs” who were killed during such operations. **Washington's objectives are to improve the situation of the Palestinian people, strengthen the PA vis-à-vis Hamas and keep open the prospects for a two-state option. At the same time, it will support the process of normalisation of relations between Israel and the regional countries,** which, as explained below, may serve to advance the Palestinian cause in the long term. Biden's presidency furthermore indirectly creates conditions conducive to the Israeli peace movement and US left-wing Jewish organisations (such as J Street). The restoration of relations with the Democratic Party and the liberal diaspora in the US, as advocated by the “government of change”, will not be possible without concrete Israeli steps on the Palestinian front.

The European Union has consistently expressed its firm support for a two-state solution and its opposition to settlement expansion. European reactions to the debate on a possible unilateral annexation of parts of the territories showed that such a move would mean crossing a red line, beyond which Israel would likely face economic sanctions and removal from cooperation programmes. Although the Palestinian issue is not a priority for the EU, the community's instruments are limited, and the horizon of its ambitions may be defined by protecting the PA, the EU is also Israel's main trading partner, strategically important for stability in the Eastern Mediterranean, and a significant sponsor of the PA, whose functioning is in Israel's interest. Israeli right-wing politicians often criticise the EU for what they see as a biased approach to the Palestinian issue, but even they – especially during the period of economic recovery following the coronavirus crisis – may be inclined to seek

²⁵ M. Matusiak, ‘US-Israeli relations after Biden's victory’, OSW, 19 November 2020, osw.waw.pl.

²⁶ The initiative is strongly opposed by the Israeli side, especially since the consulate – whose history dates back to Ottoman times (1857) – was located in a West Jerusalem property (Palestinian petitioners were served by a branch in the eastern part of the city) from 1912 until Trump closed it in 2019.

improved relations with it, e.g. in expectation of a new association agreement, also conditional on even minimal progress in relations with the PA (at the same time, the “government of change” will not be susceptible to calls for unilateral action to reduce its control over Area C that are unsupported by prospects of concrete benefits). Moreover, **two European powers that are important to Israel – Germany and France – have already committed themselves diplomatically to leveraging its agreements with the Gulf states** so that the resulting momentum leads to the resumption of talks with the Palestinians. Although these gestures cannot be ignored by Israel in the long run, a conciliatory stance towards Iran will serve to reduce the influence of the Old Continent in the region.

Israeli politicians will also be confronted with **developments in the International Criminal Court (ICC) investigation into the violation of international law by settlement activity in the occupied territories**. The case will raise the profile of the Palestinian issue and harm Israel’s image, despite the fact that: the ICC itself, in its ruling of 5 February 2021, did not conclusively determine whether the question of its jurisdiction could be raised at the next stage of the proceedings; a number of countries (including European ones) challenge the Court’s right to conduct it (arguing that Palestine is not a state and its authorities do not have the capacity to transfer judicial competence to this institution); the investigation also concerns the crimes of Hamas. Israel perceives the Palestinian side’s continued pursuit of the legal path as a declaration of unwillingness to engage in talks – and its demand for its abandonment has become a precondition for a return to negotiations.

Also significant is the international non-governmental movement for the boycott of Israel, which by delegitimising its right to exist promotes a one-state solution (understood as the liquidation of Israel as a Jewish state and thus the takeover of all the former Mandate territories by the Palestinian element) in the Western world. At the same time, this movement erodes Israel’s trust in the external environment and radicalises the local discourse.²⁷ On the other hand, the increasingly publicised problems involving the promotion of “education for hatred” in Palestinian school textbooks and pathologies in the operation of the UNRWA agency which provides aid to the Palestinians may over time influence the policy of institutional donors in a manner that benefits Israel.

²⁷ G. Murciano, *Unpacking the Global Campaign to Delegitimize Israel*, SWP Research Paper 7, SWP German Institute for International and Security Affairs, Berlin, June 2020, swp-berlin.org.

2. Everything that matters – in the region

The West's influence on the Palestinian issue will take place in a fundamentally changed regional reality. Israel's relations with Arab states have become markedly more pragmatic. Even though its agreements with the UAE, Bahrain, Morocco and Sudan do not directly affect the status quo, they create space for genuine cooperation (a view shared by the new government), even in the face of difficulties – a positive contribution from the neighbours to the de-escalation of the conflict and its gradual resolution. The dominant interest of regional states that cooperate with the West – both Israel and Arab countries – is to contain Iran, which has been developing nuclear technology and a missile programme, while also cementing its civilian and military presence (which translates into growing offensive activity) in Iraq, Syria, Lebanon and Yemen. Every issue, including the Palestinian one, becomes less of a priority in this situation and will tend to be addressed through the prism of the Iranian problem. At the same time, Tehran's labelling of Hamas's successes in confronting Israel as the result of its own actions shows that in certain dimensions the two issues are interlinked.

The Iranian threat was one of the main reasons for the establishment of relations with Israel by the UAE and Bahrain, as well as (though to a lesser extent) Morocco and Sudan, in the autumn of 2020. **This should be considered a landmark event, as it heralds the development of fully-fledged friendly relations.** It marks a qualitative change from the normalisation initiated with the Oslo peace process in the 1990s and partly continued despite its failure, which – unlike the current agreements – did not translate into a fundamental change of rhetoric towards Israel in the region. The UAE is the first Arab country where Israelis – both businessmen and tourists (tens of thousands in December 2020 alone, including the ultra-Orthodox arranging weddings there) – are welcomed with open arms and find a favourable media climate, while communal Jewish life thrives and cooperation develops in almost every field. The breakthrough, therefore, involves not only inter-state policy and public diplomacy, but also mentality. Many Israelis are finding that an Arab country can be both safe and hospitable for them and that their homeland has much in common with the Middle Eastern environment.²⁸

²⁸ For how groundbreaking this may be for the way Israelis see themselves in the region, see e.g. L. Berman, 'After walling itself in, Israel learns to hazard the jungle beyond', The Times of Israel, 8 March 2021, [timesofisrael.com](https://www.timesofisrael.com).

In the context of the Palestinian issue, it should be noted that **the “Palestinian right of veto” over Arab approaches to Israel has functioned for years in a limited sense** – that these states would not support a solution to the conflict to which the Palestinians would not agree. Faced with the entrenched status quo, the Gulf countries have been developing cooperation with the Jewish state increasingly openly and in more areas, regardless of the situation in the territories. At the same time, they have been increasingly vocal in their criticism of the Palestinian Authority’s actions. Indeed, the new generation of Arab leaders is testing out reforms designed to protect their states from upheaval caused by fundamentalism. For these authoritarian regimes to remain in power, it is necessary to ensure stability and development for their citizens, which requires strengthening their legitimacy (including on religious grounds), cautious liberalisation of internal discourse, and engaging in regional cooperation to tackle demographic and climate challenges. Meanwhile, **the Palestinian cause, for decades elevated to a touchstone of Arab pride and Islamic honour (rather than just a conflict over territory), indirectly provided ideological justification for the activities of radical movements.** They demanded the unity of the Arab and/or Muslim world, the immanent condition of which was to “erase the stain” of Israel’s existence. In practice, the activities of these organisations often undermined the legitimacy of the Arab authorities. Dealing with the challenges now posed primarily by Sunni and Shiite Islamist movements requires a denial of the anti-Semitic and anti-Zionist dogmas that have for decades held sway in political rhetoric, the media or school textbooks. It is this conclusion, as well as the growing interest of Arab societies in Jewish culture and traditions of religious tolerance in their own history, that have led to the agreements stating that Jews and Israel are a legitimate and irrevocable part of the region for both historical and religious reasons.²⁹

In tandem with this, **the Arab countries normalising relations with the Jewish state are gaining new tools to influence it**, potentially far more effective than anti-Israeli rhetoric – previously the only means actually used, in addition to being a double-edged sword (as shown above). The more developed the relations, the greater the strength of potential threats by these states that progress of rapprochement will be halted or reversed. The UAE, aspiring to the status of a regional power, has demonstrated its powers of persuasion

²⁹ J. Braude, *Reclamation: A Cultural Policy for Arab-Israeli Partnership*, The Washington Institute for Near East Policy, January 2019, [washingtoninstitute.org](http://www.washingtoninstitute.org); O. Winter, Y. Guzansky, ‘Islam in the Service of Peace: Religious Aspects of the Abraham Accord’, *INSS Insight* No. 1379, The Institute for National Security Studies, 6 September 2020, inss.org.il.

and its determination, such as by openly refusing to allow Prime Minister Netanyahu to pay a visit during the campaign for the March 2021 elections. For this country, ties with Israel are just one of many elements in their regional game and the process of building their position with US and French support. While promoting regional stability, the UAE will also support Jordan, for which the prolongation of the Israeli-Palestinian conflict and related tensions pose a fundamental threat due to its own demography.³⁰

Importantly, **relations with Arab states will also allow Israeli leaders to explain to the electorate any concessions to the Palestinians by the conditionality of these ties.** This applies both to countries that have already established relations with the Jewish state and those that will do so in the future. A case in point is the significant popular support for normalising relations with the UAE in exchange for giving up the annexation of part of the West Bank (this insignificant concession to the Palestinians in the circumstances at the time was one that saved the prospect of a two-state solution). Rapprochement with more states will depend on whether Israel takes steps encouraging its separation from the Palestinians and therefore facilitating their independence. **This gives the Palestinian side a powerful tool of influence if it capitalises on the new situation skilfully.**

After all, establishing relations with the Jewish state does not mean that the Arab countries in question will give up their support for Palestinian national aspirations (as is the case with many countries that maintain relations with Israel and are pro-Palestinian) and modernisation goals (improving the situation of this community is therefore a *sine qua non* for legitimacy of cooperation and Israel will have to provide the basis for this)³¹. At the same time, some Arab states are introducing conditionality in their relations with the Palestinian leadership. While support for the rights of the people and the creation of a Palestinian state remains unquestionable among them, approval for those in power³² now depends on respect for the interests of these countries. They

³⁰ K. Zielińska, 'Izrael i Jordania – dwadzieścia pięć lat po traktacie pokojowym', *Sprawy Międzynarodowe* 2019, no. 72/4, pp. 161–180. Another extremely important format for Israel, where it must take into account the interests of other countries, is the East Mediterranean Gas Forum, a regional organisation that also includes the PA, Cyprus, Egypt, France, Jordan, Greece, as well as the EU and the US as observers (the UAE's membership was vetoed by the PA). The Forum's aspirations go far beyond energy issues.

³¹ Thair Abu Ras, *The Palestinian Issue as Ground and Ceiling for Arab-Israeli Cooperation*, MITVIM, October 2020, mitvim.org.il; Rasha Abou Jalal, 'Was UAE behind Israeli decision to allow Palestinian farmers access to Jordan Valley?', *Al-Monitor*, 30 December 2020, al-monitor.com.

³² An explanation of the structure of the Palestinian authorities and relations between them: 'Mapping Palestinian Politics', European Council on Foreign Relations, ecfr.eu.

expect the Palestinian elites not to engage in radical rhetoric or allow their conflict with Israel to be exploited by forces bent on destabilising the region. Instead, they expect the authorities to return to negotiations with the Jewish state with the intention of urgently bringing about a two-state solution and to take steps to improve the situation of the Palestinians. In particular, Hamas and other Iran-linked organisations, such as the Palestinian Islamic Jihad,³³ should expect strong pressure. This was clearly demonstrated by the UAE's response to their May 2021 rocket fire into Israeli territory. Abu Dhabi, while opposing the Jewish state's policy with regard to Jerusalem, did not condemn its counterattack on terrorist-owned targets in the Gaza Strip and even warned Hamas that its continued operations would jeopardise the UAE's planned investments in the Strip. The organisation also crossed a red line when its supporters, during pre-planned clashes with Israeli police, flew Hamas flags on Temple Mount and then chased the PA- and Jordan-linked mufti of Jerusalem out of the mosque – events that amounted to profanity.

Another important issue is that Arab countries (and increasingly US and European policymakers) perceive the interests and actions of the Palestinian leadership as detrimental to the community they represent, with a yawning chasm remaining between them and the population. **The inability of these elites to produce leaders capable of pursuing constructive policies (including continued persecution of supporters of potential rivals outside the Fatah-Hamas duopoly) may even provide the impetus for Gulf countries to make efforts to unseat the PA leadership.** It would be an unprecedented form of involvement in Palestinian affairs that would challenge Israel to maintain maximum neutrality in such a situation.

3. The Palestinian interlocutor

In Israeli perception, the fundamental problem is the sense that there is no partner for peace talks on the Palestinian side. The Palestinians' rejection of peace initiatives that meet the requirements of the international consensus (Bill Clinton's in 2001, Ehud Olmert's in 2008, or John Kerry's in 2014) is increasingly explained by the fact that unlike the Israelis, they do not see the 1967 war as a reference point. **Their consistency in rejecting proposals based on the 1967 border – despite official declarations that the PA's**

³³ These organisations were, in fact, behind a large number of attacks on Israeli targets in the 1990s and thus greatly contributed to derailing the Oslo process. E. Karmon, 'The Iran – Palestine Linkage', IDC Herzliya, 15 December 2013, ict.org.il.

objective is to create a state within these borders – is rooted in the events of 1948, i.e. the creation of Israel and the displacement of the Palestinians (known as *Nakba* – catastrophe). The establishment of a state in the West Bank and the Gaza Strip does not correspond to the historical narrative that the division of the Mandate was an act of injustice. Hence, negotiations on a two-state solution fail at crucial moments – when an agreement to create a Palestinian state on part of the Mandate territory and to end the conflict is within reach – because they cannot come to terms with this injustice, which can only be erased by liquidating the Jewish state.³⁴ A factor of some importance is that Palestinian leaders have long been caught up in the nationalist or Islamist rhetoric of intransigence and that they see their struggle as a clash with Western imperialism and an attack on Islamic territory (in the face of which, especially in Hamas's view, compromises are out of the question). The attitude of Palestinian political parties heightens Israel's sense of insecurity.³⁵ All of this is systematically undermining Israelis' belief that engaging in peace talks is worthwhile at all.

As the two Palestinian entities governing two separate territories (Hamas has been in full control of the Gaza Strip since 2007) remain at loggerheads 15 years after the last elections (which were suspended *inter alia* due to Fatah's fears of losing power to Hamas), the PLO's legitimacy to make arrangements for a final settlement of the conflict has also been called into question. The paradox is that **the conflict cannot be brought to an end without the unity of the Palestinian voice, whereas in recent years such unity has meant the prospect of a takeover by forces that openly reject a two-state solution (Hamas)**. This involves another paradox: **regardless of Hamas's high popularity, polls show that a two-state option has greater support**. Although poll results should only be treated subsidiarily due to significant swings in sentiment, they indirectly confirm the thesis that many Palestinians do not equate a two-state solution with a final end to the conflict.³⁶

³⁴ Y. Alpher, *No End of Conflict: Rethinking Israel-Palestine*, Rowman & Littlefield, 2016, p. 68.

³⁵ For example, 11 of the 36 Palestinian parties registered for the PA parliamentary elections scheduled for May 2021 and subsequently cancelled, including the most important ones – Hamas and Fatah, had the outline of Palestine within the British Mandate boundaries in their logos. This signals claims to the entire territory and is understood in Israel as a declaration of denial of the Jewish state's right to exist. 'Palestinian Election: Nearly a third of party logos erase Israel from map', Jerusalem Post, 15 April 2021, jpost.com.

³⁶ Polls by the Palestinian Center for Policy and Survey Research indicate that support for the two main political parties as well as for a two-state solution depends largely on the current situation. For example, the conflict with Israel last May boosted Hamas's popularity, while the Palestinian-Israeli confidence building measures, which are widely approved, significantly improved Fatah's ratings in October 2021. Importantly in this context, support for the statement that the most urgent national task is to end the occupation and build a Palestinian state in the West Bank and Gaza Strip with

At the same time, some Palestinian activists (and pro-Palestinian activists from abroad) promote a one-state option, to be achieved by fighting for Israeli citizenship for all Palestinians. For the Jewish state, this idea entails the threat – veiled in the rhetoric of equality – of being blown apart from within by Palestinian demographic power. The demand is a tool for symbolic warfare, as Israeli law does not provide a path for citizenship applications for anyone other than spouses of citizens and residents of formally annexed East Jerusalem (which is why some Palestinians have found it desirable for Israel to annex more territory)³⁷, and in either case, those who want to apply face enormous difficulties. The threat of the PA's self-dissolution (or causing it to collapse, e.g. financially) and transferring all responsibility for both territory and population to Israel should be viewed similarly – as a weapon for exerting pressure on the Jewish state through rhetoric which, however, could be turned into reality in a situation of escalating tensions. **Indeed, the Palestinian leadership realises that a significant part of the Israeli establishment wants to avoid a one-state reality. The enduring, undeniable strength of the Palestinian movement lies in the fact that its consent to the creation of a State of Palestine and an end to the conflict is essential for Israel to avert this threat.**

The impact of the factor discussed above on Israeli deliberations about the Palestinian issue will remain unclear due to the uncertainty over the future of the Palestinian authorities. The PA and PLO leadership elections were cancelled under the pretext of Israeli refusal to allow the vote to be held in East Jerusalem, but in fact as a result of concerns from both the PA leadership and the international community about a Hamas victory. In the West Bank, neither Trump's controversial moves, nor Mahmoud Abbas's cancellation of the Palestinian elections scheduled for 2021, nor even the tensions in Jerusalem, triggered mass protests, exposing the scale of citizens' passivity and fatigue with the situation, as well as the PA's legitimacy crisis (59% of Palestinians consider it a burden)³⁸. However, **an outbreak of popular unrest that would lead to the overthrow of the Authority and the seizure of power by Hamas cannot be ruled out** (as demonstrated by the June 2021 protests, sparked by the brutal actions of PA forces against its critics). The situation in

East Jerusalem as its capital – that is, to establish a state alongside Israel in line with international consensus – remains stable at around 43%. 'Public Opinion Poll No (80)', 15 June 2021, 'Public Opinion Poll No (81)', 15–18 September 2021, 'Public Opinion Poll No (82)', 27 October 2021, pcpsr.org.

³⁷ S. Al-Naami, 'What lies behind the keen support for a one state solution?', Middle East Monitor, 2 June 2020, middleeastmonitor.com.

³⁸ 'Public Opinion Poll No (81)', *op. cit.*

the Gaza Strip, where fundamentalists crack down on any dissent and which is constantly facing a humanitarian disaster, is also fluid. Regular rocket fire into the territory of the Jewish state was used by the organisation between 2014 and 2020 to “communicate” with Israel, Egypt and Qatar on further tranches of aid. This has resulted in an expansion of the military capabilities of Hamas and Palestinian Islamic Jihad, which – after several years of relative calm – has translated into a significant increase in the threat they pose to Israeli security. **The scale of the damage inflicted on the Jewish state by Hamas during the May 2021 hostilities and the group’s effective linking of any further escalation of violence to the situation in Jerusalem** have erased Israel’s strategic advantage. The likely **domination of the government by Hamas, which rejects a two-state option, would also see Palestinians opt for an alliance with Iran and Turkey**, against not only the Jewish state, but also its pro-Western Arab neighbours.

The May 2021 hostilities with the Gaza terrorist organisations have therefore generated a stronger need in Israel and among the international community for a change in the status quo, so that foreign aid to the Strip does not result in the strengthening and arming of Hamas, authority over the area is gradually restored to the internationally recognised PA government, and relations between the Jewish state and the fundamentalists are governed by a permanent ceasefire.³⁹ Egypt has been particularly involved in helping to achieve these extremely difficult, if not impossible, objectives. The new Israeli government supports this course, marking a departure from one of the tenets of the status quo, namely the perpetuation of the intra-Palestinian division. In the longer run, strengthening the PA (institutionally, but not necessarily personally, as the Palestinians regard its current leadership as corrupt and disgraced) and improving the situation of the local population with the involvement of regional countries would mean the implementation of two postulates of the INSS plan discussed in Chapter I for the gradual separation of Israel from the Palestinian side. It remains an open question whether the internal policies of the Jewish state will provide the conditions for the implementation of the third point of this programme, i.e. halting the growth of isolated settlements, and above all – whether the described actions do not come too late and whether PA institutions are able to survive the current turmoil. What could genuinely strengthen them is a return to bilateral talks leading to increased

³⁹ A poll published in October 2021 shows that only 9% of Israelis support maintaining the current policy (status quo) towards the Gaza Strip, while 53% favour using the normalisation process to improve relations with the Palestinian side. *The Israeli Foreign Policy Index for 2021*, The Israeli Institute for Regional Foreign Policies, Friedrich Ebert Stiftung, October 2021, mitvim.org.il.

Palestinian powers in Areas A and B and freedom within Area C, which is politically difficult for both sides and therefore unlikely. **A failure to contain Hamas expansion could backfire disastrously, not only on Israel and those Palestinians who favour the creation of their own state over an existential confrontation with Israel, but also on other countries in the region, especially Jordan.** A collapse of the PA would represent a further dismantling of the status quo, but most likely in a direction unfavourable to a two-state solution. An unlikely alternative to the current approach, one over which external forces would have little influence, is the possibility of Hamas moderating. In the meantime, demands for a significant internationalisation of Gaza Strip governance have become a permanent feature of the intra-Israeli debate, something that was previously hard to even imagine.⁴⁰

In summary, **external conditions – especially the policies of the US and Arab countries open to cooperation with the Jewish state – play an important role in shaping the Israeli approach to the conflict. A key new factor is the fundamentally changed regional environment,** which is rapidly transforming from a zone of potential threat into an area of strategic partnership aimed at confronting Iran and its allies, filling the void left by US leadership and fostering regional cooperation that includes the Palestinian issue. **As it turned out, the successful normalisation of relations with the UAE was – paradoxically and with the help of Hamas – coupled with a re-emergence of the Palestinian issue in the international agenda and an even greater dependence of Israel on its international surroundings** (US diplomatic and material support, for example for the missile defence system; Egypt's committed mediation in talks with Hamas; EU and Gulf funding for the Palestinians, etc.). Significantly, this perspective was explicitly expressed by Israel's new foreign minister.⁴¹ The “new” Middle East thus places the Palestinian challenges of the Jewish state in a much more multidimensional, non-zero-sum context.

⁴⁰ O. Eran, 'An Arrangement in the Gaza Strip: The International Dimension', *INSS Insight* No. 1487, The Institute for National Security Studies, 10 June 2021, inss.org.il.

⁴¹ J. Lis, 'Renewing Palestinian Ties, Cozying Up to Biden, and Iran: The New Foreign Minister's To-do List', *Haaretz*, 13 June 2021, [haaretz.com](https://www.haaretz.com).

CONCLUSIONS

From the Israeli perspective, the Palestinian challenge primarily means the need to answer the question: “what kind of Israel”. This will determine its future as a democratic state and as a Jewish state. The other major issue concerns the effectiveness of a possible Palestinian state as a future neighbour, especially in terms of security and economic matters.

Separation leading to a two-state solution remains the only potentially effective endgame for the Israeli-Palestinian conflict that is supported by the majority of both societies. It is the wish of the majority of Israelis, and even if the motivations of various groups supporting this position differ, the objective remains clear, although the prospects for achieving it are hazy. A one-state solution cannot be a model for an effective way out, but it is an important and dangerous reference point for extremist forces on both sides. For Israeli radicals, it is the basis for demanding the annexation of selected territories (part or all of the West Bank), which rules out the prospect of a future independent Palestine. In practice, this strategy leads to a strengthening of the current arrangement involving one state and two Palestinian para-states, but also threatens a self-dissolution of the PA, which would render Israel responsible for the Palestinians in the West Bank. For Palestinian extremists (Hamas), a one-state solution means calling for the eradication of the Jewish state through military or demographic struggle.

On the other hand, a re-evaluation of Israeli society's priorities, combined with the process of building its trust in the Middle East environment that has begun with the UAE agreements, may in the long term foster a breakthrough on the Palestinian issue, provided that external actors are sufficiently involved, e.g. Arab states prove to be effective and trustworthy partners in the process of weakening Hamas. **The normalisation of relations with the Gulf states does not change the nature of the Palestinian challenge to Israel and the inevitability of confronting it, but it does open a window of opportunity in which Arab countries will be able to exert influence on both sides of the conflict.** The “government of change” – as long as it remains in power – will consolidate relations with these countries, including Egypt and Jordan (relations with which were neglected by Netanyahu's cabinets). This is supported by potential benefits from Emirati investments, infrastructure projects carried out in cooperation with Egypt and Jordan, and finally – sharing at least some responsibility for the Palestinian issue with these countries.

The common desire to marginalise Hamas as a destabilising and pro-Iranian factor in the region will also be an important element of cooperation.

With little prospect of a comprehensive settlement to end the conflict, the current objective of diplomatic actors involved is to create a mutually credible perspective, one in which avoiding harmful measures, promoting cooperation and building trust would constitute a desirable alternative to perpetuating the status quo. At the same time, the efforts made so far show that temporary solutions do not work, and that it is better to aim for the most comprehensive arrangements possible that translate into real changes on the ground relatively quickly. These mechanisms should be developed from the grassroots much more often than has been the case so far.

Further developments will be determined in particular by:

- **the internal situation in Israel:** the importance of the Palestinian issue as a determinant of political choices; the strength of the settler lobby's influence, including how it translates into the situation in Area C (the pace of settlement and road expansion and of Palestinian properties' demolition, together with attacks on Palestinians by settlers from isolated settlements) and East Jerusalem (e.g. evictions of Palestinians, provocations by Jewish nationalists, conflict over the right of Jews to pray on Temple Mount); an end or continuation of the political gridlock that determines the leadership crisis (how long will the Bennett-Lapid cabinet last?) and ethnic tensions. A success of the "government of change" will increase the chances that moderate political forces, capable of compromise, with a long-term commitment to the idea of a Jewish and simultaneously democratic state, will retain power in the long run. They will seek to separate Israel from the Palestinian side in cooperation with its neighbours. A failure of the new government could mean that circles eager to gain control of as much territory as possible take over the reins, even if it carries the risk of Israel's collapse as a state project;
- **progress in the normalisation of Israel's relations with Arab countries:** rapid development of relations, especially with the UAE, dynamic cooperation with Egypt and a mending of relations with Jordan may be anticipated. Arab countries remain critical of the Jewish state's expansionist policies in the West Bank and East Jerusalem, while supporting its struggle against Hamas. At the same time, it remains an open question how strongly they will react, for instance, to further expansion of settlements. Whether

more countries (e.g. Saudi Arabia, Oman) join the normalisation process will depend on clear progress on the Israeli-Palestinian front (at least significant steps to improve the living conditions for Palestinians in Areas A and B and their freedom in Area C). More broadly, the growing benefits of (and dependence on) regional ties are likely to generate increased political will in Israel to resolve the Palestinian issue;

- **the extent of US involvement:** while President Biden is unlikely to initiate comprehensive peace initiatives, he will encourage the development of bilateral (Israeli-Palestinian) and regional confidence-building measures (e.g. devised in cooperation with the so-called Munich Quartet, which includes Germany, France, Egypt and Jordan, and supported by the UAE and others) and act to curb the influence of the settler lobby. At the same time, the smaller or less credible the US presence in the Middle East as a whole (e.g. on the Iranian issue), the faster the strategic cooperation between Israel and the pro-Western Arab states will develop, so as to fill the void left by US leadership. Both these processes imply increased Arab involvement in the Palestinian issue;
- **the intra-Palestinian situation:** in the shorter term – what will be the effect of Israeli and international efforts to marginalise Hamas, or at least to stop its attacks; and in the longer term – whether the Palestinian leadership will evolve through elections, whether the process will be transparent and peaceful, and whether the leadership itself will be able to manage the PA effectively through dialogue with Israel, the Gulf states, the EU and the US. Similarly, a potential collapse of the Authority or its takeover by Hamas would drastically escalate the situation;
- **the developments in the confrontation with Iran:** Iran remains a central challenge to Israel's security, both in terms of its ongoing nuclear and missile programmes and its ability to effectively use the Jewish state's immediate neighbourhood (Lebanon's Hezbollah, Syria, Hamas and others) against it. The threat of Tehran maintaining or strengthening its position (e.g. by exploiting Palestinian tensions) would prevent significant progress in the Israeli-Palestinian peace process, although it would also strengthen Israel's ties with the Arab Gulf states. An unlikely about-face in Iran's policies or its internal collapse, on the other hand, would increase the space for manoeuvre for Israelis and constructive forces in the region.

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