

## ISSUES

- There are nearly 13 million Palestinians worldwide, including some 5 million Palestinians in the West Bank and Gaza who have been living under Israeli military rule for over 50 years. Another 1.5 million Palestinians are citizens of Israel, while over 6 million more remain displaced as refugees, outside of Israel/Palestine.
- Since 2001, there has been broad international consensus on resolving the Israeli-Palestinian conflict on the basis of ending Israel's occupation of the West Bank and Gaza Strip and the establishment of an independent and viable Palestinian state living alongside the state of Israel — also known as a two-state solution. Yet, no serious peace negotiations have occurred in years, even as the number of Israeli settlers in the occupied West Bank (including East Jerusalem) continues to grow.
- The previous two U.S. administrations had identified a resolution of the Israeli-Palestinian conflict based on a two-state solution as a "vital national security interest" of the United States. The Trump administration has moved away from that vision and has instead put forward an ostensible peace plan based on the creation of a Palestinian "state" made up of numerous disconnected territorial islands surrounded and controlled by Israel, which would be allowed to annex some 30% of the West Bank. The administration has gone so far as to convene a joint U.S.-Israeli mapping committee to identify parts of the West Bank for possible annexation by Israel.
- The administration's so-called "Peace to Prosperity" plan, released in January 2021, is unlikely to gain traction. The Palestinians, who were not involved in its development, have rejected the plan in its entirety, while the Arab League, Organization of Islamic Cooperation, and the European Union have also rejected the notion that the plan could serve as a basis for future negotiations. Meanwhile, the prospect of formal Israeli annexation of West Bank land, which would be a serious breach of international law and likely spell the end of a genuine two-state solution, has prompted condemnations and warnings from all corners of the international community, including Europe, the Arab states, and even congressional Democrats.
- The U.S.-brokered normalization deal signed between Israel and the UAE on Aug. 13 and hailed by the Trump administration as a "historic diplomatic breakthrough" was roundly condemned by Palestinians across the political spectrum as a blow to the goal of Palestinian statehood and to the Saudi-sponsored Arab Peace Initiative, by which Arab states had agreed to normalize relations with Israel only in return for Israel ending its occupation

and allowing the establishment of an independent Palestinian state. Although broadly welcomed by leaders of both political parties as well as much of the international community, Israel-UAE normalization, in the absence of a final status agreement, further disincentivizes Israel from seeking compromise or granting concessions to the Palestinians, making a peace agreement based on a two-state solution even more difficult to achieve.

- Under an Israeli blockade, the humanitarian situation in Gaza remains dire, and the risk of an armed conflict between Gaza and Israel remains high.
- The Palestinian Authority (PA), created by the Oslo process in the 1990s and widely viewed as the nucleus of a future Palestinian state, remains bitterly divided between the Fatah-dominated West Bank and the Hamas-ruled Gaza Strip. The ongoing schism has effectively suspended institutional politics in Palestine, including the Palestinian Legislative Council, the PA's parliament. With both presidential and parliamentary elections long overdue, Palestinian political leaders lack democratic legitimacy, and there is no clear plan for succeeding the aging Palestinian president, Mahmoud Abbas.

## US INTERESTS

- Prevent an escalation of violence between Israelis and Palestinians.
- Ensure that the Israeli-Palestinian conflict is not an obstacle to the fight against transnational Salafi-jihadists or to improved relations between Israel and Arab states, as part of efforts to address Iran.
- Uphold the principle of the inadmissibility of the acquisition of territory by war, a central pillar of the post-World War II international order, by preventing Israeli annexation of any portion of the West Bank and by working to end Israel's 53-year-old occupation.

## POLICY RECOMMENDATIONS

- Reset relations with the Palestinians through:
  - \* Reaffirming the internationally accepted terms of reference for an Israeli-Palestinian peace settlement, most notably UNSCR 242, which enshrines the "land for peace" formula that has undergirded the peace process for more than half a century.
  - \* Issuing a follow up to U.S. recognition of Jerusalem as Israel's capital stipulating that the declaration applies to West Jerusalem and announcing support for the establishment of a Palestinian capital in East Jerusalem.

- \* Reopening the PLO mission in Washington and reestablishing the U.S. Consulate in East Jerusalem dedicated to Palestinians.
- \* Reinstating U.S. foreign assistance to the Palestinians and to UNRWA.
- Support efforts in Congress to condition military aid to Israel to ensure that U.S. assistance does not support annexation in any way.
- Press Israel to substantively ease the Gaza blockade with the goals of aligning Israeli import controls for Gaza with those of the West Bank and normalizing the movement of people and goods in and out of the Gaza Strip.
- Support efforts aimed at Palestinian internal reconciliation in order to allow for the PA's return to Gaza and for lifting the Israeli blockade. Announce support for holding Palestinian legislative and presidential elections in a timely manner.
- Encourage the establishment of a new peace process architecture that can replace the outdated Oslo process and the defunct Quartet (e.g., involving both major powers and regional stakeholders like Egypt, Saudi Arabia, Jordan, and Turkey) and which would be responsible for putting forward a new peace plan and laying out benchmarks and timetables for ending the Israeli occupation.