

A TWO-STATE SOLUTION REQUIRES PALESTINIAN POLITICS

EXECUTIVE SUMMARY

THE PAPER IN A NUTSHELL

- Successful Israeli–Palestinian negotiations will require a Palestinian leadership that enjoys adequate support in the West Bank and Gaza. Building the institutions of a Palestinian state is also crucial and long overdue. Both goals require the restoration of Palestinian internal politics, frozen since the 2007 rift between Hamas and Fatah. United States policy has for too long thwarted—at times inadvertently, at times deliberately—such internal politics in the belief that a peace agreement with Israel is just around the corner. It is time for the United States to take a new approach that accepts Palestinian politics and encourages the growth of institutions—particularly a legislature—that can become the basis of a viable state.

VITAL STATISTICS

- More than fifteen years after the Oslo Accords, which laid out a path toward an eventual two-state solution to the Israeli–Palestinian conflict, a peace settlement has still yet to be achieved.
- Under the leadership of Yasser Arafat, which lasted until his death in November 2004, power was centralized primarily in the executive branch, stalling the emergence of genuine Palestinian democratic institutions.
- Palestinians last held parliamentary elections in January 2006, a contest in which Hamas won a majority of seats. Since that time, the Palestinian Authority (PA) has been paralyzed by a bitter split between Hamas, which controls the Gaza Strip, and Fatah, which controls the West Bank.
- While there have been improvements in Palestinian security performance and financial accountability, key PA institutions—especially the Palestinian Legislative Council—have collapsed. Electoral legitimacy has drained away from President Mahmoud Abbas and his appointed cabinet.

RECOMMENDATIONS FOR U.S. POLICY MAKERS

- **Pursue a durable state-building plan as well as Israeli–Palestinian negotiations:** The United States historically has focused on securing a negotiated Israeli–Palestinian deal at the expense of promoting the emergence of functioning and representative Palestinian institutions. The United States should continue to pursue negotiations, but at the same time take the long view by encouraging the building of Palestinian state institutions in a serious way.
- **Support the resumption of Palestinian politics:** The United States has tried for too long to control and constrain Palestinian politics and leadership choices. Decision making and institution building can succeed only if Palestinian democratic political life resumes. The United States should therefore explicitly support the holding of legislative and presidential elections with the participation of all Palestinian parties.
- **Signal openness to Palestinian reconciliation:** The Fatah/Hamas rift is deeply painful for Palestinians and has distorted and paralyzed political life. While the United States should not engage Hamas directly until it clearly renounces terrorism, it is time to remove the impediments to reconciliation and the excuses for avoiding it by signaling that the international community will accept a deal that allows Palestinians to move forward. The United States should indicate its openness to a Palestinian *modus vivendi*—even if it does not meet the specific Quartet principles—as long as a Palestinian unity government would be willing to negotiate with Israel and maintain security cooperation.

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