

Regional Land Exchanges

A Solution to the Arab-Israeli
Conflict

Premises

- A two-state solution is the only way to solve the Israeli-Palestinian conflict.
- The green line of 1949-1967 can serve as the basis of the borders between the two states but a land exchange is needed.
- Gaza is not a viable long term entity
 - Economically and demographically
- Egypt faces huge domestic challenges
 - Economically and demographically

Premises cont.

- Israel is unable to move 250,000 citizens living in the West Bank
- Egypt has large areas of unpopulated land but insufficient funds to develop these for its national interest.
- Egypt, Israel, Palestine and the International Community have vested interests – economic, political and security - in a peaceful long-term solution.

Stage 1: Israeli-Palestinian Land Swap

- Based on Arab Initiative of Beirut, and various Israeli and Palestinian plans
- Palestine will annex majority of the West Bank
- Palestine will receive an area of some hundred sq. km in the S.W. Negev with a land road corridor connecting Egypt and Jordan
- Israel will annex similar land area in the West Bank



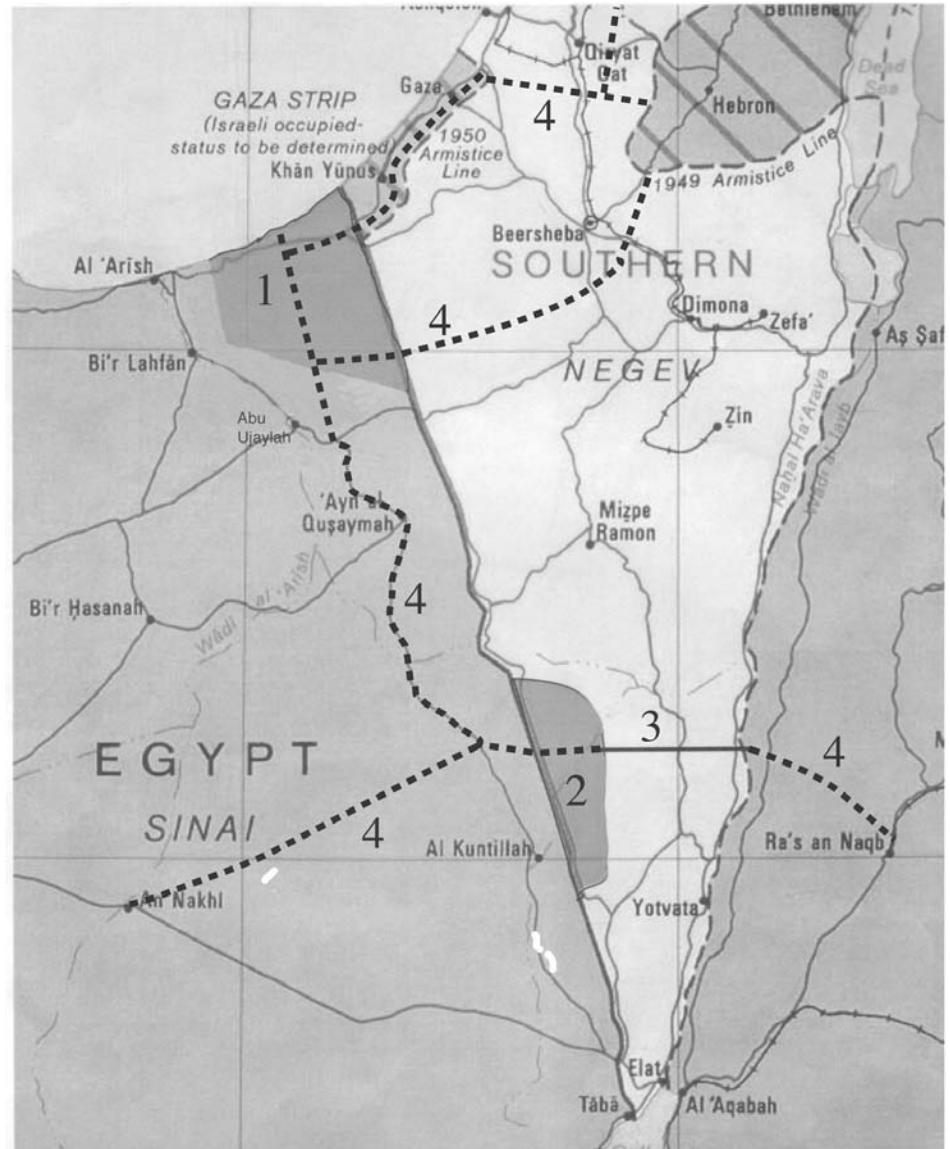
Stage 2: Egyptian-Palestinian Land Exchange

- Based on Jordanian-Saudi Land Exchange of 1965
- Palestine annexes some hundred sq. km in N.Sinai bordering Gaza along the coastline to El Arish
- Egypt annexes some hundred sq. km in the S.W Negev and the land corridor connecting Egypt with Jordan



Final Status Map

- Connecting Roads
- Oil, Gas, Water, Communication Pipelines
- International Airport
- Deep Sea Port
- Tourism
- Inter-Arab trade



1. Egyptian land to be transferred to the Palestinians
2. Israeli land to be transferred to Egypt
3. Israeli highway/corridor to be transferred to Egypt
4. Proposed highways

Areas not to scale

Benefits to Egypt

- Exchange of unpopulated land with little strategic value for land with huge strategic value
 - Land corridor to Jordan
 - Land access to Mecca for Hajj
 - Trade benefits
 - Oil pipeline/ general trade
- International Funding for Egyptian economy
 - Speed up FTA negotiations with USA?
 - Maintain momentum for \$2.5b of military aid from USA?
 - International “Marshal” plan for Egyptian economic development
New Suez Canal?
- Solution to economic and demographic pressures in Gaza reduces domestic ‘overflow’ pressure on Egyptian government
- International committee to implement project under leadership of the Egyptian government.

Benefits to Israel

- International legitimacy for annexation of an area with 196,000 Israeli citizens (86% of Israeli population in West Bank) in exchange for a largely unpopulated area
- Long term solution to its historical, political, religious and security interests
- Opening up of the Arab and Muslim world for future cooperation
 - Culturally
 - Economically
 - Politically

Benefits to Palestine

- Annexation of strategically important land and sea area in exchange for relinquishing claims over an area of high Israeli population density
- Easing of demographic pressure on Gaza
- Economic Benefits
 - Deep Sea Water Port
 - Exports/ Imports, Oil pipeline
 - Electric stations, Desalination water installations
 - International Airport
 - New Cities
 - Tourism and Fishing
- Attainment of 100% of equivalent area of pre-1967 West Bank and Gaza

Implications for Jordan: Jordanian Benefits

- Demography
 - Stable Gaza reduces pressure on West Bank and population overflows to Jordan
- Economically
 - Outlet to the Mediterranean sea
 - Jordan to benefit from increased trade across its borders

Summary

	Lack	Benefits
Egypt	International Funds	<ul style="list-style-type: none">• International Funds• Land route to Mecca• Economic benefits
Israel	International legitimacy for major settlement blocks in West Bank and Jerusalem	<ul style="list-style-type: none">• International legitimacy for annexation of some hundreds sq.km of West Bank• Solution to historical, political, religious and security interests• End of boycotts from other Arab and Muslim countries
Palestine	Land	<ul style="list-style-type: none">• 100% of equivalent area of pre-1967 West Bank and Gaza• Gaza Strip that is feasible for long term development• Economic Benefits

- A multilateral approach would generate regional momentum and create additional stakeholders in support of implementing and maintaining a long term agreement
- A long term peaceful solution will free vital resources for human development

END