



A Land for All
Two States One Homeland

Leveraging Interdependence for Mutual Prosperity

What we've learned

- In **past efforts** to achieve a two-state solution, Israel prioritized **maximizing physical segregation** between Israelis and Palestinians while maintaining de facto control over the Palestinian economy. Israeli leaders have since championed “**economic peace**”—arguing that Palestinian economic growth could substitute for political independence—while severely restricting Palestinian movement, particularly access to Area C and Jerusalem.
- These approaches have **impoverished Palestinians**: since the start of the Oslo peace process in 1993, Israel-Palestine has become [one of the most unequal places on the planet](#).
- This economic gap **makes both peoples less secure**, exacerbating ethnonational tensions. Prior to October 7, Gaza was the most deprived region in all of Israel-Palestine.

What we propose

- ALFA advocates **Palestinian sovereignty and economic independence** while recognizing that **the interdependence of Israeli and Palestinian economic life can be leveraged for mutual gain**. Our vision of “two states-one homeland” ensures that Palestine’s economic viability will not be undercut by far-reaching annexation or crippling restrictions on movement and access. But it also allows both economies to benefit from their complementary features.
- **The two-state confederation we propose offers both states the mix of independence and integration they need in view of the resources and interests they share**. In some spheres like trade, taxation, and monetary policy, greater independence would be beneficial. In others, like energy, water, public health, environment, and transportation, deep harmonization is needed.
- ALFA prioritizes **reducing economic inequalities** between Israelis and Palestinians by, expanding protections, partnership and programs for labor and building a common social safety net.
- In the immediate term, countries planning to recognize Palestinian statehood should develop **policies for promoting Palestinian economic growth**. This includes offering preferential trade agreements; implementing educational and training exchange programs; advocating for an end to exclusive Israeli control over customs stations for import and export and adopting policies to reduce transaction costs and time for Palestinian trade; developing security solutions based on individual threats, rather than collective limitations; advocating discontinuing the Paris Protocol of 1994; advancing Palestinian control over collection of clearance taxes (via third parties if needed); and advancing Palestine’s designation as a separate customs territory (open candidacy for WTO status).

[A Land for All](#) is a joint movement of Palestinians and Israelis who share a simple but transformative vision: two democratic, sovereign states—Israel and Palestine—linked together in a confederation with gradual steps toward freedom of movement and residence for all Israelis and Palestinians across our shared homeland. Our model makes it possible to achieve **a two-state solution that can work**, with borders based on the pre-1967 line and new and fairer solutions to the issues of Jerusalem, settlements, and refugees that overcome past obstacles to peace.