

**Harvard Conference Speaker Notes for  
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for International Affairs**

*The Transformation of Intractable Conflicts II  
– Workshop on Challenges and Perspectives  
for Interactive Problem Solving and Conflict  
Resolution*

*Session 1 – New Approaches to the Two-State  
Solution to the Israeli-Palestinian Conflict:  
Differences, Similarities, and the Challenge of  
Implementation*

*Recognizing the New Two-State Paradigm for  
Israel & Palestine*

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*Ambassador Petritsch, Professor Kelman, Director Graf, distinguished guests and friends, it is a great pleasure to be back here with you at Harvard following last year's successful event. Thank you Augustin and Wilfried for your hard organizational work without which none of this would be possible.*

*On March 27, 2014 I presented to you the Dual Democracies formula for a two-state solution, the result of Track Two discussions at a high level, on the ground – where it matters most – and in Europe – particularly Vienna – and the U.S – particularly Washington D.C. As many of you may recall, the model foresees two independent states, Israel and Palestine, with Arab and Jewish minorities respectively, as well as a means of achieving this through a system of dynamic and maximized trade-off within a framework for final status negotiations.*

*Though having conceived the model in October 2006, and first discussed it on the ground in Jerusalem in 2008, as I will explain today, the seed of the ideas dates back to my work in the 70s. I hope that, if you have not done so already, you take the time to read and consider the condensed 800-word article on the proposal, which is on the Kelman Institute website, as well as last year's full speech, which, I understand, will be put on the site as well.*

*This time, rather than present the proposal as such, I will explain how it came to be, and argue that, due to recent developments, we are in fact already in, or on the cusp of a new paradigm – the paradigm I spoke about last year. The title for my speech this year is therefore “Recognizing the New Two-State Paradigm for Israel & Palestine”.*

I come to this issue as a Palestinian Jerusalemite with a lifetime's understanding of the conflict and concerted efforts to bring about reconciliation and a just and viable resolution for our peoples spanning 40 years. And I have come to the conclusion that there is only one way out of the trap that we are in: the viable and co-operative path. Since the 1970s, I have tried to define what this path entails.

My first contact with the English language as a boy growing up in Jerusalem during the British Mandate was an A, B, C song which I sang to my grandmother at the end of my first day in school in Baqaa. Little could I know then what A, B, C would come to mean for us Palestinians. Several years later, I can also still remember witnessing the clean-up operation after the King David Hotel bombing in 1946. Two years after that, when I was 12, I became a refugee, when the deterioration of the security situation forced my family out of our home in our Greek Orthodox neighborhood in west Jerusalem.

I come from a politically active generation – among them Edward Said, Hisham Sharabi, and Ibrahim Abu Lughod. My first attempt to spell out my vision of a new A, B, C for the relationship between our two peoples was with a Jewish Israeli colleague in a 1974 Stanley Foundation Occasional Paper titled “*Peace in the Near East: The Palestinian Imperative*”.

Though this may sound strange and counter-intuitive – especially to a younger generation – those were days when the Palestinians were off the agenda, relegated as we were to being a refugee problem. In the paper, we lamented “*the absence of a vehicle allowing Palestinians and Israelis to coexist psychologically through mutual acceptance and respect*”. It was into such a *strategy* that we were convinced our people’s and the international community’s energies should be principally focused. I have remained persuaded of this ever since, including when considering prevailing tactical moves that we hear of today: differentiation, the BDS movement, and the diplomatic *intifada*. The need for a *strategic* vehicle of the kind described is the guiding force of the *Dual Democracies* model I have promoted for almost a decade now. And it is encouraging to see that it has also been reflected in Deputy Speaker of the Knesset Hilik Bar’s recent peace proposal, which you heard about yesterday, and which I will comment on briefly today.

In the booklet – which was actually penned in 1973 – we posited the need for a Palestinian imperative, this in the form of a *Palestinian state*. Let us stop for a moment and consider the paradox of the *youth* – indeed, adolescence – of the evolution of peacemaking concepts in the context of the established discourse. We have actually had to wait until March 1999, November 2001, and March 2002 for the EU, U.S., and UN Security Council, respectively, to first officially endorse a Palestinian state. Now, as concerns the bilateral process in the 90s and the concept of a Palestinian state, Professor Kelman has noted correctly that the major structural limitation of the Oslo Accords was their lack of an explicit commitment to a two-state solution as the endpoint of negotiations. I will go further by saying that by fragmenting the Palestinian territories into A, B, and C, the Oslo Process undermined the principle of sovereignty, and began to dissolve the idea of the Palestinian state.

In 1974, we were already looking at the two-state solution *beyond* the confines that it has become shackled by in recent years and thinking. With what we described at the time as a “*general working principle*”, we touched upon the cornerstone of the *Dual Democracies* model of October 2006.

We stated back in the Stanley Foundation paper that it was crucial that the immediate future will lead to “*creative solutions*” to the impasse, and that one general working principle that may help the development of better understanding would be to permit Israelis to live in Jewish settlements in the West Bank, as well as to admit Arabs to live in Israel, provided the numbers will not challenge the basic identity of the Jewish state of Israel and the Palestinian identity of the new state. We believed that in this – what we then described as a “*crude*” formula – there may be a key to reconciling Jewish religious feelings about places like Hebron, certain of the Israeli security considerations involved in the Allon Plan, as well as the basic rights of Palestinian refugees in Palestine.

What was *crude* in the mid-70s, however, is, thanks to discussion and hard work with key figures and colleagues over the past nine years, now a *highly refined model*.

Now that we are starting to see aspects entering into the public debate, it has also become a *parent paradigm*. In turn, it is principally thanks to Hilik Bar's bold and – as time will hopefully tell – historic speech in the Knesset one and a half months ago, and the efforts that led up to it, which include a November 2013 speech in the European Parliament in which he actually developed the core ideas further, that we stand a chance for a healthier debate on the two-state solution.

As I explained in outline form at last year's conference, this new variable in peacemaking is the core idea behind a viable peace settlement, as it is an enabling mechanism which can create value for both peoples across the two states, if engaged with and adopted by *both* sides – and I emphasize *both* sides. As I stressed then, to treat a settler option to remain solely as a technical means of reaching a final status agreement is a fatal misunderstanding of the purpose and potential of the paradigm. Allowing Jews to remain as a fully-integrated minority in a Palestinian state under Palestinian sovereignty impacts the way you negotiate on borders; it changes the way you deal with Jerusalem; it is a game-changer on the refugee issue. As touched upon last time, it can have a transformative impact on reconciliation and economics. But, as it is a co-operative paradigm, it goes a lot further still, providing unique answers, for instance, on security, on how to integrate Israel's Arab minority, and on how to resolve Israel's raging constitutional debate on its Jewish and democratic character. We can discuss this further in Q&A.

Having touched upon the model's co-operative nature, I will say a few words on its viability. This is particularly appropriate today as one of the key themes of this session is the challenge of implementation. The *Dual Democracies* proposal is not an academic model. And one of the things that truly sets it apart is indeed its implementability.

So this implementability comes in the form of a model framework for final status negotiations which has been made available to the parties and the broker since early 2013. It is – and has been since the beginning – ready to be bolted onto Secretary Kerry's efforts. The dynamic system of maximized trade-off within a negotiations framework, which I felt was necessary to develop – in which the parties trade off between and even *within* all of the issues – depends on the introduction into negotiations of the new settler option to remain variable. This is subject, however, to reciprocity implications, i.e. an equitable system of give and take, that the model makes explicit, and which the sponsors, principally the U.S. and the EU will have a pivotal role in supervizing. I repeat and emphasize that a settler option to remain depends upon the system of reciprocity that a settler option to remain implies in order to be implementable. I have described the option to remain as being the “substantive” contribution of the proposal, and the system of reciprocity as the model's “procedural” component and contribution. The settler option to remain, as the key substantive component, cannot work in isolation. The contribution of the *Dual Democracies* model is therefore two-in-one. The substantive settler option to

remain component is the *catalyst* for the procedural equitable system of give and take which can transport the parties to a final status agreement. Crucially, the Palestinians would not accept the settler option to remain without the reciprocity, in a negotiations framework, which recognizes this great concession.

What we are beginning to see emerge is therefore the first half of the paradigm. So, for instance, given the flexibility afforded by the paradigm, this can be immediately grasped by the fact that the *Dual Democracies* framework truly starts from 67 lines and therefore implies a review of how the settlement blocs are to be defined.

The procedural component of the paradigm would create an unprecedented opportunity for give and take, meaning greater likelihood of breaking through deadlock and reaching agreement. Pursuant to the model, the endgame issues are all brought to the fore. They are not dealt with one-by-one, *individually*, as they have been hitherto. Instead, bearing in mind that the need for compromise and the difficulty of negotiations means that the issues of the conflict are in reality inseparable, they must be treated *collectively*, and so, pursuant to the *Dual Democracies* model, they would be considered and traded off concurrently. The agreed upon framework would be a strong blueprint of the final status agreement in order to ensure a sense of direction in final status negotiations. In the past, individual treatment – issue-by-issue and incrementalist – instead of bringing about trust, only served to entrench positions.

I am glad to say that there has been not inconsiderable uptake of *Dual Democracies* ideas since my renewed efforts began nine years ago, with a growing list of over 50 references of progressive – though still, to use the 1974 term, “crude” – positions taken on *Dual Democracies* ideas.

I revisited my 20<sup>th</sup> century ideas on, to be precise, October 6, 2006 when it became apparent to me that the old peacemaking paradigms had run out of steam. Drawing on my track record of confidence and access on both sides of the conflict, as well as in the U.S. and Europe, since the 70s, as articulated in various initiatives, I began to test the ideas. Following Palestinian and European indication at a high level already in 2010 that they would be prepared to pursue the ideas if they could expect a similar response from the Israelis, I have since focused my efforts on gaining support from the Israelis. While Prime Minister Netanyahu was at the time no doubt aware of the complexity of dealing with the settler presence within the two-state solution – as we know from his statements in the U.S. Congress in 2011, and then later at the end of January 2014 – he has never, not until now at any rate, done this in a form which could be considered by the Palestinians. Based on Bibi Netanyahu’s prior positions, is this something that could change within a Netanyahu-Herzog unity government?

With this in mind, and in the backdrop this steady stream of references over recent years to the idea of a Jewish minority staying under Palestinian sovereignty, I feel we have now reached a turning point with the *Dual Democracies* ideas. This, thanks to Hilik Bar’s July 27, 2015 presentation in the Knesset on his plan for peace, which he gave in

his capacity as Knesset Chair of the Caucus for Resolving the Arab-Israeli Conflict. The proposal enjoyed strong backing from leader of the opposition Buji Herzog and from Tzipi Livni. Herzog's reaction was that "*we must be on the side of those who take historic action, just as my friend Hilik Bar is doing this morning*", a statement echoed by Livni. Bar has taken the bold step which others failed to make.

Bar's proposal shows unprecedented level of Israeli willingness to engage in a genuine negotiating process. While in its current – opening – form, I believe it does not respond to all of the Palestinians' needs, as the first half of the new paradigm, it does, however, open the possibility for critical engagement and reaching a mutually desirable outcome.

Faced with these developments and the changing physical, demographic, and political realities, we should recognize that the debate on the Israeli-Palestinian conflict has shifted, or is on the cusp of shifting.

The discourse is moving away from an old paradigm, embodied by the Geneva Initiative and focused on strict separation, blocs, annexation, and evacuation. And it is moving toward a new paradigm, this time responsive to the realities on the ground, and which is centered around co-operation, reconciliation, and win-win opportunities anchored in, but reaching well beyond, economics, and security. We, gathered here today at this conference, should throw our weight behind the new paradigm by finding ways to contribute to the debate and by helping to build consensus within it.

The *Dual Democracies* paradigm is intended to be implementable and co-operative, but also just and sustainable. It is actually not sufficient that we make peace. We want Palestine to also become a start-up nation, an opportunity which it has been denied since the cataclysmic war of 1948.

In his presentation, Hilik Bar spoke insightfully of the need to address both the tangible and intangible issues of the conflict – intangible meaning the psychological, identity, and recognition aspects of the conflict. This is what we meant in the 70s when we called for a vehicle for psychological coexistence through mutual acceptance and respect. The tangible-intangible dichotomy Bar presents is the best way of understanding the core idea underpinning a viable two-state solution. As explained earlier, as well as in last year's speech, the settler option to remain lies at the interface between the substantive and procedural aspects of the paradigm – this is why and how the settler issue can become a catalyst for a new and dynamic process of give and take. Meanwhile, a settler option to remain lies at the interface between the tangible and the intangible as well; not only does it offer a technical bridging point where there was no hope for one before, but it also serves as a vehicle for acceptance across the two-state solution, something which was also absent under the old two-state paradigm. As I argued last year, the treatment of minorities is the linchpin of the two-state solution. Echoing the importance of the Schuman Declaration for post-war Europe, whose principal vehicle for co-operation was the pooling of coal and steel resources between France and Germany, the treatment of

minorities, and, specifically, the settler option to remain, in the context of the system of reciprocity this great concession would imply, is the means by which the Israeli-Palestinian conflict can become “*not merely unthinkable, but materially impossible*”.

The *Dual Democracies* model has truly solid Palestinian foundations, as attested by progressive Palestinian positions on minority rights dating back to the 1988 Declaration of Independence, as backed up by statements by notably, Faisal Al-Husseini, Hanan Ashrawi, Abu Alaa, Salam Fayyad, Leila Shahid, and President Abbas. Leading Palestinian American journalist Daoud Kuttab’s call last year for the Palestinians to build a national consensus on the subject of a Jewish minority in a Palestinian state is more relevant than ever in light of the recent developments toward a *Dual Democracies*-based two-state solution.

As has been the case with the role of a settler option to remain, too little has been said about the role of Europe in Israeli-Palestinian peacemaking. It is therefore worth dwelling for a few moments on the fact that there is much to be gained from orientating conflict-resolution efforts more toward Europe. The pivotal role Europe can and must play has indeed informed my efforts since 2006, particularly in my earlier years’ work based principally out of Vienna.

Europe has great proximity to the conflict, not just in the geographical sense, but also, lest we forget, in terms of its historic responsibility toward its peoples. Also, as a community of values created from the ashes of the Second World War, Europe’s transformative experiences offer a lot to aspiring Israelis and Palestinians. We are very familiar with the emphasis the EU places upon democracy and democratization at home and abroad, but, as part of these values, we might be less aware of its support for minority rights and participation.

The 2008 Bolzano/Bozen Recommendations on National Minorities in Inter-State Relations state the following: “*Almost all States have minorities of some kind, with many belonging to communities which transcend State frontiers. These communities often serve as a bridge between States, contributing to prosperity and friendly relations, and fostering a climate of dialogue and tolerance... For this reason, persons belonging to national minorities should be able to establish and maintain free and peaceful contacts across State borders and to develop cultural and economic links...*” This European understanding is the essence of the two-state paradigm I have been, and am, proposing for Israel and Palestine.

In the history of the conflict, Europe’s political presence and absence has been clearly felt.

In recent years, the EU’s *political* role in the conflict has been constrained. Criticized for being a “*payer but not a player*”, the EU has, of late, become more engaged, though, this has been principally on the economic, rather than the political, plane. In my work, I have tried to show that the mantra that we know what peace looks like, and that what is missing is the courageous political leadership to make peace, is

short of the mark. And there is a great deal of *political* contribution that the EU is best positioned to make in order to rethink the two-state solution. Indeed, in August 2011, an Israeli official insightfully explained to the International Crisis Group that “*Europe is vital because Europe is the key to international legitimacy. The U.S. is the key to the effective exercise of power, but the U.S. cannot confer legitimacy. The Europeans alone can do that.*”

Historically, Europe has, in fact, arguably, played the *most* significant political contribution in the international community to the realization of the two-state solution! I will paraphrase from the work of Anders Persson, who best traces this contribution and evolution in his book “The EU and the Israeli-Palestinian Conflict, 1971-2013”. During the 70s, the then EC radically shifted its position, ultimately laying the foundations for what was to become largely accepted as legitimate policy on the conflict. While, in May 1971, the EC declared the need for a just peace on the basis of UN Security Council Resolution 242 *without* mentioning the Palestinians, by November 1973 this had changed, and the EC recognized the Palestinians as a party to the conflict for the first time, as well as the Palestinians’ legitimate rights. In June 1977, the EC called for a homeland for the Palestinian people, and in the June 1980 Venice Declaration, the EC states called for the PLO to be part of any negotiations for a settlement, and declared that the traditional ties and common interests linking Europe to the Middle East obliges them to work in a more concrete way toward peace. Though Europe ultimately never lived up to the political expectations it set itself at the beginning of the 80s, it is clear that the positions it has taken have had an enormous normative impact on Israeli-Palestinian peacemaking. Thanks to Europe’s legitimization of the Palestinians and of the PLO, the Venice Declaration was the forerunner to the 1993 Declaration of Principles. And later, in March 1999 with the Berlin Declaration, the EU again played the role of bellwether, this time for the two-state solution itself, when it first officially endorsed a Palestinian state.

Israel, considering itself to be a liberal democracy, is naturally sensitive to what the largest bloc of liberal democracies in the world has to say about it, while the same can be said for the Palestinians who aspire to have a democratic state of their own. But Europe has shown itself to have more than just normative power. As Israel’s largest trading partner, and because its funding keeps the PA alive, the EU also wields significant economic power. And indeed, in light of recent steps taken differentiating the settlements from Israel proper, the EU has started to flex its economic muscles.

In the sense that Europe has started to grapple with the settler issue, which lies at the heart of the conflict and its resolution, Europe has made a step in the right direction here. However, the EU should be engaging with this issue on the *political* plane, by calling for the settler issue to be brought into the framework for negotiations.

Like it did in the June 1980 Venice Declaration, Europe should take the lead again, this time by calling for talks within a comprehensive framework for final status

negotiations based upon the *dual minorities, dual democracies* formula, which is consistent with its own values, and which has started to take root on the ground.

I would like to conclude by returning to the key tenet of my 1974 paper, the need for Palestinian statehood, but I want to also emphasize the need for statehood more generally. Though I see the condominiumist and common homeland approaches as moves in the right direction, I am concerned by their lack of implementability. Israel will not countenance any loss of sovereignty, and the Palestinians will need to guard their independence jealously if the new state is to have a chance of standing on its own two feet. I prefer the more nuanced term of *irredenta* to describe the land beyond one state's frontier to which that state has emotional or cultural attachment. Much like Vilnius in Lithuania is Poland's irredenta, and not Poland's homeland, the fully independent states of Israel and Palestine will each, respectively, have irredenta in the other's state. The *Dual Democracies* model changes the way we think about the irredenta, relinquishing claims of sovereignty in favor of rights of access to the other's state. The parties will be able to express their attachment to their irredenta in the other's state principally through the medium of the mutual minorities – Arab in Israel, Jewish in Palestine. The minorities will, together, act as vehicle for acceptance, and be a force for civic cohesion in the two states. The *Dual Democracies* formula for Israeli-Palestinian peace, though innovative and unique to the particular problems presented on the ground, is not alien to post-conflict societies today. Just recently, we have seen strong parallels with Serbian-Kosovan and Indian-Bangladeshi agreements.

Further – and lastly – on the question of how to manage the mutual sense of attachment and to harness inter-state and inter-people relations, I recall my discussion with Chairman Arafat in the early 80s in Beirut. I asked him if there shouldn't be an Israeli-Palestinian-Jordanian confederation. He agreed that there should, but with one *caveat*. He said that first, we must achieve a Palestinian state, and then we can think about confederative models – the two should not happen simultaneously. Abu Ammar was right. Achieving Palestinian statehood will be a very tall order and we must not distract ourselves for one moment from the most viable path of achieving it, or else we Palestinians will be left with autonomy or worse – not to mention, as we are continuously reminded, perpetual conflict – and the Israelis' existential dilemma will become starker by the day. Remembering the ultimate Jewish calling, the greatest way that the Israelis can be a Light unto the Nations will be to commit themselves to be our partners in building this viable, democratic, and independent Palestinian state.

Thank you.