

In concert, the aforementioned geographic, demographic and historical issues represent substantial obstacles to Israeli-Palestinian reconciliation. Because of the complexity inherent in these issues, it is difficult to envision a durable peace emerging under present circumstances, even if a treaty were signed tomorrow. Instead of adopting a zero-sum paradigm toward reconciliation, both Israelis and Palestinians should accept certain assumptions in the near term, and work over a longer period of time to ensure that two viable and legitimate states are able to emerge.

In addition to the essential commitment to a two-state-solution, both Israelis and Palestinians must agree in principle to the division of the land more-or-less along the 1949 Armistice (Green) Line. This agreement implies an end to Israeli settlement in the vast majority of the West Bank and a division of Jerusalem. In addition, Israel must immediately accept the existence of a link between the West Bank and Gaza while a more permanent solution is arranged. Palestinians must agree to the existence of some sort of physical barrier between Israel and emerging Palestine – with an adequate compensation structure in place for confiscated and/or damaged property – during the implementation phase of the agreement. Although Palestinians must accept that most refugees will return to Palestine, Israel must accept responsibility for its role in helping create the Palestinian refugee crisis. And both sides must agree to resource sharing and conservation.

Using these assumptions to fashion a workable reality on the ground will be time consuming and arduous. Perhaps the most challenging aspect of this undertaking comes when addressing settlements and the status of Jerusalem. To begin, Palestinians should be given control over key West Bank roads that connect its major population centers. This

would facilitate freedom of movement and provide an immediate boost in the quality of life. Next, the broad system of incentives encouraging settlement living should be targeted and abolished. In order for a two-state-solution to be viable, Israel must begin a process of dissociating from the settlement mentality. Canceling these incentives would be an important first step in this effort.

After abolishing these incentives, Israel should establish an equally broad system of incentives to induce the so-called economic settlers to leave. Unlike the 2005 disengagement from Gaza, however, this should begin as a voluntary process over a five-year period. During this time, settlers will be given above-market value compensation for their property in the West Bank in exchange for a move back to Israel-proper. The incentives for these moves should decline as time passes as to encourage early migration. A combination of funds from Israeli and foreign sources should subsidize this enterprise.

The primary target in this voluntary evacuation should be the city settlements in which a majority of these economic settlers dwell. City settlements – especially those in the Jerusalem envelope such as Ma’ale Adumim and Pisgat Ze’ev – represent significant threats to the territorial contiguity of a future Palestinian state. After a five-year period of incentives inducing migration, the population of these settlements should shrink to the point where only a small number of settlers remain. At that point, a forcible evacuation would likely be easier to undertake and more palatable to Israeli society. The final evacuation of the city settlements would combine with a broader evacuation of outlying settlements as the final step in the process of establishing a Palestinian state.

Some settlements close to the Green Line, such as Upper Modi’in and Gush Etzion, will likely remain under Israeli sovereignty even after the voluntary evacuation

and compulsory disengagement. Retaining such areas, which should be a matter for Israeli-Palestinian negotiation, should result in a land swap of one dunam per two dunams of land in the Palestinians' favor. This land would likely come from the Galilee or Negev regions.

Under a future agreement, Jerusalem should be divided more-or-less along the 1949 Armistice Line. The Old City and its holy sites would fall under the supervision of an international third-party. The division of Jerusalem, similar to evacuation of settlements in the West Bank, would be a gradual process beginning with Palestinian autonomy in East Jerusalem and concluding with physical sovereignty. This would provide time for the evacuation of troublesome settlements within the Jerusalem municipality through the previously enumerated incentive system. Such a gradual process would also help create a clearer demographic separation between Israelis and Palestinians in the area that will aid in its physical separation.

Once sovereignty in Jerusalem is officially partitioned and an official border established, the same international third party charged with custody over the Old City would supervise the crossings between the eastern and western parts of the city. As time passes, and Israel and Palestine develop warmer bilateral ties, control over these border crossings should pass to a joint Israeli-Palestinian force.

As part of a final agreement, an acceptable solution must also be found to the Palestinian refugee question. Although under such an arrangement Israel would not be expected to absorb the entire Palestinian refugee population, it must accept responsibility for the Jewish state's part in its creation. Such recognition would likely come as part of the final step of the implementation of a peace agreement. This acknowledgement would

serve as an important indicator of Israel's acceptance of a critical aspect of the Palestinian national narrative. Implicit in this recognition would be Israeli agreement to resettle a token number of refugees in Israel-proper. The precise number of those allowed to return would remain an issue for bilateral negotiations. Instead of returning to Israel, most refugees would be granted unconditional return to a future Palestinian state, be permanently settled in their current host country or be granted permission to immigrate to countries in North America and Europe.

Another integral piece in justly solving the refugee issue involves Israel's paying monetary reparations to refugees. An international committee should be established to investigate claims of individual refugees and arbitrate a fair sum of money to be awarded to each of them. While Israel would be expected to shoulder a significant portion of the reparations, the international donor community should also provide funds to ease the overall financial burden on Israel.

To ensure the economic viability of a future Palestinian state, a physical connection between the West Bank and Gaza must exist under direct Palestinian sovereignty. At the beginning of the interim period, Israel should provide safe routes for a convoy system capable of ferrying goods between the two territories. This convoy system should evolve into a sunken or raised highway allowing for the free movement of both goods and people when a Palestinian state is established.

The existence of Israel's barrier in the West Bank also presents a number of issues during the interim period. Although it would be incumbent upon Israel to remove or reroute the barrier when final borders are established, Palestinians must accept the existence of the barrier during the interim period. This acceptance, however, will come

with a quantifiable system of compensation for those Palestinians whose property has been damaged, destroyed or expropriated by the barrier. This formula would include compensation for renewable sources of income, such as olive trees and family stores, as well as for land and other property. In all cases, this compensation would be commensurate with the fair market value of one's assets.

A comprehensive final agreement between Israelis and Palestinians requires the establishment of adequate mechanisms for resource sharing and conservation. To ensure enough water and other natural resources exist for both populations, Israel and Palestine must seek out the cooperation of its neighbors with resources to spare. This includes further cooperation with states such as Turkey who already serve as an important source for water within Israel to increase the availability of supply. The international community should also invest in the production of new desalination plants to create a sustainable new base for water resources. Israel and Palestine should also consider implementing cooperative initiatives such as encouraging the collection of rooftop rainwater for personal consumption and treated sewage for irrigation purposes.