



FEDERAL FORUM
المنتدى الفيدرالي
הפורום הפדרלי

A NEW FEDERAL PARADIGM FOR THE ISRAELI-PALESTINIAN CONFLICT



The Federal Forum is a project of “Challenge” - An Organization for Conflict Transformation

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Introduction

The Israeli-Palestinian conflict has persisted intractably for some 150 years. Over the conflict's course, only two means of ending it have garnered widespread support: campaigns for victory of one side over the other, or a territorial compromise to establish two nation-states side-by-side (the "Two-State Solution", or "2SS"). Neither of these paths has proven conducive to solving the conflict. As a result, a damaging status quo has arisen. In this reality, the populations are fragmented, proponents of either total victory or the 2SS are each trapped in their own silos, endlessly repeating the same actions, and praying that somehow "this time it will work". For far too long, no solution has materialized, and violence remains the only constant.

Unique proposals for distribution of sovereignty are as old as the conflict itself. However, since the founding of the Israeli State in the latter half of the 20th century, novel ideas have faded to obscurity. Only in recent years, due to the stagnation of the two-state peace process and the emergence of a highly problematic de-facto "one-state", has the search for new alternatives re-emerged in civil society and academic circles. The alternative solution discourse has begun to snowball in both relevance and prominence, in response to the spiraling conflict.

This document will begin by outlining the situation on the ground, in which the feasibility of separating into two separate states seems to be reducing with every passing year. We will then review emerging alternative models which reflect the intertwined reality on the ground. We will present a new paradigm of interdependency between Israelis and Palestinians, in contrast to the existing paradigm of separation and deterrence.

Challenge and the Federal Forum

This document is presented by the team of **Challenge: An Organization for Conflict Transformation**. Challenge is an Israeli-registered NGO, founded in 2010 with the goal of building a shared, equal, and mutually-prosperous future for Israel-Palestine, by providing societal groups with the inspiration and capability to address conflicts – from the very local to the wider and systemic – and to constructively transform their relations and structures. Challenge values methods of creativity, innovation, and addressing/reframing assumptions, and prioritizes win-win approaches to conflict resolution.

Challenge has three main directions. First, to promote coexistence by building grassroots initiatives and leading meaningful encounters between different identity groups. Our strongest local coexistence initiative is between the neighboring communities of Tzur Hadassah (Israeli) and Husan (Palestinian). Second, to empower local activists and changemakers with conflict transformation skills through comprehensive workshops and training modules. These include workshops on holding challenging discussions, and on conflict analysis. Third, to establish a model for transforming the Israeli-Palestinian conflict, emphasizing that any solution to the conflict must recognize both sides' attachment to the whole land and right to self-determination as nations. The third direction is the subject of this essay.

Challenge debuted its first conflict transformation model for the Israeli-Palestinian conflict, the *National Mutual Recognition in a Common Homeland*, at a 2014 Harvard University Conference, "The Transformation of Intractable Conflicts: Perspectives and Challenges for Interactive Problem Solving," in a panel alongside highly regarded researchers such as Prof. Jerome Segal, Prof. George E. Assousa, and the late Prof. Herbert C. Kelman.

In 2018, Challenge decided to expand its focus on developing federal solutions, which we believe offers the best chance of delivering inclusive, respectful, and long-term solutions to substantive topics which divide Palestinians and Israelis.

In 2020 Challenge launched the “Federal Forum”, a program that has gathered together Israeli and Palestinian activists, scholars, professionals, and practitioners¹ who have been independently developing their own federal ideas and models.²

The goals of the Federal Forum are to:

- provide collaborative support and generate collaborative synergy among those interested in exploring federal solutions;
- enhance public awareness of federal solutions, their viability, and their potential;
- promote practical steps to transform reality on the ground and improve the life of individuals and groups while advocating for a top-down systemic transformation.

As of April 2024, the Federal Forum has assembled a dozen unique federation, confederation, and hybrid models, each by different authors, and is enabling their joint discussion and development. We are also aware of a few other initiatives, and we are in the process of engaging with them in the hope they will join us in the near future. Despite some differences in our members’ approaches, the more we learn, analyse and deal with the substantive issues of the conflict, the more apparent it becomes that a well-designed federal proposal has significant potential to change reality for the better. Securing proper support will allow us to go deeper and move faster in this process.

Chapter 1 – The Conflict and its Peace Attempts

From the late 19th century until today, the legal-political situation between the Jordan River and the Mediterranean Sea has evolved into one of the most complicated entanglements in history. In a land considered holy by Christians, Jews, and Muslims, a struggle arose between two national liberation movements: that of the Jewish people (Zionism), and that of the Palestinian people.

After the wars in 1948-49 and 1967, the scales of the conflict tipped strongly towards a unilateral Zionist victory, demonstrating the staying power of the Jewish people. However, the First (1987-1993) and Second (2000-2005) Intifadas demonstrated to all involved that the Palestinian nation must also be recognized as a permanent presence in the land. The war between Israel and Hamas since October 2023 clearly shows that without a committed effort towards a comprehensive and sustainable solution, the suffering and violence will only continue to escalate.

Over the years, many peace proposals have emerged, yet none were successful at solving the conflict. They include the Peel Commission's Report of 1936-1937, the UNSCOP commission of 1947, the Oslo Accords of the 1990s, and several 21st century attempts (the 2000 Clinton Parameters, the 2002 Arab League Peace Initiative, the 2007 Annapolis Conference, the 2013-14 Kerry initiative, and President Trump's "Deal of the Century" unveiled in 2020). Superficially, it seemed as though each peace proposal failed due to a variety of specific circumstances. However, viewing them collectively suggests that faulty assumptions and systemic obstacles may actually underlie their repeated failure.

Since the Oslo Accords, the peace process has stagnated and rotted. As a direct consequence of its failure, a war has currently broken out between Hamas and Israel, leaving a horrific death toll of innocents in its wake. The war is a deafening clarion call that future tragedies are avoidable only with vigorous pursuit of a lasting, bilateral, and comprehensive peace solution. Regardless of its momentary twists and turns, the conflict can never result in a clear unilateral winner without violating clear moral red lines.

We suggest that one significant underlying cause in the failure of the many peace processes over the last 150 years, is due to two faulty assumptions: the emphasis on simple territorial division (an issue of “real-estate”) which ignores the deep identification of both nations to the whole land, and the lack of mutual recognition of the national identity and thus the right of national self-determination of the other side.

Each peace process attempt failed to recognize that leadership and ideology in both Jewish and Palestinian national movements have largely pursued unilateral and exclusivist visions of sovereignty over the entire land, driven by strongly held conceptions of national right of self-determination. These visions are rooted in the deep spiritual connections both Jews and Palestinians have to the land in its entirety, and the fact that both identify it as their historical, religious, cultural, and national homeland. Even when Israelis and Palestinians maintain, often in a haze of ambiguity, that they are satisfied with or agreeable to a partition of the land, unilateral visions lurk under the discourse, emerging periodically and violently.

Thus, it is the belief of this paper’s authors (and many other students of the conflict) that Jews and Palestinians can never effectively separate: they are, in fact, interlocked. Any peace process built on partition is doomed to fail.

Chapter 2 – The Withering Status Quo

The two state solution's prospects are worsening each year, not only due to the underlying logic of partition, but also due to various political, social, and economic developments, such as the fragmentation of the Palestinian people,³ significant growth in Israeli settlements and settlers, and others. Furthermore, global trends such as globalisation, technological development, climate change, and pandemics, interweave both societies and necessitate a scale of policymaking and cooperation unthinkable and unfeasible within a two-state solution framework. The emerging interdependence between Jews and Palestinians is a severely underdiscussed, yet quietly snowballing, element of the current reality that is making the scenario of separation into homogeneous societies increasingly unattainable. Despite the continued fiction of a two-state destination, a de-facto one-state reality is already emerging.

Despite the two-state solution's stagnation, the need for a long-term, sustainable solution becomes more and more urgent with each passing day. The status quo existent until the eruption of the current war not only nurtured unilateral convictions and allowed grievances new and old to fester, but also deepened clear asymmetries of power in substantive parameters (such as security and use of force, economy, technology, and natural resources). For Palestinians under occupation, rights are not equally respected, needs are only recognised selectively, and access to services are apportioned according to the identity of the individual in a highly discriminatory manner.⁴

The unilateral visions, substantial grievances, and asymmetry of power and rights fuels a vicious cycle of violent reprisals, and reprisals to reprisals. Palestinians who lash out through violent means generate support in Israel for more drastic security, deterrence, and occupation measures, creating endless grief and violence at the same time reducing both sides' interest in seeking rapprochement.

This tragic cycle of violence generates a widespread yet understandable sense of despair and disempowerment for all concerned. Consequently, many on both sides have disengaged from attempts to deal with the conflict, instead prioritizing internal social, political, and economic growth.⁵ However, as the tragic events of October 7th and since demonstrate, such avoidance is never sustainable, due to the conflict's terrible toll on human suffering, and its unresolved legal, territorial, and diplomatic crises.

As the situation continues to deteriorate and the 2SS continues to wither, a growing number of activists, mostly from civil society organisations and from the academic world, have begun searching for alternative proposals.

Chapter 3 – Emerging Alternatives

While alternative solutions to the Israeli-Palestinian conflict have always existed, extending as far back as the first Zionist and Palestinian thinkers⁶, the sagging status quo of recent years – and the renewed violence since October 2023 – have encouraged a flowering of alternative solutions and a discourse surrounding them, among certain academic, diplomatic, and peace-making circles. Challenge was one of the early pioneers in the re-emergence of alternative solutions.

First, we would like to address one type of alternative solution: a bi-national one-state solution, following the formula of “one man, one vote.” Upon initial inspection, this seems the most simple and moral option, especially for citizens of stable, democratic, and multinational/multicultural states.

We assert, though, that the nature of both Israeli and Palestinian political consciousness would make any unitary democratic state extremely unstable and violence-prone. Additionally, each nation’s unique identities – and commitment towards preserving those identities – rules out any sort of common identity that a unitary state would require to function. Furthermore, both Israeli and Palestinian political consciousness prioritizes national independence – in a fully neutral state, both publics would be deeply unsatisfied, and in the most likely circumstance, the state’s neutrality would collapse quickly as Jews and Palestinians struggle to dominate it demographically, politically, economically, or militarily. This process would only be further aggravated by the deep grievances each side holds towards the other.

Instead, we look to another emerging family of proposals: those that blend the one- and two-state solutions, through means such as confederation or federation. This is still a largely pioneering and trailblazing space in Israeli-Palestinian conflict resolution, though we identify that a new consensus is beginning to emerge in what we call the “Federal Paradigm,” specifically in the acceptance of the following principles:

1. Federalism⁷ is the optimal system of government for a just, sustainable, equitable and democratic resolution to the Israeli-Palestinian conflict.

2. The whole land, between the Jordan river and the Mediterranean Sea, is inhabited by diverse cultural communities, including two main national groups, the Israeli Jewish and Palestinian Arab peoples.
3. A federal solution to the Israeli-Palestinian conflict enables both of the national groups to enjoy self-determination, autonomy, and cooperation, with the benefit of interdependent economies.
4. Both nations hold a deep and unbreakable connection to the whole land. Both see it as their ancestral historical, cultural, religious, and national homeland.
5. Both national groups should be able to implement their right of self-determination within one shared historical, religious, and cultural homeland.
6. Both nations are increasingly interconnected and intertwined economically, in terms of infrastructure and ecosystems.
7. Both nations include diverse ethnic, cultural and religious communities. In a federal framework these diverse communities throughout the land can enrich each other and can benefit from cooperation, while preserving their distinct identities.
8. We are searching for a creative paradigm to design a win-win solution for the benefit of all that finds a balance between our needs for autonomy, cooperation, connection, and shared responsibility for the land.
9. Federalism will recognize and protect minority cultures, providing equal opportunities and security for all.
10. In order to sustain the resulting Federal Framework, we seek to acknowledge both peoples' struggles and build a shared future founded on trust, justice, and reconciliation.

Currently, the only realistic family of interdependent solutions is what we term “the Federal paradigm.” The Federal paradigm includes Confederations and Federations, both of which exist substantially and successfully in many countries around the world, such as Switzerland, Belgium, and the United States.⁸ A constructive, lively, and rigorous debate over solutions is emerging, with these principles as the nucleus and baseline.

The Federal model is crucially needed because it provides a structural framework that permits striking the ideal synergy for respecting the diverse identities and enablement of cooperation and coordination. In other words, Federalism offers the flexibility necessary to reach a practical and sustainable solution that can fulfil the basic needs of all major participants of the conflict.

Chapter 4 – Confederation Solutions

Confederations hold particular appeal to those in the debate who equate the fulfilment of the right of national self-determination with the establishment of nation-states. They propose for two distinct states – one Palestinian and one Jewish – that have some sort of power-sharing or united mechanism for decisions on issues which concern them both.⁹

Supporters of confederation often refer to the success of the European Union in transforming a continent ravaged by centuries of wars (including the hugely destructive World Wars of the first half of the 20th century) into a relatively peaceful and prosperous über-state. In addition to its preservation of national self-determination in the classical understanding, the confederation has another advantage: it has a clear common basis with the two-state solution. Advocates of this arrangement argue that it provides most of the advantages of the “Geneva/Oslo” model, while also providing some good solutions to the shortcomings of that model. It is not surprising that many confederation proponents come from the Israeli and Palestinian peace camps.

One particularly compelling point is that it provides a path to accommodate the needs of groups largely ignored so far, which brought them to adopt negative attitudes towards peace proposals, such as Palestinian refugees and Israeli settlers. By decoupling the concept of citizenship with that of residency, a confederation model would allow Israeli settlers to stay in their homes under Palestinian rule while maintaining their Israeli citizenship and allow Palestinian refugees to be granted Palestinian citizenship and then permitted to set up home inside Israel, close to where their ancestral villages once stood.

However, the confederation model has some potential weaknesses. Confederations throughout history have often proven to be fragile (e.g. the “Brexit” decision of the UK to leave the European Union, and the short-lived United Arab Republic, and Serbia-Montenegro).

Critics of a confederate solution argue that this model keeps in place most of the shortcomings of the two-state solution which alienate certain sectors of both societies. For example, Israeli settlers in the West Bank may fear for their safety when the Israeli army is no longer there.

A confederation of two sovereign states, as opposed to one unitary common state or two completely independent and detached ones, also maintains a competitive dynamic which might lead to it falling prey to the same Achilles' heel that has plagued the previously reviewed models. Having "rival" two-states while requiring joint decision-making might actually exacerbate the mutual mistrust and grievance that degenerates nation-to-nation cooperation into a political or military struggle.

Chapter 5 – Federation Solutions

The second type of emerging interdependent solution is “Federation” – systems of small, semi-autonomous districts (states/provinces/cantons) united by an overarching federal government. The federal solution is by no means new – at the diplomatic level it was considered as far back as 1947 in a minority proposal of the UNSCOP report which suggested the adoption of a federal system as a means to avoid territorial partition.

Federal solutions have been successfully used in the past in a variety of multicultural geopolitical scenarios. Switzerland and Belgium are highly successful (though not perfect) models of a federalist solution applied to multicultural, multi-lingual areas. Federalism allows countries such as Canada and India to manage internal identity, culture, and language tensions. While the United States is the most well-known federalist state, it is a less relevant case-study for Israel-Palestine because the original 13 colonies were very similar in national and cultural identity.

In the Palestinian-Israeli context, Federalism offers the flexibility to engineer a tailor-made, unique model for the region’s particular challenges. Such a solution would account for security, respect for identities and holy/cultural sites, reduction of economic and political inequalities, migration policies, and other key issues. It would also need to provide a grassroots effort to reduce fear, mistrust, and resentment.

Furthermore, Federalism is the best model thus far to simultaneously provide for both people’s pursuit of national character and attachment to the “whole, undivided land,” since it permits the establishment of small, semi-autonomous districts (states) that can have distinct national or cultural characteristics, demarcated based on population clusters. This replaces the zero-sum dynamics which have prevailed in mainstream solutions and opens up new possibilities through negotiation of levels of devolution between federal and regional governments, providing more robust self-determination to a wider variety of groups.

Moreover, adding a regional level of government provides an additional level for expression of national identities and their internal sub-groups: one can imagine a secular-Zionist province of Tel Aviv, Haredi or Hasidic enclaves, and Bedouin, Druze, or Christian polities. However, the overarching federal state would provide the land and its citizens with geographic continuity, cooperation, freedom of movement, and democratic representation in an entity that can arbitrate authoritatively between the states and decide on universal laws.

Another advantage of Federalism is its incentivization of each sub-state or region to improve the socio-economic status of its residents by establishing its own unique character and added value. Many initiatives in this mold already exist. Some are within Israel proper, such as the industrial park Eidan HaNegev, a shared enterprise of the B'nei Shimon Regional Council and the Bedouin city of Rahat. Others are examples of what today is considered "cross-border" activism, such as the evolving relations between the Israeli town of Tzur Hadassah and the neighbouring Palestinian villages of Wadi Fouqin and Husan, and the industrial park connecting the Palestinian city of Jenin with the Israeli Gilboa Regional Council.

It is important to note also, that in 2020, the Israeli Ministry of Interior recognised the need to decentralise the state (for reasons unrelated to the Israeli-Palestinian conflict) and published a report by a special committee led by the then General Manager of the Ministry. The report began with a detailed explanation of the structural problems within Israel and concluded by recommending regionalizing the state.

Conclusion – Advancing a Federal Solution

The Federal Forum explores solutions of Federation and Confederation or on a spectrum between the two. At the moment, we are conducting research on the theory, practice, and benefits of all models within this spectrum, learning from overseas experiences and the needs on the ground.

We understand that checks and balances, no matter how carefully designed, might not prevent the dilution of national identity and self-determination of either nation through the use of demographic threats or other existing asymmetries of power as pressure levers, to change the accorded rules and impose policies to erase the national identity of the minority group.

Through the work of the “Federal Forum,” we are addressing these issues and designing constructive mechanisms to overcome them, and better tailor Federal solutions for the particularities of Israel-Palestine. By learning from external sources, as well as by critically assessing the shortcomings and obstacles of the previous attempts to deal with this conflict, we are designing structural settings and practical steps to adapt Federalism to Israeli-Palestinian dynamics and needs.

Another critical task is discovering effective means to arrive at a Federal solution. Challenge views one of the core obstacles to be existing fear, trauma, and mistrust between the sides, and so besides the work with the “Federal Forum”, we focus much of our efforts on building a common platform of understanding and relating to each other with empathy so we can successfully live together in the future.

The deeper we go into developing a comprehensive model for solving the Israeli-Palestinian conflict, the clearer it becomes that the Federal Paradigm provides the strongest formula for reaching a positive breakthrough. It offers the best mixture between solid long-term features with flexible capabilities to adapt, according to the evolution on the ground. In summary, it combines the best features of the one-state and two-state models.

Endnotes

ⁱ The term “practitioners” is used in conflict transformation literature to refer to persons who combine professional expertise and knowledge (often scholarly) with on-ground activism, e.g. an academic who facilitates a complex negotiation between quarrelling parties.

ⁱⁱ Among them the: “Federation Movement”, “Abrahamic Movement”, “Federation of Israel-Palestine”, “Eretz-Ard”, “Youth Education Development Forum Association”, and others. For more information: www.challenge.org.il/federalforum/

ⁱⁱⁱ Due to the conflict, the Palestinian people have been fragmented between various communities, each slowly evolving its own sub-culture and political sensibilities. The communities include Hamas’ Gaza, the PA’s West Bank, Palestinian Citizens of Israel (“Palestinians 48”), East Jerusalem, refugee regions, and a growing worldwide diaspora.

^{iv} More and more voices are describing this situation as an “apartheid-like” reality. While this description emphasises the creeping danger of the status quo, we believe it contributes little to peace-making. A successful discourse must engage both sides’ wider publics in a comprehensive formula based on mutual respect and recognition, democracy, and equal rights.

^v For most Israelis, adopting an individualist approach focused on developing their professional careers and maintaining a first-world standard of living is an easy option. Meanwhile for Palestinians, the lack of a negotiated horizon to address their needs for national identity and self-determination prompts them to first secure their basic subsistence. Thus, turning away from the efforts to improve the macro level entrenches further the status quo and the cycle of violence.

Among those who refuse to disengage from the conflict, many keep repeating their behaviour in an almost dogmatic belief that “this time it will work”. Such a futile attitude is shared by both those who desire a clear and unilateral victory of their nation over the other’s, even if such an outcome would require violence or ethnic cleansing, and by those who still dream of a two-state solution as a compromise demanding painful decisions to deliver the hope of a mutual “end of claims”.

^{vi} For federal proposals by early Zionist thinkers (including Ben Gurion, Jabotinsky and many others) in the 1920s and 1930s, see Yosef Gorny’s *From Binational Society to Jewish State: Federal Concepts in Zionist Political Thought, 1920-1990, and the Jewish People*. One of the earliest Palestinian thinkers along these lines was Ahmed Saleh Al-Khalidi, who in July 1934 proposed the cantonization of Palestine, see <https://ecf.org.il/issues/issue/1391>.

^{vii} **Federalism** is a system of government that combines a central or “federal” government, with other autonomous governments in a single political system, dividing the powers between the two. We are including the whole spectrum between federation and confederation. Federations include countries such as the USA, Switzerland, and Belgium, and today the only confederation is the European Union.

^{viii} Note that the “Federal Paradigm” refers to both Confederations and Federations. In this essay, we will refer to the wider paradigm as “Federal,” and to the Federation model as “Federation” or “Federative.”

^{ix} Such a system has been proposed for Israel/Palestine before – UN General Assembly Resolution 181, approved on November 29th, 1947, called for exactly such an arrangement.

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