Like many of his predecessors, President Trump has come to office pledging to solve the decades-long Palestinian-Israeli conflict. In this paper, two veteran U.S. peace negotiators point out the repeated failure of past efforts to reach "all-or-nothing" solutions to this conflict, urge the president not to seek a comprehensive settlement, and instead recommend an approach based on reaching an understanding with Israel on steps that could:

► preserve the potential for a two-state outcome in the future;
► blunt the delegitimization movement against Israel; and
► give the administration leverage to use with the Palestinians, other Arabs, and Europeans.

The Palestinian-Israeli conflict has faded in significance in the Middle East against the backdrop of the conflict in Syria, the rise of ISIS, and the regionwide clash of Sunni and Shiite powers. Both the likelihood for a return to the negotiating table and the prospects for a two-state solution are growing dim.

In this paper, DAVID MAKOVSKY and DENNIS ROSS recommend that the United States should work to preserve the potential for a two-state outcome in the future by reaching an understanding with Israel on a differentiated approach to settlements, accepting construction in existing settlement blocs in exchange for Israeli agreement to stop building outside them. The administration would similarly ask the Israelis to demonstrate Prime Minister Netanyahu's commitment to the principle of "two states for two peoples" by forswearing Israeli sovereignty to the east of the security barrier, or on 92 percent of the West Bank, and to open up parts of what is known as Area C for economic activity for Palestinians. This area constitutes 60 percent of West Bank territory, and the proposed opening could dramatically enhance Palestinians' economic well-being. The policymakers believe that these steps would draw Sunni Arab states into peacemaking and thereby provide political cover for Palestinian leaders to reciprocate. In addition, the United States should commit to produce direct strategic gains for Israel, including a commitment to veto any UN Security Council resolution on the peace process opposed by Israel.

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