



US RECOGNITION OF PALESTINIAN STATEHOOD & A BOLD INITIATIVE FOR COMPREHENSIVE REGIONAL PEACE

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Summary of Recommendation

J Street calls on the Biden Administration to outline a bold, comprehensive regional peace initiative aimed at resolving the Israeli-Palestinian and broader Israeli-Arab conflicts.

It is time for a major shift in US policy. Central to this shift would be an unprecedented offer of American recognition of the state of Palestine prior to such recognition by Israel. This offer - along with the specification of the conditions necessary to reach that point once there is a pause in the current fighting - can, we believe, jumpstart a diplomatic process leading to both a two-state solution to the Israeli-Palestinian conflict and broader regional normalization between Israel and its Arab neighbors.

Background

In the wake of Hamas' horrific attack on October 7 and the devastating Israel-Hamas war that ensued, there is broad international recognition that the Israeli-Palestinian conflict "cannot go back" to the pre-October 7 reality of ever-deepening violence, occupation and despair. There is a global consensus that a political horizon, or framework, is needed to break the cycle of violence and facilitate a negotiated long-term end to the conflict.

One key to creating that political horizon is the continued strong mutual desire, even in the post-October 7 reality, for 'normalization' of relations between Israel and many of its Arab neighbors, in particular Saudi Arabia. For more than two decades, American policy has been to place recognition of Palestinian statehood after or concurrent with Israeli recognition, and in more recent years, American policy has emphasized Israel-Arab normalization at the expense of Israeli-Palestinian conflict resolution.

In the post-October 7 reality, Saudi Arabia and other Arab states are signaling that even as they remain interested in normalizing relations with Israel, they cannot proceed without Israeli -- or at least international -- recognition of Palestine as an independent state. That is why serious proponents of two states, including the United Kingdom, have begun discussing recognition of Palestinian statehood en route to -- prior to and as a catalyst for -- a conflict-ending agreement in which Israel would also recognize it. Showing the Palestinian people that major world powers are serious enough about two states to take the step of recognizing Palestinian statehood -- even against the wishes of the sitting Israeli government -- may be the only realistic way to overcome understandable Palestinian doubts about the prospects for a negotiated end to the conflict and to erode support for Hamas.

Specific Recommendations

The Biden Administration should chart a clear path out of the horrors of the current war built on the following five steps.

Step One: Secure a stop in the fighting and the release of the hostages, surge humanitarian aid to Gaza, and lay out a comprehensive regional peace initiative

The Biden Administration is actively engaged in the tough diplomacy necessary to stop the fighting in Gaza, secure the release of the remaining hostages and ensure the provision of humanitarian assistance desperately needed by Gaza's civilian population. A stop in the near term to the fighting is a precondition to progress toward broader conflict resolution and must be achieved immediately.

In parallel to ongoing negotiations - or as soon as a pause in the fighting begins - we recommend a major presidential speech laying out a bold vision: a comprehensive regional peace initiative. It would feature the offer of American recognition of Palestine *en route* as a key incentive for Palestinian participation and the offer of American help in achieving regional normalization as the key incentive for Israeli participation.

Step Two: Ask for parallel, unilateral steps by Israelis and Palestinians

The President should ask each side to take a series of immediate, unilateral steps to demonstrate their interest in moving forward.

- Israel should take a series of well-known steps to reduce tensions, including releasing customs revenues to the Palestinian Authority, reactivating permits for Palestinian workers from the West Bank to enter Israel, ending home demolitions, limiting incursions into Area A, cracking down on settler violence and facilitating a major surge of humanitarian assistance to Gaza.
- The PLO/PA should in parallel take a series of steps including the establishment of a new government with a new Prime Minister and Ministers/members who are nonpartisan and who all commit individually to the PLO platform (recognition of Israel, demilitarization, renunciation of terror, and commitment to nonviolence). The revitalized PA should pledge a series of reforms – including in democracy and governance, combating corruption, its prisoner payment program, and incitement.

Step Three: Recognize Palestine and reissue the Arab Peace Initiative

In return for each side taking the unilateral steps outlined, the President should propose that:

- The United States and other partners – including European countries and other US allies that do not yet recognize Palestinian statehood – recognize the state of Palestine after the Palestinians have taken the unilateral steps asked of them. At this point, the President would also commit that on completion of negotiations, he would seek legislation from Congress that would address existing US restrictions relating to funding the PA and UN bodies.
- The Arab League convenes to reaffirm the Arab Peace Initiative when Israeli steps have been taken and the government of Israel has committed to enter negotiations over final status issues. Beyond full regional recognition of Israel, the President should propose that leading Arab countries commit to participate in Marshall Plan-scale investment in redevelopment of Gaza and the West Bank through a new Transitional Authority, that would be overseen in partnership with Arab countries.

Step Four: Negotiate on two tracks – Israeli-Palestinian conflict resolution and Israel-Saudi normalization

Fourth, the President should propose that following US recognition of Palestine and the reaffirmation of the Arab Peace Initiative, the United States would lead a new UN Security Council resolution laying out the parameters for Israeli-Palestinian negotiations and confirming the path to admission for Palestine as a full member state.

Negotiations should be proposed on two tracks:

- Toward a two-state agreement between Israel and Palestine, guided by parameters laid out in the UNSC resolution on borders and other final status issues, with the participation of the United States and other international actors.
- Toward a normalization agreement between Saudi Arabia, Israel and the United States in which the US would make certain bilateral commitments to both countries, Israel would confirm its intent to recognize Palestine and negotiate a final status agreement, and Saudi Arabia would recognize Israel.

The two tracks would move in parallel, and necessary US legislation to facilitate these agreements would be pursued as a package — hopefully attracting wide bipartisan support.

Step Five: Take Congressional action necessary to enable both sets of agreement and support Palestinian admission to the UN as a member state

Finally, when agreements are complete on both tracks, the President would bring to Congress the necessary legislation to facilitate both the Saudi normalization and the Israeli-Palestinian peace agreements. The legislative package would include the necessary removal of prohibitions regarding funding of the United Nations following admission of Palestine and of funding directly to the state of Palestine.

These legislative changes would allow the United States to support the final step in this process, the admission of Palestine as a full member state in the United Nations.

Conclusion

The horrific attack by Hamas on October 7 triggering the disastrous war in Gaza are the latest dire signs of the urgent need for an entirely new approach to Middle East diplomacy. The ideas that progress is impossible, that ambitions must be minimal and that this irresolvable conflict can be managed have been, we hope, thoroughly discredited. The tragic suffering on both sides and the utter lack of hope call for a bold new vision and hard-nosed diplomacy to realize it.

We believe the best interests of the United States are served by laying out the choices all sides must make to create a better future for the entire region and by then providing both incentives to and a strong push on the various parties to turn away from never-ending conflict toward a future built on diplomacy and security achieved through peace.