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Israel and the Palestinians: Chronology of a Two-State Solution

The idea of a two-state solution to the Israeli-Palestinian conflict developed gradually in the years after Israel captured the West Bank and Gaza Strip in the 1967 Arab-Israeli war. This product highlights the evolution of this idea. In 2002, U.S. policy became explicitly supportive of creating a Palestinian state alongside Israel. Since then, unsuccessful negotiating efforts and other developments have led many observers to doubt the viability of a two-state solution. These doubts have grown during the Trump Administration amid speculation that the plan the Administration has pledged to release may use economic measures to elicit Palestinian concessions on core issues of dispute with Israelis (security, borders, settlements, Jerusalem, Palestinian refugees), without specifically calling for an independent Palestinian state.

From U.N. Security Council Resolution 242 to Oslo Process (1967-1995)

Shortly after the 1967 Arab-Israeli war, the U.N. Security Council adopted Resolution 242, which supported future negotiations involving the Israeli return of captured territories in exchange for peace with Arab states (the “land-for-peace” principle). The U.S.-brokered 1978 Camp David Accords between Israel and Egypt had provisions addressing Palestinian aspirations for self-rule. The Accords anticipated transitional Palestinian autonomy in the West Bank and Gaza accompanied by Israeli-Palestinian peace negotiations.

Initially, the prevailing U.S. and Israeli view was that autonomy would not necessarily lead to statehood. Yet, U.S. officials began more seriously contemplating that peace talks could lead to a Palestinian state after Yasser Arafat’s Palestine Liberation Organization (PLO) signaled its willingness to negotiate with Israel in the late 1980s and early 1990s. That timeframe coincided with the first Palestinian *intifada* (or uprising), which raised widespread concern in Israel that political control over the West Bank and Gaza was unsustainable. Political space opened for a diplomatic process anticipating territorially contiguous Israeli and Palestinian states that would share close commercial ties, opening the way to the Oslo agreements of 1993-1995 (see timeline below) and the accompanying peace process.

1967	Arab-Israeli war: Israel captures West Bank (including East Jerusalem) from Jordan, Golan Heights from Syria, and Gaza Strip and Sinai Peninsula from Egypt U.N. Security Council Resolution 242
1978	Camp David Accords
1979	Israel-Egypt peace treaty

1981	Israel unilaterally applies civilian law to the Golan Heights, effectively annexing it; U.N. Security Council Resolution 297 holds Israeli action to be invalid
1982	Israel finalizes return of Sinai Peninsula to Egypt
1987	First Palestinian intifada begins
1988	PLO under Yasser Arafat agrees to consider a solution focused on Palestinian claims to the West Bank and Gaza, not all of historic Palestine; Jordan gives up its claims to the West Bank to the PLO
1991	Following the Gulf War, the United States helps start Arab-Israeli (including Israeli-Palestinian) peace talks at the Madrid Conference
1993	Israel-PLO Declaration of Principles (Oslo Accord) signed in Washington, DC
1994	Palestinian Authority (PA) created via Gaza-Jericho Agreement signed by Israel and the PLO in Egypt Israel-Jordan peace treaty
1995	Israel-PLO Interim Agreement on the West Bank and Gaza Strip (Oslo II) signed in Egypt to formalize areas of limited PA rule; final-status negotiating period begins Assassination of Israeli prime minister Yitzhak Rabin

Negotiations Amid Changing Political Realities (1995-2014)

After the initial Oslo process ended in 2000 without a peace agreement, Israeli public opinion grew wary of diplomatic compromise, especially with a second intifada and attacks inside Israel from the West Bank and Gaza. Israel’s emphasis on security measures grew—focused both on protection (building walls and fences) and prevention (expanding Israeli military and intelligence operations in the West Bank and around Gaza)—and contributed to Palestinian economic difficulties. Additionally, the numbers of Israeli settlers in the West Bank and East Jerusalem had steadily increased over time, making the prospect of cleanly separating Israeli and Palestinian populations more complicated and politically charged.

The principle of a two-state solution mediated by the United States and supported by neighboring Arab states was the basis for subsequent rounds of Israeli-Palestinian negotiations in 2007-2008 and 2013-2014. This was the case despite the post-2000 changes mentioned above, the emergence of other global and regional powers, and heightened political unrest in surrounding Arab states. Both rounds of negotiations ended without an agreement, leading Israel and the Palestinians to pursue leverage over each other on the ground (sometimes violently) and through

international politics and trade. Meanwhile, domestic pressure mounted on Israeli and Palestinian leaders to consider alternatives to a negotiated solution. Some Israelis have advocated partial annexation of Israeli-controlled areas in the West Bank, and some Palestinians have sought one state with equal rights for Israelis and Palestinians. Some observers have contemplated that a conflict-ending agreement might not happen, thus leaving the parties stalemated and the Palestinians with few political rights.

2000	Camp David summit fails to reach Israel-PLO final-status agreement Second Palestinian intifada begins President Bill Clinton issues parameters for bridging gaps in Israel-PLO final-status positions
2002	Saudi Arabia proposes Arab Peace Initiative, setting conditions for Arab-Israeli peace related to territory, Palestinian statehood, Jerusalem, and Palestinian refugees; Arab League adopts it President George W. Bush makes a two-state solution official U.S. policy in connection with efforts to end Israeli-Palestinian violence and promote PA reform efforts through Roadmap for Peace
2004	President Bush sends letter to Israeli Prime Minister Ariel Sharon implying that Israel would probably keep some West Bank settlements in a peace agreement PLO Chairman/PA President Yasser Arafat dies and Mahmoud Abbas succeeds him
2005	Israel withdraws troops and settlers from Gaza Strip
2006	Hamas wins PA legislative elections held in West Bank and Gaza, and forms PA cabinet; U.S. support for PA limited to President Mahmoud Abbas
2007	After armed clash with PA/Fatah forces, Hamas gains control of Gaza Strip; Abbas appoints new PA cabinet for West Bank
2007-2008	Bush Administration facilitates the Annapolis talks between Israel and the PLO; no agreement reached
2009	Israeli Prime Minister Binyamin Netanyahu states conditional willingness to accept a Palestinian state
2011	Unrest breaks out across Arab world, including Syria Palestinians unsuccessfully apply for U.N. membership; successfully join U.N. Educational, Scientific, and Cultural Organization (UNESCO)
2013-2014	Obama Administration facilitates Israel-PLO talks; no agreement reached

Questions About Preserving the Peace Process (2014-Present)

In this environment, the United States and a number of international actors apparently downgraded their goal from reaching a peace agreement imminently to preserving the peace process until conditions for talks were more favorable. Reflecting this objective, U.S. officials reportedly have explored an approach aimed at bringing Israel closer to Arab states because of their common concerns about Iranian regional influence, and then using

those improved ties to encourage Arab states to persuade the Palestinians to hazard difficult compromises.

The Trump Administration reportedly has sought support from Arab states to keep Palestinians open to a U.S.-led process, despite U.S. actions that the PLO strongly opposes (see timeline below) and the possibility of a peace plan that may not contemplate Palestinian statehood. To date, the PLO response to the Administration has been to cease diplomatic contacts, search for other international actors to counterbalance or supplant the United States in its traditional mediator's role, and warn that the Palestinian Authority (PA) in the West Bank might stop coordinating on security with Israel or even disband itself.

2015	Congress enacts Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (P.L. 114-26), which contains a provision seeking to protect Israel from punitive economic measures, including in settlements; State Department issues statement saying that the provision's application to settlements runs counter to long-standing U.S. policy
2016	Congress enacts Trade Facilitation and Trade Enforcement Act of 2015 (P.L. 114-125), with a provision similar to the one enacted in P.L. 114-26; President Obama issues a signing statement saying that the provision's application to settlements is not in line with U.S. policy United States abstains in vote on U.N. Security Council Resolution 2334, which holds that Israeli settlements are contrary to international law Secretary of State John Kerry proposes six principles for future negotiations toward a two-state solution
2017	President Trump recognizes Jerusalem as Israel's capital; PLO/PA cuts off diplomatic contacts with United States
2018	United States opens embassy to Israel in Jerusalem, substantially reduces bilateral aid for the Palestinians, ends contributions for U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), and mandates the closure of the PLO office in Washington, DC
2019	United States ends bilateral aid for the Palestinians and merges the U.S. consulate general in Jerusalem into the U.S. embassy to Israel President Trump recognizes Golan Heights as a part of Israel Prime Minister Netanyahu states his intent to start annexing West Bank areas if he forms the next government Secretary of State Michael Pompeo announces, as a contrast with some past Administrations' statements or legal findings, that Israeli West Bank settlements are "not per se inconsistent with international law"

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