

Toward a Shared Future: Why a Federation is the Only Viable Solution to the Israeli-Palestinian Conflict

Manuel Galiñanes

ORCID: 0000-0002-0888-976X

Academy of Medical and Health Sciences of Catalonia and the Balearic Islands, Barcelona, Spain and Federal Alliance of European Federalists (FAEF)

Leo Klinkers

State University Utrecht, Netherlands and
Federal Alliance of European Federalists (FAEF)

ABSTRACT

This article argues that sustained external involvement—especially by the United States—has often undermined peace efforts through geopolitical bias and inconsistent diplomacy. Regional actors, too, have failed to maintain a unified stance on Palestinian self-determination, as demonstrated by shifting alliances and the sidelining of the Palestinian issue in agreements like the Abraham Accords. In light of these failures, a recalibrated regional approach rooted in justice and human rights is essential. The international community must shift toward mediation frameworks grounded in international law, ensuring symmetrical recognition of Israeli and Palestinian rights, and empowering local civil society—particularly on the Palestinian side. The European Union, given its relative neutrality and economic influence, is well-positioned to facilitate this shift. Most critically, the peace process must undergo structural transformation: instead of persisting with failed bilateral talks, a multilateral, inclusive framework should be adopted, involving regional and neutral international actors alongside representatives from both communities. This includes seriously considering a federal model that enables shared sovereignty, mutual recognition, and lasting security. Only through such a comprehensive rethinking can a just and enduring peace be achieved—one that halts the cycle of violence and contributes to regional and global stability.

Keywords: Israeli-Palestinian conflict, federalism, democracy, self-determination.

INTRODUCTION: A HISTORICAL OVERVIEW

The territory currently occupied by Israel and Palestine has long held a central role in the region's political dynamics. In the early 20th century, while under British control, Palestine became a destination for European Jewish migration. The 1947 United Nations Partition Plan (UNGA Resolution 181 (II)) [1] proposed the establishment of two independent states—one Jewish, one Arab—with an international regime for Jerusalem. However, only the State of Israel was established in 1948, leading to the displacement of approximately 750,000 Palestinian Arabs in what is known as the Nakba ("catastrophe"), while about 150,000 Palestinians remained within Israel's borders, comprising around 15% of its population.

Israel's Declaration of Independence [2] envisioned a state founded on humanist ideals, pledging equality regardless of religion, race, or sex, and adherence to the UN Charter. Yet, this vision was undermined from the start; for nearly two decades, Palestinian citizens of Israel lived under martial law.

The creation of Israel transformed the so-called "Jewish question" into the "Palestinian problem." The envisioned Arab state never materialized, and Israel occupied over 75% of the territory—far more than the partition plan allotted. Arab leaders rejected the partition, prompting the invasion of neighboring Arab armies and the first Arab-Israeli War. The 1949 armistice left Israel with expanded borders, while Jordan annexed the West Bank and East Jerusalem, and Egypt assumed control of Gaza [3].

In the 1967 Six-Day War, Israel occupied the remaining Palestinian territories—West Bank, Gaza, and East Jerusalem—along with the Sinai Peninsula and Golan Heights. This military victory displaced another 300,000 Palestinians and initiated the expansion of Israeli settlements. While Israel later returned the Sinai to Egypt, the settlement project persisted, particularly in the West Bank, undermining the 1949 Green Line as a basis for peace (UNSC Resolution 242, 1967) [4].

The 1978 Camp David Accords led to Israel's withdrawal from Sinai and outlined a vague framework for Palestinian autonomy. However, the 1993 Oslo Accords represented a turning point. Ostensibly designed to pave the way for a Palestinian state, the Accords instead entrenched Israeli control while creating the Palestinian Authority (PA), a governing body with limited autonomy, often criticized as a façade for occupation management.

The Oslo process excluded key Palestinian constituencies—refugees, diaspora communities, and Palestinian citizens of Israel—and failed to address core issues: the right of return, statehood, and settlement expansion. Critics argue it legitimized a system akin to apartheid by institutionalizing occupation and facilitating Israeli-Palestinian security coordination under an asymmetrical power dynamic.

Hamas, founded in 1987 during the First Intifada, arose partly in opposition to the concessions made by the PLO, particularly its 1988 recognition of Israel and acceptance of a Palestinian state on only 22% of historic Palestine. While the PLO's position marked a historic compromise, it failed to deliver a sovereign state, leading to internal Palestinian divisions. Subsequent peace efforts, such as the Madrid Conference and further Oslo negotiations, yielded few tangible results.

Despite repeated efforts by Palestinian leadership to recognize Israel and establish an independent state, Israel has continued expanding settlements, tightening its grip on occupied territories. The marginalization of Palestinian voices in peace processes—evident in the exclusion from talks like Camp David—has further delegitimized diplomatic efforts, contravening international law and the principles of self-determination.

The long-standing conflict reached another peak with Hamas's attack on Israel on October 7, 2023, followed by a massive Israeli military response. This response, which led to extensive civilian casualties and the destruction of Gaza's infrastructure, has drawn international

condemnation. The International Criminal Court is currently pursuing investigations into possible war crimes and crimes against humanity by Israeli officials [5].

The persistent failure to resolve the conflict has destabilized the broader Middle East and fueled global antisemitism and Islamophobia. As the occupation deepens and violence escalates, a just and durable peace remains elusive. No resolution will be possible without mutual recognition of rights, a serious commitment to international law, and the political will to address historical grievances.

Achieving a comprehensive solution that satisfies all stakeholders is undeniably challenging. Yet given that both peoples will continue to share a common space, we must explore models that support lasting peace and coexistence. The legacy of Jewish suffering—culminating in the Holocaust—necessitated the creation and defense of a national homeland at any cost. Yet it is precisely this tragic history that imposes a moral obligation to uphold the rights of Palestinians. However, the current Israeli government under Prime Minister Benjamin Netanyahu, bolstered by extremist allies, has pursued a prolonged war and the occupation of Gaza. This stance stands in contrast to the Israeli public, which increasingly demands peace, security, the end of bloodshed, and the return of hostages. Civil society organizations—both Arab and Jewish—reject continued violence and advocate for cooperation and mutual understanding [6]. Furthermore, Israel cannot remain permanently isolated and in perpetual conflict with the Palestinian people and the broader Arab world. Nor can the Palestinian people continue to endure the consequences of Israeli domination.

This article is a response to the urgent crisis affecting both Israelis and Palestinians and does not adhere to a partisan narrative. Rather, it aims to offer a theoretical and practical framework for a just, viable, and sustainable resolution based on historical precedents and current realities. It emphasizes the need for inclusive engagement in shaping a future for both Israelis and Palestinians. Such a proposal may not only be feasible—it may be the only path to a peaceful and prosperous future in the region.

THE PHYSICAL, POLITICAL, AND SOCIAL MOSAIC OF ISRAEL AND PALESTINE

The Israeli-Palestinian context is marked by a complex and fragmented reality, shaped by multiple interlocking factors. These include the territorial fragmentation of Palestinian lands, the partial and constrained nature of Palestinian self-governance, the continued expansion of Israeli settlements, and the limited capacity of the PA to govern independently and effectively. Together, these dynamics have contributed to an entrenched status quo that renders a just and lasting peace agreement exceedingly difficult to achieve.

Territorial Fragmentation and Governance Structures

Following the Oslo Accords (1993 and 1995), the West Bank was divided into three administrative zones:

- Area A: Under full Palestinian civil and security control;
- Area B: Under Palestinian civil control with joint Israeli-Palestinian security oversight;
- Area C: Under full Israeli civil and military control, covering approximately 60% of the West Bank and containing the vast majority of Israeli settlements.

This territorial fragmentation has created a disjointed governance structure. Although the PA administers Areas A and B, Israel retains overarching military authority, including control over borders, airspace, and movement between areas. The result is persistent instability and economic stagnation, with daily life for Palestinians marked by unpredictability, restricted mobility, and deteriorating living conditions.

Gaza and the Consequences of the Blockade

Since 2007, the Gaza Strip has been subjected to an Israeli-imposed blockade following Hamas's takeover of the territory. This blockade has severely restricted the movement of people and goods, imposed regular disruptions in the supply of essential services, and constitutes, in effect, a form of collective punishment. The humanitarian consequences have been devastating.

The political and administrative split between Hamas in Gaza and the PA in the West Bank further complicates efforts to formulate and implement a unified Palestinian political strategy. This division not only hampers governance but also weakens the Palestinian negotiating position and undermines the legitimacy of both factions.

East Jerusalem and the Israeli-Arab Minority

In addition to the West Bank and Gaza, the status of East Jerusalem remains one of the most contentious issues. Annexed unilaterally by Israel in 1967, East Jerusalem is claimed by Palestinians as the capital of a future state. Furthermore, its residents face a precarious legal status and unequal access to municipal services.

Inside Israel, approximately two million Arab citizens—some of them identifying as Palestinian—make up around 20% of the population [7]. Despite holding Israeli citizenship, this minority faces systemic social and institutional discrimination in areas such as housing, employment, and access to public services.

This inequality has fueled internal tensions and undermined the integrity of Israel's democratic framework. However, addressing the legitimate demands of Arab citizens for equality and respect could not only enhance Israel's internal social cohesion but also signal a genuine commitment to democratic values. Such progress might positively influence democratic developments across the Palestinian territories and the broader Middle East [8].

Settler Violence and Impunity in the West Bank

The West Bank continues to witness frequent incidents of violence by Israeli settlers, often supported or enabled by the Israeli security apparatus. These actions include harassment, property destruction, and physical assaults against Palestinian civilians, often aimed at forcibly displacing them from their land. The Israeli legal system in the occupied territories is characterized by inconsistency and lack of accountability, effectively granting impunity to perpetrators and reinforcing a climate of fear and dispossession.

Recognition and the Limits of Symbolism

As of 2024, 149 countries recognize the State of Palestine, nearly as many as those that recognize Israel (165). This widespread recognition represents a significant step toward international legitimacy for Palestinian statehood. However, diplomatic recognition alone is

insufficient to secure a just and lasting peace in the absence of genuine structural and political change on the ground.

Structural and Psychological Barriers to Peace

Beyond institutional dysfunction, a number of psychological, religious, and cultural barriers continue to impede progress:

- Among Palestinians, there is a deeply rooted expectation that historical injustices—particularly the displacement resulting from the creation of Israel and the unresolved status of Palestinian refugees—must be addressed as a prerequisite for peace.
- On the Israeli side, segments of the religious population view the entire territory as sacred and therefore non-negotiable, opposing any territorial compromise.
- Among Jewish settlers, while opinions vary, many reject any concession of land unless mandated through a democratic process—highlighting internal divisions within Israeli society itself.

Meanwhile, internal Palestinian rivalry, particularly between Hamas and Fatah, continues to hinder the development of a cohesive national strategy. This fragmentation makes it difficult to achieve unified governance across the West Bank and Gaza and undermines prospects for a viable two-state solution.

Therefore, the Israeli-Palestinian conflict is not merely a geopolitical dispute over territory but a deeply layered crisis rooted in structural fragmentation, asymmetrical power relations, historical trauma, and ongoing violations of rights. A durable peace will require more than high-level negotiations or symbolic recognitions. It must address the lived realities of both peoples—guaranteeing equality, justice, and security—while fostering the political will for compromise, mutual recognition, and democratic transformation on both sides.

TOWARD A FEDERATION: A VIABLE SOLUTION FOR THE ISRAELI-PALESTINIAN CONFLICT

If separation has failed and a one-state solution remains unfeasible in the foreseeable future, it may seem that no viable path forward exists. According to recent polls, many Israelis and Palestinians share this pessimism. However, an increasing number of analysts and peace advocates believe that a two-state confederation offers a realistic and just middle ground. This model would grant both peoples national self-determination while providing a shared framework to manage their overlapping claims and interdependence in a common homeland. Nonetheless, these are other potential solutions.

Beyond Binary Solutions

Despite the mosaic of political, geographic, and demographic complexities, efforts to resolve the Israeli-Palestinian conflict have lacked the boldness and mutual recognition required to forge a lasting peace. Blame narratives, moral arguments about self-defense, and counteroffensives have only reinforced the stalemate. Instead, the focus must shift toward structural solutions that respect the rights, identities, and security of both peoples.

Several models have been proposed over the years:

1. Two-State Solution: The most widely endorsed framework, supported by the UN, USA, and EU, envisions a sovereign Palestinian state alongside Israel based on the 1967 borders with East Jerusalem as its capital. However, the proliferation of Israeli settlements—deemed illegal under international law, including the Fourth Geneva Convention (Article 49, 1949) [9] and UN Security Council Resolution 242 (1967) [4]—has fragmented Palestinian territory, rendering the vision increasingly unworkable.
2. One-State Solution: This model proposes a democratic state granting equal rights to both Jews and Palestinians. While appealing in principle, it faces major obstacles tied to demography, identity, and ongoing territorial division. The fear of losing national character—on both sides—makes this a politically toxic option.
3. Confederation: A more flexible alternative, involving two independent states with treaty-based shared policies on security, economy, and environment. This model allows each side to retain its national identity while addressing practical interdependencies.
4. Federation: A shared sovereignty model of Israel and Palestine as two member states of a federal state, based on a democratic and effective constitution. A federal Israel-Palestine would institutionalize equal rights, eliminate zero-sum struggles over sovereignty, and foster federal regional statehood in the broader Middle East—a crucial hub connecting Asia, Africa, and Europe. If some Arab states were to join such a federation, they would compensate for the small size of the current Palestinian confederation compared to that of Israel.

For example, the adoption of a federal constitution in the USA between 1787 and 1789 resolved the intensifying disputes under the Articles of Confederation among the 13 former British colonies—eventually expanding into a union of 50 states. Similarly, Switzerland, a country marked by four distinct cultures and languages, transitioned in 1848 from a loose confederation plagued by internal conflict to a stable federal state. In Belgium, the long-standing socio-economic and linguistic tensions—particularly the oppression of the Flemish population by the French-speaking Walloons—led, in the aftermath of World War II, to a gradual federalization process, culminating in the 1993 federal state structure. This model accommodates three official languages—Dutch, French, and German—and reflects the country's commitment to cultural and linguistic autonomy.

Both Switzerland and Belgium illustrate a significant dimension of federalism: the peaceful coexistence of small linguistic minorities within autonomous regions. Switzerland's Rhaeto-Romansh community and Belgium's German-speaking community, each comprising roughly 80,000 citizens, enjoy full recognition and self-governance within their respective federal frameworks. Importantly, there is no requirement for these minorities to integrate, let alone assimilate, into the dominant cultural or linguistic communities—a principle consistent with contemporary federal theories emphasizing subsidiarity, non-centralization, and minority rights protection [10, 11].

A Federal Vision for Peace and Stability

A secular (non-religious) federal state would provide equal rights to all citizens, regardless of ethnicity or religion. It would accommodate demographic changes, resolve disputes over Jerusalem, and guarantee political representation for both communities. Although challenging, the construction of such a federation would require mutual consent, sustained negotiations, and strong international support.

To succeed, this model must account for deep-rooted narratives, security concerns, and socio-economic disparities. The continued split between the Palestinian factions— Hamas controlling Gaza and the Fatah-led Palestinian Authority administering parts of the West Bank—has further complicated peace efforts since the 2007 schism. Reconciliation remains elusive despite repeated attempts.

While the international community continues to push the two-state paradigm, a realistic reassessment is overdue. The geographical realities—particularly the fragmentation of the West Bank by Israeli settlements—make the territorial continuity necessary for a viable Palestinian state nearly impossible. Indeed, the West Bank resembles Swiss cheese, its Palestinian areas fragmented into isolated enclaves surrounded by Israeli-controlled zones, settlements that have steadily reduced the effective space available for a Palestinian state.

Practical Challenges and Precedents

Any political formula—whether one state, two states, confederation, or federation—must be democratically chosen by both peoples. A federation could bolster regional economic development, democratization, and stability, but only if accompanied by strong political will and a coordinated international framework. It is also crucial to recognize that symbolic declarations—such as unilaterally recognizing a Palestinian state—will remain ineffectual unless backed by concrete changes and reciprocal commitments. In reality, Israeli and Palestinian success depends on cooperation, given their interlinked infrastructures (water, energy, transport) and economies.

Historical precedents support a negotiated, just resolution (UN Security Council Resolution 242, 1967) [4] deemed Israel's territorial expansion through war inadmissible and called for withdrawal from occupied territories. While Israel returned the Sinai to Egypt under the 1979 peace treaty, it retained control over Gaza, the West Bank, East Jerusalem, and the Golan Heights. In 1980, Israel formally annexed East Jerusalem under the "Jerusalem Law"—a move widely rejected by the international community.

The UN has consistently declared Israeli settlements illegal, yet they continue to expand. In Gaza, all settlements were dismantled during the 2005 disengagement, and the Israeli army withdrew unilaterally. Still, Israel retains control over borders, airspace, and essential services. The connection between Gaza and the West Bank also remains unresolved. Various proposals, including a 2009 Israeli plan for a subterranean corridor, have failed to gain traction due to security concerns. Given this landscape, only a federal structure can accommodate the socio-geographic diversity and political complexity of the region. Such an arrangement could transform coexistence from a zero-sum game into a shared enterprise rooted in equality, justice, and mutual recognition.

STEPS TOWARD AN ISRAELI-PALESTINIAN FEDERATION

It is proposed that implementation of an Israeli-Palestinian federation is phased in two steps preceded by the acceptance from both sides of necessary preconditions:

Immediate Preconditions for Launching the Process

1. Mutual recognition of sovereignty and existence

Both peoples must recognize each other's right to exist as equal and legitimate political

communities. This foundational act of mutual recognition would signal the beginning of a new political paradigm, shifting away from domination and dispossession toward coexistence [12].

2. Restorative justice and right of return

A restorative justice framework must allow displaced Palestinians the right to return to their places of origin or receive equivalent compensation and full civil rights. This process must be inclusive, participatory, and grounded in international law [13, 14].

3. Renunciation of violence

Both sides must categorically renounce the use of violence, including state and non-state actors. Peace education, disarmament initiatives, and demobilization processes should be part of a broader reconciliation agenda, as seen in the post-apartheid Truth and Reconciliation Commission in South Africa [15].

Phase One: Transitional Period (5–10 years, Conditional on Progress)

This transitional phase would be guided by international oversight (e.g., UN, EU, Arab League) but owned and driven by Israeli and Palestinian actors.

1. Infrastructure reconstruction in Palestinian territories: Major investment in Gaza and the West Bank is needed to rebuild essential infrastructure, including housing, electricity, water systems, hospitals, and schools. Reconstruction should be administered through a joint Israeli-Palestinian commission with international accountability.
2. Institutional and political development: Support for the emergence of strong democratic institutions in Palestine—such as a functioning judiciary, legislative body, and decentralized administration—will be vital. Political pluralism and civil liberties must be guaranteed in both societies [16].
3. Joint security cooperation: Joint Israeli-Palestinian security mechanisms would be developed to combat terrorism, uphold public order, and prevent spoilers from derailing the process. These structures could be modeled on the EUROPOL framework or the Dayton Agreement security clauses [17].
4. Economic integration and development: Creating the conditions for Palestinian economic self-sufficiency is critical. This includes a customs union, shared infrastructure, and support for Palestinian entrepreneurship. Examples such as the EU's Cohesion Policy could guide interregional equity [18, 19].
5. Guarantee of freedom of movement: Citizens must be guaranteed the right to move freely across both territories, with the dismantling of the separation wall and checkpoints where appropriate. Movement must be regulated but non-discriminatory, enabling social and economic integration.
6. Referendum on federation: At the conclusion of the transitional phase, a binding referendum should be held simultaneously in Israel and Palestine. The question: whether to establish a federal Israeli-Palestinian state with shared institutions and equal citizenship for all [10].
7. Exclusion of destabilizing external interference: While international support is welcome, outside powers must not impose political conditions that derail local democratic choices. Regional actors (e.g., Egypt, Jordan, Saudi Arabia) and global powers (EU, USA, China) must respect the outcome.

Phase Two: Establishment of the Israeli-Palestinian Federation

If approved, the federation would be founded on the principles of parity, power-sharing, and autonomy. The federal model may include the following features:

- **Federal government and constitution:** A joint constitutional convention, with equal representation, would draft a new federal constitution. The document must guarantee fundamental rights, bicultural representation, and a balance between shared sovereignty and local autonomy [20, 21].
- **Shared capital (Jerusalem):** Jerusalem would become the joint capital, housing both national parliaments and federal institutions. The city would be governed under a special international regime to guarantee equal access to religious sites and prevent unilateral control.
- **Autonomous entities:** Israel and Palestine would exist as autonomous states within the federation, each with control over cultural policy, education, internal administration, and language use.
- **Integrated judiciary and human rights protections:** An independent federal constitutional court would uphold the rights of both peoples, enforce minority protections, and oversee compliance with the constitution. This would build on the South African model post-1994.
- **Truth and reconciliation process:** A formal mechanism for truth-telling, apology, and reparations could be established, drawing from transitional justice literature [22]. This would foster collective healing and historical accountability.
- **International guarantees and monitoring:** An international framework of peace guarantors—such as a multilateral task force under the auspices of the UN and regional organizations—would provide mediation, development assistance, and long-term security oversight [23, 24].

Thus, the proposal for an Israeli-Palestinian federation represents not only a political reconfiguration but also a moral and historical reckoning. It requires vision, compromise, and leadership from both societies, but it is increasingly clear that partition and domination have failed to produce peace. A binational federal model—strong enough to attract more member states within the federation—offers a framework for shared governance, mutual dignity, and sustainable coexistence—one that moves beyond the impasse of one-state versus two-state logic [25].

JERUSALEM AS THE CAPITAL OF AN ISRAELI-PALESTINIAN FEDERATION

Jerusalem, one of the oldest cities in the world, holds immense cultural, religious, and historical significance. It has long been a site of conflict, and its current status remains a persistent source of tension between Israel and Palestine. Neither side is willing to compromise on its claims: Israel insists on maintaining Jerusalem as its indivisible capital, while Palestinians seek East Jerusalem as the capital of a future Palestinian state.

The city's demographic and physical layout, including the location of religious sites and settlements, poses significant challenges to its governance and restricts the mobility of its residents. Jerusalem's demographic composition has been reshaped by the displacement and deportation of thousands of Palestinian residents and the expansion of Jewish settlements. Currently, approximately 60–65% of Jerusalem's population is Jewish, 35–38% is Arab—

mostly Muslim—and only 1–2% is Christian. Arab residents are largely concentrated in East Jerusalem, while the Jewish population is spread across West Jerusalem and several settlements in the east [26]. East Jerusalem, which was seized from Jordan during the Six-Day War in 1967, was unilaterally annexed by Israel in 1980 through the so-called Jerusalem Law, declaring the city “complete and united” as the capital of Israel. This move was deemed “null and void” by United Nations Security Council Resolution 478 (1980) [27]. Prime Minister Yitzhak Rabin later reaffirmed the city’s unity in a speech to the Knesset [28]. The exclusion of Jerusalem from the Camp David Accords, brokered by the United States and Egypt, indirectly enabled de facto recognition of Israel’s annexation. This annexation has undermined the safeguarding of the sacred right to worship and pilgrimage for all faiths.

Given Jerusalem’s profound importance to both Israelis and Palestinians, and their uncompromising claims, what viable options exist to resolve the confrontation? Maintaining Jerusalem solely as Israel’s capital would marginalize the rights of non-Jewish residents and perpetuate instability. Furthermore, the international community remains divided on the issue, with many countries refusing to recognize Jerusalem as Israel’s capital due to the ongoing conflict.

The proposal to establish two separate states, with Jerusalem serving as the capital of both [29], is theoretically plausible. However, such a solution would not resolve the complex logistical and administrative challenges, such as shared governance, public services, and residents’ rights to free movement and access to sacred sites. These unresolved issues could ultimately exacerbate tensions and security concerns. An alternative proposal is to designate Jerusalem as an independent city-state. This could offer a neutral space where Israelis, Palestinians, and followers of various religions might coexist and access their sacred sites [30]. Yet, this approach also faces significant obstacles. It would require a resolution to the current political impasse and mutual agreement from all parties to relinquish historical and religious claims over the city, in addition to international support and cooperation.

If partitioning Jerusalem proves unfeasible, another promising alternative would be to recognize it as a distinct entity within a federal arrangement between Israel and Palestine. Under this model, Jerusalem would have its own government and administration and serve as the capital of the federation. As pointed out above, Jerusalem would function as the primary federal capital, housing both national parliaments and federal institutions, or alternatively, each federal state could maintain its own secondary capital. This would support peaceful coexistence among communities, ensuring unrestricted movement within the city and unhindered access to religious sites.

DEMOCRACY: THE DRIVING FORCE OF CHANGE

Although Israel is often described as the only democracy in the Middle East, in practice, it has never been an egalitarian one. The country suffers from a significant democratic deficit, stemming primarily from the absence of a formal constitution that defines the separation of powers and guarantees fundamental human rights, civil liberties, and equality for all citizens. (UN General Assembly Resolution 181, 1947) [1], known as the Partition Plan, required that the future Jewish and Arab states adopt robust democratic constitutions—a goal that remains unfulfilled.

Moreover, Israel's identity as a Jewish state makes the democratic separation of religion and state structurally unfeasible. Recent developments have further weakened Israel's democratic institutions. The judicial reform initiated in January 2023 eliminated key checks and balances, undermining the independence of the judiciary and exacerbating the constitutional vacuum [31, 32]. These conditions keep Israel in a permanent state of democratic crisis, one that cannot be resolved merely through periodic elections and which hinders the adoption of a comprehensive strategy to end the conflict with the Palestinians.

Israel's fragile democratic foundations have enabled successive governments to continue and expand the occupation of Palestinian territories. Aside from its borders with Egypt (defined in the 1978 Camp David Accords) and Jordan (1994), Israel has never officially demarcated the boundaries of its sovereign territory. As a result, the applicability of Israeli law is often ambiguous. The International Court of Justice has declared the continued military occupation of Palestinian territories as illegal under international law, further contributing to Israel's legitimacy crisis [33].

Internally, discriminatory practices have created a two-tier citizenship structure. Palestinian citizens of Israel, who constitute approximately 20% of the population, are routinely subjected to unequal treatment and institutional exclusion. The 2023 law allowing the revocation of citizenship and deportation of family members of those accused of terrorism, along with new proposals limiting Palestinian political representation in the Knesset, exemplify this discriminatory trajectory [34]. These measures reflect a deepening nationalism that exacerbates divisions between Jewish and Arab populations in Israel.

On the Palestinian side, political dysfunction is worsened by the enduring Israeli occupation, which has fueled internal divisions and obstructed the establishment of autonomous governance. The prolonged split between Hamas in Gaza and Fatah in the West Bank has contributed to institutional decay and leadership paralysis. Restoring effective Palestinian self-governance requires both territorial recognition and the emergence of a unified political leadership committed to reviving democratic institutions and enabling Palestinians to elect their representatives free from external interference.

Both Israel and Palestine suffer from severe democratic deficits, which are major obstacles to achieving a lasting peace [35]. A genuine democratic foundation demands clearly defined borders—ideally aligned with the 1967 Green Line—and the drafting of a constitution that guarantees the strict separation of powers and enshrines a universal bill of rights. This must include not only individual liberties but also collective rights, such as freedom of movement and residency. Without these democratic guarantees, the conflict risks becoming even more entrenched and unresolvable.

THE ROLE OF CIVIL SOCIETY AND CITIZENSHIP

Given the persistent failure of Israeli and Palestinian leadership to provide viable and just solutions, it is essential that ordinary citizens take an active and direct role in advancing social and political change. Only through bottom-up engagement can a sustainable resolution be envisioned and democratic transformation achieved.

Public opinion among both peoples often reflects their differing experiences—one as occupier, the other as occupied. While most Israeli citizens oppose the far-right annexationist agenda, there remains a significant gap between those who support a peace agreement and those who believe it is achievable. This disconnect is mirrored among Palestinians. A 2016 joint survey by the Israel Democracy Institute and the Palestinian Center for Policy and Survey Research found that public support for a peace deal exists, but is undermined by widespread skepticism about its feasibility [36].

This perception gap is largely due to a lack of informed public discourse. Many Jewish Israelis lack basic knowledge about the conflict's history and realities—a deficit that benefits extremist political factions and settler advocates. Thus, there is an urgent need for educational, social, and economic empowerment to enable citizens on both sides to form fact-based opinions and promote initiatives aligned with shared interests.

Recognizing the complexity of this endeavor, civil society must operate on all fronts to reach the public, counter misinformation, and improve intercommunal relations. Organizations such as ALFA and Standing Together work toward fostering dialogue and envisioning a shared political future for Israelis and Palestinians. Without meaningful citizen involvement in shaping future governance structures, democratization of both societies will remain elusive. Strengthening civil society and promoting inclusive dialogue is therefore essential for building social cohesion and a viable political future grounded in coexistence.

THE ROLE OF RELIGION AND THE NEED FOR SECULAR GOVERNANCE

Judaism and Islam are deeply rooted in the societies of Israel and Palestine, holding significant social, cultural, and political importance. In both contexts, religious political parties have considerable influence in decision-making, often using religious discourse to justify violence, exclusion, and intransigence. In Israel, the influence of ultra-Orthodox and nationalist religious groups has been decisive in many state policies. Religious arguments have been used to justify discriminatory practices and the control of disputed territories, such as the West Bank and East Jerusalem, exacerbating the conflict [37, 38].

Religion, therefore, not only represents a deeply ingrained identity element but also a structural obstacle to peace, as it becomes a tool for legitimating extreme positions. Religious narratives claiming historical or divine rights over the land and holy sites significantly hinder dialogue and compromise. However, it is important to acknowledge that both Judaism and Islam share common ethical principles—such as justice, compassion, and peace—that could serve as a foundation for mutual understanding. Religious leaders with influence over public opinion can play a constructive role by promoting messages of respect, reconciliation, and tolerance [39, 40].

The separation of religion from the state would help depoliticize religious differences, thus reducing their potential for conflict. Therefore, it is crucial that the future governance structures adopted in the conflict resolution process be strictly secular, ensuring no direct involvement of religious leaders in state affairs. At the same time, these leaders can play a key role in fostering reconciliation between the peoples, promoting social cohesion, equality of rights, and the construction of a just and lasting peace based on mutual respect.

A secular state would not only foster unity in a diverse society, but it would also be more acceptable to the international community, aligning with the universal principles of human rights and liberal democracy, which promote the separation between religion and political power [41, 42].

Therefore, the secularization of governance structures is a fundamental component for a lasting solution to the conflict. In a future Israeli-Palestinian federation, a secular framework would allow each community to freely practice their religion and preserve their cultural identity, while building common governance institutions. However, as long as sectors continue to firmly oppose secularization and insist on considering religion as the core of their national identity, peace and stability will remain unattainable.

THE ROLE OF REGIONAL AND INTERNATIONAL AGENTS

The protracted war between Israel and Palestine, along with the repeated cycles of violence, has turned the Middle East into a destabilizing force for both regional security and the global economy. As one of the most contentious geopolitical flashpoints in modern history, the conflict has entrenched divisions that affect not only Israel and Palestine but the broader international system. The inability to establish a lasting peace agreement has left the region in turmoil for over seventy years. In light of this, the time has come for the international community to establish a new order that can help break the cycle of violence, free the Middle East from this pervasive scourge, and foster a future of peace and prosperity. Achieving this, however, requires a robust, multilateral approach, as well as the active involvement of both regional actors and international mediators.

The Bias and Ineffectiveness of External Powers

The role of external powers, particularly the United States and Western countries, has been a critical factor in shaping the Israel-Palestine conflict. Over the decades, these countries, especially the USA, have consistently supported Israel, often in a manner that has been perceived as biased and self-interested. This support has not only impeded progress toward a fair and lasting peace but has also undermined their credibility as neutral mediators. The USA's unwavering backing of Israel, particularly regarding its military actions and settlement expansion, has been a significant point of contention for Palestinian leadership and supporters of Palestinian rights. As a result, many in the Arab world and among Palestinian communities have become disillusioned with the role of the USA as a peace broker.

The lack of alignment in the objectives of third-party countries, coupled with their political and economic interests in the region, has led to the failure of multiple peace initiatives. The United Nations and other international bodies have often found themselves divided on the issue, particularly due to the veto power exercised by permanent members of the UN Security Council, notably the USA and Russia. This has created a situation where the international community has been unable to agree on a comprehensive strategy for resolving the conflict.

The inability of external agents to achieve meaningful change has led some scholars to argue that the international community, despite its best efforts, has often exacerbated the conflict rather than alleviating it. In his seminal work, *The Israel-Palestine Conflict: One Hundred Years of War*, James L. Gelvin [43] highlights the complex geopolitical interests of international powers and the consequences of their involvement, which has often resulted in maintaining the

status quo rather than pushing for a lasting resolution. This failure to reach consensus is not surprising, given the starkly different positions taken by global powers and their tendency to favor one side over the other.

The Role of Regional Actors

While international mediators have struggled, regional actors play a crucial role in shaping the conflict's outcome. The Arab states, particularly those in the Gulf region, have a vested interest in the stabilization of the Middle East. Their involvement in the peace process, however, has often been inconsistent. The Arab League's peace initiatives, such as the 2002 Arab Peace Initiative, proposed a two-state solution with the normalization of relations between Israel and the Arab world in exchange for Israel's withdrawal from occupied territories, including East Jerusalem [44]. However, this initiative was largely rejected by Israel, and without a unified stance from the Arab world, its effectiveness was limited.

One key issue is the differing priorities among Arab states. Countries such as Saudi Arabia have been more focused on countering Iranian influence in the region, which has occasionally taken precedence over the Palestinian cause. On the other hand, countries like Jordan and Egypt, which have peace agreements with Israel, have historically played a more active role in mediating between Israel and Palestine. However, even these states are constrained by domestic political factors and their own regional security concerns.

The regional role of the Arab states, particularly the Gulf Cooperation Council (GCC) and Egypt, is further complicated by their competing interests, as well as the fact that some Arab states have normalized relations with Israel, as seen with the Abraham Accords signed in 2020 between Israel and the United Arab Emirates (UAE), Bahrain, and Morocco [45]. These agreements have been widely criticized for sidelining the Palestinian issue, but they also reflect shifting dynamics in regional geopolitics. Scholars like Michael Barnett [46] argue that such realignments in the Middle East create a new challenge for Palestinian leadership, as they must navigate an increasingly complex regional order that is less sympathetic to their cause.

The International Community's Vital Role in Mediation

Despite the shortcomings of past international efforts, the international community still has a vital role to play in mediating the conflict. The UN, while often paralyzed by political deadlock, must continue to press for a resolution that respects international law and Palestinian self-determination. It is argued that the UN's role remains critical, particularly in upholding international legal principles, such as the right of refugees to return and the illegality of Israeli settlements in the occupied territories [47].

Moreover, the involvement of the EU and the USA in facilitating peace talks, beyond their national interests, remains essential for achieving a sustainable peace agreement. The EU, in particular, can act as a neutral party, given its historical position as a supporter of Palestinian statehood and its influence as a key economic player in the región [48]. The USA, despite its partiality, must take responsibility for ensuring that its policies align with international law and the rights of Palestinians to prevent further alienation.

However, international mediation efforts must evolve to recognize the agency of Palestinians themselves and their ability to determine their political future. The creation of a Palestinian

state, along with an Israeli state, requires not only external pressure but also the active participation of Palestinian leadership that is capable of forming a unified political front.

The Role of Federalism Experts

Federalisation is often misunderstood or overlooked by politicians, diplomats, administrators, and even major international institutions such as the UN and the EU. Despite its proven value as a framework for ensuring peace, security, and coexistence in deeply divided societies, federalism continues to be marginalized in international state-building and peacebuilding discourse. This has led to the repeated failure of initiatives that ignore the structural benefits federalism offers for managing diversity and conflict.

However, in many established federal systems, there exists a community of experts deeply versed in the principles of federal law, constitutional design, and institutional balance. These scholars and practitioners are uniquely positioned to advocate for federalism as a sustainable and inclusive model of governance. Their knowledge and experience could play a crucial role in persuading political stakeholders and civil society actors to consider federal solutions where centralized or unitary models have failed.

To harness this potential, it is worth proposing the creation of an international league or commission of federalism experts. This body could be mandated to systematically promote and explain the advantages of federal statehood—especially in conflict-prone regions such as the Middle East. Through persistent advocacy and education, such a commission could demonstrate why a well-designed federal system may offer the most viable path toward lasting peace and political stability in the region.

This proposal aligns with insights from comparative constitutional scholarship, which emphasizes the value of federalism in accommodating pluralism, protecting minority rights, and distributing power in a way that reduces tensions between groups [49-51].

SUMMARY

As this article has argued, the active involvement of external powers—particularly the United States—has often been more of a hindrance than a help, due to entrenched biases, geopolitical calculations, and inconsistent diplomatic strategies. Similarly, regional actors have failed to maintain a consistent and united front in supporting Palestinian self-determination. While initiatives such as the 2002 Arab Peace Initiative [44] demonstrated the potential of regional diplomacy, the fragmentation of the Arab world and shifting alliances—as seen in the Abraham Accords—have reoriented priorities away from the Palestinian question [45, 46]. These developments highlight the need for a recalibrated regional approach, one that balances geopolitical concerns with a renewed commitment to justice and human rights.

Despite ongoing challenges, the international community retains a vital role in fostering a just and lasting resolution to the Israeli-Palestinian conflict. Future mediation efforts must be firmly grounded in international law and uphold symmetry in recognizing the rights of both Israelis and Palestinians. Crucially, such efforts should also empower local actors—particularly Palestinian civil society—to take the lead in shaping their own political transformation.

In this context, the establishment of an international league or commission of federalism experts could serve as a powerful catalyst for change. This body would be mandated to promote and articulate the benefits of a federative solution to the Israeli-Palestinian impasse. By offering technical expertise, mediating dialogue, and conditioning international support on adherence to human rights and international norms, such a commission could provide a structured framework for sustainable peacebuilding and democratic statecraft. Furthermore, this proposal reflects the normative commitments of the UN Charter (1945) [52] and international humanitarian law to self-determination, non-discrimination, and peaceful dispute resolution.

More fundamentally, the current impasse calls for a structural transformation of the peace process itself. Rather than continuing failed bilateral negotiations under externally dictated terms, a multilateral and inclusive framework should be established—one that includes regional powers, neutral international actors, and representatives from both Israeli and Palestinian constituencies committed to coexistence. This includes exploring alternative political models such a federation, which could accommodate mutual recognition, shared sovereignty, and security guarantees, while addressing both peoples' historical grievances and aspirations.

Without such a comprehensive rethinking, the cycle of violence is likely to continue, with grave implications not only for Israelis and Palestinians but for regional and global stability. The time has come for a just peace rooted in equality, legality, and mutual recognition—one that is supported, rather than subverted, by regional and international actors.

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