



Why the United States Should Recognize Palestine

Jen Gavito, J Street Policy Fellow

September 5, 2025

Bottom line: The United States should formally recognize a Palestinian state as a way to inject hope and credibility for the concept at a time when the Israeli government's unprecedented escalations may foreclose Palestinian statehood.

Background

For 25 years, the US has steadfastly adhered to the vision of two states – Israel and Palestine – living side-by-side in peace and security. That policy has evolved over the years, from the 2000 Clinton Parameters that were the first explicit US call for Palestinian statehood to the 2018 Trump endorsement of the two-state solution following his recognition of Jerusalem as Israel's eternal capital. Yet throughout those years, Washington also opposed unilateral recognition, arguing that Palestinian statehood must only emerge from direct negotiations.

Despite this long-standing policy, little progress has been made, and the Israeli government is now actively working to foreclose Palestinian statehood by taking the following steps to alter facts on the ground:

- **Ongoing destruction of most of Gaza** through [military operations](#), expanded occupation, confinement of 2 million Gazans to 25% of the Strip, and efforts to encourage “voluntary migration.”
- **De facto annexation in the West Bank** via [record](#) settlement expansion, settler violence, illegal outposts, demolitions, and transfer of governance in Area C from the military to civilian officials.
- **Threats to formally annex large portions of the West Bank**, including Smotrich's [proposal](#) to annex 82% of the territory, and Netanyahu reportedly considering annexation in response to the wave of international recognition of Palestine.
- **Advancement of settlements in E1** with [approval of over 3,000 units](#), designed to bisect the West Bank and sever it from East Jerusalem; Finance Minister Bezalel Smotrich explicitly declared this would “bury the idea of a Palestinian state.”

International Momentum for Recognition

In response to Israel's escalations, there has been a [wave of recognition](#) of Palestinian statehood by key US allies in the past 18 months. Spain, Ireland, and Norway recognized Palestine in May 2024, and France, Canada, Australia, Belgium, and Malta intend to do so at the September 2025 UN General Assembly. By the UNGA, over 150 of the 193 UN member states will have recognized Palestine, leaving the United States increasingly isolated.

This momentum was reinforced by the July 2025 [New York Declaration](#), which was adopted at a UN conference co-chaired by France and Saudi Arabia with EU and Arab League support. The declaration sets a time-bound roadmap for ending the Gaza War, advancing a two-state

solution, and reforming Palestinian institutions with the eventual goal of full UN membership for Palestine.

Rationale for US Recognition

The war in Gaza and Israel's activity in the West Bank have drastically undermined the viability of a contiguous Palestinian state, lending urgency to a policy shift that restores a credible political horizon towards a two-state solution. The United States should, therefore, recognize a Palestinian state, which would serve four key objectives:

- **Preserve the two-state solution.** While recognition does not resolve final status issues, it highlights the political destination – a Palestinian State alongside an Israeli State – and disrupts the drift towards either permanent occupation or a one-state reality characterized by perpetual conflict.
- **Strengthen moderate Palestinian actors and weaken Hamas.** By restoring hope for a credible political horizon, recognition would allow moderates to demonstrate that a diplomatic path forward exists. This also undercuts Hamas, which thrives on despair and the message that only armed resistance can drive change.
- **Reestablish US leverage and credibility to drive PA reform and shape future agreements.** The United States has abdicated influence over the PA in recent years by failing to provide a viable political pathway to self-determination. Recognition would provide that pathway, which would restore the US' ability to incentivize PA reforms and commitments. Renewed influence could provide the needed political leverage to achieve long-held PA reforms and commitments, and ensure that the eventual Palestinian government aligns with US interests.
- **Enhance Israel's long-term security.** A demilitarized and accountable Palestinian state anchored in security arrangements with moderate neighbors and bolstered by new normalization agreements between Israel and other Arab states is the best guarantor of Israel's long-term security. The United States could play a central role in helping guarantee and underwrite the security arrangements associated with a two-state agreement and with the broader regional security architecture.

Implications of Recognition

Recognition of Palestinian statehood is a diplomatic action that would reaffirm the international consensus on Palestinians' right to self-determination while leaving final status issues – borders, Jerusalem, refugees, and security – to direct negotiations, which is consistent with longstanding US policy. Nonetheless, recognition would shift the incentives and international legal context for Palestine by normalizing US-Palestinian relations, unlocking treaty and assistance frameworks available only between states. Most crucially, recognition would signal unequivocally to both Israeli and Palestinian spoilers that US and international commitment to

achieving an outcome in which a Palestinian state exists alongside a secure Jewish state is unwavering and non-negotiable.

Policy Recommendations

Palestinian statehood is not a panacea, but – paired with enforceable benchmarks that enhance Israeli security and support Palestinian governance and self-determination – it can re-anchor diplomacy around a credible pathway to a Palestinian state alongside a secure Jewish state. It would also realign the US with the growing international consensus that urgent action is needed as the current Israeli government entrenches facts on the ground that undermine peace. To succeed, recognition must be accompanied by concrete actions by the US, Israel, and the newly recognized Palestinian State.

The United States' recognition of Palestine should be both conditional and phased. In the immediate term, it should:

- **Recognize the State of Palestine in principle.**
- **Exchange liaison offices and agree on a framework committing both sides to two states** based on the 1967 borders with mutually agreed land swaps.

In the second phase, the US should:

- **Upgrade to full diplomatic relations** once unified, moderate and reformed Palestinian governance is established in Gaza and the West Bank, and credible elections are held.
- **Move toward treaty-level recognition**, enabling expanded bilateral assistance compacts, and eventual US support for full UN membership.

Israel should publicly recommit to a twenty-three-state solution framework, whereby part of an agreement on full regional integration would also include the creation of a Palestinian state. This recommitment should be accompanied by:

- **A moratorium on settlement expansion** and all other actions that further undermine the territorial integrity of the future Palestinian state.
- **Restoring security coordination with the Palestinian Authority Security Forces (PASF)** as a precursor to a partnership that will guarantee Israel's long-term security.
- **Working with international partners to implement an immediate ceasefire in Gaza** and support a reconstruction plan that denies Hamas any future role in governance by empowering the PA.

Palestine: The PA and any eventual interim Palestinian government in Gaza should commit to a set of reforms on which further steps toward full recognition would be conditioned, including:

- **Anti-corruption measures**, including independent audit authorities to ensure greater fiscal transparency.
- **A renewed commitment to non-violence** and recognition of Israel.
- **A verifiable pathway to elections** based on a firm timeline.
- **Security sector professionalization**, in cooperation with the US and European partners, to achieve full demilitarization and effective control of its territory and borders.