



American Policy toward Israeli Settlements: Continuity and Change from Obama to Trump

Mamoona Bashir*, Shabnam Gul**

*Assistant Professor, Govt Graduate College for Women Gulberg, Lahore. mamoonabashir82@gmail.com

**Chairperson Department of International Relations, Lahore College for Women University Lahore. shabnam.gul@lcwu.edu.pk

ARTICLE INFO	ABSTRACT
Article history: Submitted 23.04.2026 Accepted 19.06.2026 Published 30.06.2026 Volume No. 13 Issue No. I ISSN (Online) 2414-8512 ISSN (Print) 2311-293X DOI: Keywords: U.S. Foreign Policy, Israeli settlements, Obama and Trump Administration, International Law, Domestic Politics.	<i>In this article, the author examines the Obama and Trump administration's policies toward Israeli settlements by making a comparative study. It claims that the policy of the United States during this period was "strategic continuity and doctrinal change in response to domestic political considerations and changing conceptions of international law. The Obama administration has called Israel's building of settlements a key problem in an eventual two-state deal and said it is calling for less action by Israel and more by the Palestinians. But its agenda was hampered by congressional opposition, the polarization of parties and Israeli right-wing coalition politics. In contrast, the Trump administration took a major policy shift that repudiated historic legal interpretations, accepted Israeli territorial claims and even affirmed the immutability of major settlement blocs including those around East Jerusalem. The study uses a mixed methods research approach involving qualitative document analysis of official U.S. statements, United Nations resolution, and peer-reviewed literature to show that although both administrations were bound by enduring strategic parameters, policies during the Trump administration reinforced the normalization of entrenchment in settlement, and further reduced the viability of negotiated conflict resolution. The article ends that the polarization of the United States has reduced the cohesion and trustworthiness of the American efforts in the Israeli–Palestinian conflict.</i>



Introduction

Since Israel's occupation of the West Bank and East Jerusalem in 1967, American policy toward Israeli settlements has been a key and ongoing aspect of U.S. involvement in the Israeli–Palestinian conflict, encompassing all aspects of territorial control, international law and conflict resolution. The settlement question was a contentious one in U.S.–Israel relations during the Obama years (2009–2017) when the U.S. tried to reopen talks, but blocked any type of Jewish residential development in East Jerusalem and the West Bank. Whereas the George W. Bush administration recognized Israel's right to retain large settlement blocs, the Obama administration did not make such a distinction, however, between settlement blocs and other settlement expansion beyond the 1967 lines (Freedman, 2012). The policy division created tensions between President Barack Obama and Prime Minister Benjamin Netanyahu both during Obama's first and second terms in office. It reached its climax in December 2016, when the United States abstained instead of vetoing the United Nations Security Council resolution condemning Israel's settlement building in the West Bank and East Jerusalem, a move that went against a long history of U.S. practice (Freedman, 2017).

The Trump administration (2017–2021) was the first to take a fundamental step away from this

tactic, and in this regard, it redefined the legal and diplomatic stance of the United States on Israeli settlements. In a major departure from the decades-long U.S. policy of strategic ambiguity, in November 2019, the administration clarified that Israeli settlements in the West Bank were not, in principle, in violation of international law. The shift was one of the many changes in U.S. policy towards Israel that have been embraced by the right wing of the Israeli political establishment, with regard to settlements in particular, where they are viewed as a component of Israel's security and territorial requirements. From 2017 to 2021, the Trump administration loosened legal and diplomatic restrictions on construction of settlements, modified the “rules of engagement” for American policy on lands Palestinians seek as a future nation and altered global reports regarding settlements (Youvan, 2024).

In terms of Israeli settlements, the two administrations – Obama (2009-2017) and Trump (2017-2021) – demonstrate continuity and change with regards to American policy. The two administrations also had differences on the interpretation of international law, the power they had in applying diplomatic pressure on the Israeli government, and their perception of settlements as an impediment to peace. These contrasting approaches are therefore set in the broader historical and strategic context of American settlement policy from 2009 to 2021 and the impact of shifting regional contexts, restrictions imposed on U.S. political behavior, and evolving conceptions of U.S. interests.

Objectives of Study

The study aims to focus on the following objectives:

1. Examine the policy tools, diplomatic stances, and legal interpretations used by the U.S. under Obama (2009-2017) and Trump (2017-2021) administrations with respect to Israel's settlements.
2. Evaluate the impact of domestic political factors, including partisan polarization, congressional politics, and electoral incentives, on U.S. settlement patterns.
3. Examine how U.S. settlement policy affected the overall peace process between Israel and the Palestinians, and the Palestinians' trust of the United States as a mediator.
4. Compare and contrast the policies of the Obama administration with those of the Trump administration in the context of U.S. policies toward Israeli settlements in the broader history of U.S. policy.

Research Questions

To attain these goals, the following research questions are considered:

1. What were the differences in the legal framing, diplomatic engagement and enforcement of U.S. policy on Israeli settlements under the Obama and Trump administrations?
2. What domestic and strategic political issues influenced American settlement policy in both of these presidencies?
3. How did the polarization in the American public impact the President's autonomy and policy decisions on Israeli settlement?
4. How did U.S. policy on settlement change under Obama and Trump, and what effect did that have on the peace process in Israel/Palestine and U.S. credibility as a mediator of conflict?

Literature Review

There is a significant body of scholarship on the question of Israeli settlements and how they relate to the lack of success in solving the Israeli–Palestinian conflict. The legal and normative studies focus on Israeli settlements in 1967-occupied territories and conclude that this action infringes upon the international legal framework governing military occupation including the Fourth Geneva Convention and the UN Security Council Resolutions 242 (1967), 446 (1979), 452 (1979), and 465 (1980) (Quigley, 2005; Benvenisti, 2012). This literature clearly creates a legal consensus but can at times view U.S. policy as a reflection of international norms, instead of as a product of domestic and strategic decision-making.

A second line of enquiry concerns U.S. mediation and diplomacy, and the history of America's policy ambiguity towards settlements. Research on U.S. involvement since the 1967 occupation of the West Bank and Gaza focuses on the rhetorical opposition to settlement expansion by successive U.S. administrations and on the fact that no specific measures were taken to force Israel to change its policy, that might have jeopardized the U.S.–Israel strategic relationship (Quandt, 2005; Kurtzer et al., 2010). This enabled Washington to be a broker, but scholars also point to the advantages it brought to the settlement process, which degraded U.S. reputation as a neutral mediator and made Resolution 242 negotiations more difficult.

Study of Obama administration focuses on significant deterioration of U.S.–Israeli ties regarding settlements. Some scholars contend that Obama's proposal to freeze the current settlement construction and to once again focus on international law was a bid to reverse decades of diplomatic accommodation (Freedman, 2012). The U.S. abstention on the U.N. Security Council Resolution 2334 (2016) is generally

seen as the latest in this series of developments, restating that settlements are illegal, and revealing the extent to which the United States is able to influence Israel's policies. (Freedman, 2017) Much of this literature, however, focuses on the Obama period alone, leaving out consideration of structural and domestic constraints.

It is clear that there is a big shift in the policies of the Trump administration regarding U.S. settlement, based on analyses. Scholars point to the administration's abandonment of previous legal rulings based on Resolutions 446 and 465, including its 2019 assertion that settlements do not necessarily conflict with international law (Gorenberg, 2019; Youvan, 2024). This literature has highlighted the ideological and diplomatic significance of the turn, and it may have been less sensitive to the domestic political environment that facilitated this turn without significant institutional opposition. Domestic politics scholarship provides a lens for continuities and changes in U.S. settlement policy. Research on the dynamics of Congress, pro-Israel lobbying and electoral incentives have suggested that bipartisan backing for Israel has historically limited presidential discretion (Mearsheimer & Walt, 2007; Auerbach & Ben-Nun, 2018). Recent writing has focused on the hardening of attitudes among the elites of both Democratic and Republican groups in the United States toward Israel, notably under the Obama and Trump administrations, as they grew more and more polarized on various issues, such as settlements, international law, and the peace process. However, this literature is seldom used in a systematic comparison of the settlement policies of successive administrations.

This article further develops these threads with a specific focus on comparing settlement policy under Obama to that under Trump in the United States. It combines legal, strategic and domestic political arguments to provide an understanding of the evolution of American settlement policy over time, yet its ability to affect the ground situation is structurally limited.

Methodology

The present investigation uses a qualitative comparative method to analyze the Obama and Trump policies on Israeli settlements. The analysis is drawn from document analysis, using primary sources including U.S. presidential statements and State Department communications, congressional accounts, U.S. positions at the United Nations, and peer-reviewed academic literature and policy studies related to U.S.–Israel relations and settlement policy. The comparison is organized chronologically and by topic. The analysis is limited to the timeframe 2009–2021 on the time line. Thematically, the study emphasizes three aspects of U.S. settlement policy: legal framing, diplomatic practice, and domestic political context.

Theoretical Framework

This article utilizes a realism and a domestic politics framework as two complementary lenses to examine the policy of the US towards Israeli settlements in the Obama and Trump governments. These frameworks are not simply referred to as abstract ideas but as means of analyzing the behavior of policies. A realist view of U.S. policy towards Israeli settlement looks at the issue in the context of alliance politics, strategic interests, and regional stability. Realism also stresses that states are more concerned with security, power, and strategic alliances than the law and norms. (Waltz, 1979; Mearsheimer, 2001). When applied to the U.S.–Israel relationship, it helps to understand why successive U.S. administrations, even though they have spoken against settlements, have not taken firm and consistent actions that might threaten Israel's security or damage one of its most vital regional partners. In this context, the settlements are a minor consequence, tolerated or challenged if they are seen as a threat to more important U.S. strategic interests in the Middle East.

But realism is not enough to explain the difference between the settlement policy of the Obama and the Trump administrations, both of which had identical strategic alliance arrangements. The article acknowledges that domestic politics approach, which focuses on the domestic dimension of political actors and institutions in shaping foreign policy outcomes, is needed to overcome this constraint. It emphasizes the importance of partisan polarization, the institutional structure of Congress, the influence of interest groups, and the importance of electoral incentives in explaining U.S. policies toward Israel (Putnam, 1988; Mearsheimer & Walt, 2007). During Obama and Trump administrations, more polarization among the Democratic and Republican parties made Israel a partisan issue and thereby limited Obama's leverage against Israel, and gave Trump more freedom of action with a more ideologically similar policy on settlements. The framework, which is a blend of realism and a domestic politics approach, accounts for continuity and change in U.S. settlement policy. The strategic backbone of U.S. – Israel relations that has remained unchanged over the years is captured via realism, whereas domestic politics is responsible for shaping how that policy was interpreted and applied under Obama and Trump.

Analysis

- **Historical Context: U.S. Policy on Israeli Settlements till 2009:** U.S. policy toward Israeli settlements has been shaped by a diplomatic strategy that institutionalizes strategic alliance management, legal uncertainty and periodic diplomatic interventions that began with Israel's 1967 occupation of the West Bank, East Jerusalem, Gaza Strip, Sinai Peninsula and Golan Heights. Washington was from the beginning averse to territorial acquisitions by force and does not make any permanent legal pronouncements that would limit diplomatic maneuvering. The United Nations (UN) Security Council Resolution 242, 1967, formed the basis for U.S. involvement and stated that "the question of withdrawal shall be left to be decided in each case in accordance with the principles of international law. The United Nations (UN) Security Council Resolution 242, 1967, provided the foundation for the U.S. involvement and stated that "the question of withdrawal shall be left to be decided in each case, in accordance with the principles of international law. The ambiguity created American reactions to settlement activity in the future. The first construction of settlements took place at a restricted level from the late 1960s and early 1970s, and was presented by the Israeli authorities in security terms. In the mid-1970s, approximately twenty settlements were established which, in the West Bank, were spread out in sparsely populated areas like the Jordan Valley and avoided Palestinian population centers, reflecting the logic of the "security" plan known as the Allon Plan (FMEP, n.d.). In this time, the U.S. governments spoke against expanding settlement and saw the territories essentially as assets they can use for negotiation, and not as Israeli territory. Ambiguous moments were fleeting during the Carter administration, when the U.S. State Department decided in 1978 that settlements were not in line with the Fourth Geneva Convention of international law. This legalistic precedent came at a time when settlement building was rapidly increasing and U.S.-Israeli tensions had risen, but it was politically unfeasible. The Reagan administration has caved in, however, and has abandoned the illegality argument, instead labeling settlements as "ill-advised." This adjustment established an enduring trend: rhetoric of opposition but no enforcement (Benvenisti, 2012; Quandt, 2005).
- After the Likud Party's victory in 1977, there was a structural change in settlement policy in the late 1970s and 1980s. Settlement building in security corridors grew to include areas next to Palestinian urban centers, with significant increases in State assistance. By the mid-1980s, the number of settlements in the West Bank had grown from about 20 to over 100 and budgets had swelled to more than \$34 million (Peace Now, n.d.; FMEP, n.d.). By 1985, there were more than 40,000 settler residents. These developments made U.S. diplomacy more difficult, as they undermined the limited and reversible settlement principle. President George H. W. Bush made settlement policy a more direct issue in the bilateral tension. The administration rejected settlement expansion and in 1991 withheld \$10 billion in loan guarantees that Israel had asked for for settlement of immigrants from the former Soviet Union unless assurances were given that the money would not be used for settlement in the occupied territories. The guarantees were eventually withdrawn, but the episode was a bold effort at using U.S. support and a reflection of the political constraints of continued pressure (Quandt, 2005). Bush also named East Jerusalem as occupied territory – a remarkable stance in U.S. presidential speech. The Oslo process of the 1990s cemented American ambiguity, not cease settlement growth. Settlements were put on hold, but construction was stepped up. The number of settlers in the West Bank and Gaza Strip grew from approximately 134,000 in 1995 to nearly 200,000 in 2000, and settler housing construction reached its peak in 2000 (Peace Now, n.d.). The Clinton administration saw settlements as "complicating factors," and focused on the continuity of negotiations over enforcement. This allowed the U.S. broker function to remain intact while at the same time leveraging was lowered because reality set in (Kurtzer et al., 2010). During the Second Intifada (2000-2005) the United States again started to worry about settlements as a source of instability. The Sharm el-Sheikh Fact-Finding Committee (Mitchell Report) called for a complete settlement freeze including natural growth. Yet expansion continued. The unilateral withdrawal of Israel from Gaza in August 2005 had a significant impact on the Gaza Strip, as 21 settlements were dismantled and about 8,500 settlers were evacuated, with a small number from the northern West Bank. But the withdrawal was significant, and it occurred at a time of further consolidation in the West Bank, and was broadly viewed as a reconfiguration of territory rather than a withdrawal (FMEP, n.d.). The Bush Administration's policy shifted to the enshrining of the settlements. The 2003 Roadmap recommended a "freeze in principle", with limited implementation. In April, 2004, President Bush conceded that "new realities on the ground," such as the large settlement blocs, made the return to

the 1949 armistice lines unattainable. Ten years later, large settlements like Ma'ale Adumim, Ariel, Modi'in Illit, and Beitar Illit were established as urban centres. By 2009, the population of settlements and outposts on the right of the 1967 lines totaled more than 500,000, including East Jerusalem, in more than 120 officially recognised settlements and a large number of outposts (Peace Now, n.d.). The United States settlement policy, the way it was done and thought about by January 2009 was a contradiction. The United States said it was against settlements. It did not do much to stop them. The United States let some people build settlements but not others. This is what the Obama administration got when it took over. The United States had let people build settlements for a time and they were all over the place. The rules about settlements were not clear. This made it hard for the Obama administration. The settlement issue became a problem in the relationship between the United States and Israel. The United States settlement policy is still a problem in the relationship, between the United States and Israel.

- **The U.S. Settlement Policy when Barack Obama was in charge from 2009 to 2017:** Barack Obama wanted to solve the Palestinian problem from the start. He wanted to help bring peace to the area. One of the things Barack Obama did was talk to Palestinian Authority President Mahmoud Abbas, Israeli Prime Minister Ehud Olmert, Egyptian President Hosni Mubarak and Jordans King Abdullah II. This showed that the U.S. Wanted to be involved in the talks between these countries. The U.S. Thought that the Palestinian problem and the building of Israeli settlements were big issues. The U.S. Believed that if these problems were not solved it would cause trouble in the area and make the U.S. Look bad. Barack Obama and his team thought that the Israeli settlements were a problem. The U.S. Settlement Policy, under Barack Obama was important because it affected the Palestinian problem. On his second day in office, Obama named former Senator George Mitchell as Special Envoy for Middle East Peace to put this plan into action. Mitchell was chosen for a number of reasons, including his experience in conflict mediation, and also because he had written the Mitchell Report which named Israeli settlement activity as one of the main obstacles for peace, which recommended a comprehensive freeze (Ruebner, 2016; Smith, 2017). The appointment marked a shift in the policy from being a sideline to a key component of U.S. foreign policy. The administration, meanwhile, was trying to expand diplomatic connections. Secretary of State Hillary Clinton reiterated that Hamas would not be part of any negotiations unless it accepted the existence of Israel, while Mitchell reiterated the need to build on the 2002 Arab Peace Initiative to revive negotiations. The two-stage process, which was endorsed by the Arab League and reiterated in 2007, introduced the idea of normalization between Israel and its Arab neighbors as a precondition for a second stage of peace negotiations involving Israeli withdrawal from occupied territories and respect for the land-for-peace doctrine. The plan had been discarded by both the Bush administration and the Sharon government, but the restoration of the plan was an indication that Obama was interested in a comprehensive regional settlement instead of bilateral talks (Ahren, 2013). These attempts, however, failed to prevent the development of the settlement as the main issue on which Washington and Jerusalem disagreed. Over the past three years (2009-2011), Mitchell repeatedly visited the area and continued to stress that settlement expansion in areas planned for a future Palestinian state was a diversion from diplomatic efforts (Migdalovitz, 2010). The Obama administration saw settlements as both a legal and political issue, and it was also its view that they played a major role in Palestinian frustration and violence, in that they undermined the viability of the negotiations process.

The idea has been voiced publicly by Obama in his Cairo address in 2009, in which he said that settlement building “undermines the efforts to achieve peace. Later, Secretary of State John Kerry said that “Palestinian disillusionment and instability” have been fueling the development of settlements. Obama took it one step further and stated that the United States would not approve the laying of “one brick” in the settlements, an additional demand for a total and unconditional settlement freeze (Smith, 2017).

The administration's tough stance was soon met with opposition from the Israeli government, as well as from U.S. domestic political forces. In late 2009, Prime Minister Benjamin Netanyahu leading a fragile right-wing coalition—announced a ten-month moratorium on new settlement construction. The freeze didn't, however, cover East Jerusalem or about 3,000 housing units already in construction, or public infrastructure projects. The small scale of the moratorium only highlighted the difference between what America expected and what was happening in Israel politically.

Meanwhile, Obama was trying to avoid internationalisation measures that could further complicate talks with the Palestinian leadership. During an extended phone call, Obama tried to convince Abbas to refrain from calling for a United Nations condemnation of settlements. Abbas declined, insisting

that to accede would be irreparably harm the credibility of his government at home (Landler, 2011). The Palestinian negotiators pulled out of talks when the settlement moratorium was not renewed after the 2010 expiration and was instead demanded by the Palestinians to be reimposed. Obama and Clinton tried to salvage negotiations but it was unsuccessful. Mitchell and later Kerry remained diplomats, but the administration gradually found itself the limits of the president's leverage. The administration faced congressional limitations, especially after the GOP took control of the House in 2010, that limited its ability to levy costs on Israel. Meanwhile, Netanyahu's dependence on coalition partners on the extreme right side of the Israeli national camp also severely limited his room for maneuver on land swaps, and Hamas and Hezbollah were threatening further acts of violence if the peace process stalled. Obama's call for a comprehensive settlement freeze clashed head on with the ideological principles of Netanyahu's right-wing government, especially its two religious-nationalist partners, Likud and the Jewish National Fund. The Obama administration has gone from assertive diplomacy to damage control by Obama's second term. In 2013, Secretary of State John Kerry initiated another broad peace push, nominating Martin Indyk as Special Envoy and providing 2014 for a final deal. The talks, which have been held for several months after numerous high-level meetings and shuttle diplomacy, failed to materialize after Israel approved plans in January 2014 for more than 1,000 new settler housing units. In public, Indyk blamed internal disagreements among Netanyahu's government, saying that its settlement policies were threatening a two-state solution (Smith, 2017). Diplomacy was further complicated by the broader regional context. Palestinian mistrust was further fueled by the conflict in 2014, continued land acquisition in the West Bank and the actions at Haram al-Sharif by Israeli forces. Hamas-PLO schisms undermined the Palestinian negotiating position, and led Israel to claim there was no credible partner. In this context, mediation efforts in the United States did not pick up the pace again (Terry, 2017). The Obama administration's last and most significant step was in December 2016, when the United States took the floor in the United Nations Security Council to abstain from voting on passing UN Security Council Resolution 2334, which passed by a vote of 14–0. The resolution deprecated Israeli settlements, which were found to be illegal, and reiterated that they are incompatible with a two-state solution. While the vote was seen as a “disgraceful” rejection of Israel, it was the first time in Obama's tenure that the United States had not vetoed a resolution condemning Israel, and had instead let one pass through on a number of occasions in previous presidents' administrations (Siegel, 2016).

Netanyahu denounced the abstention as “shameful” and retaliated by recalling the ambassadors of sponsors and withholding aid from Senegal (Egash, 2016; Beaumont, 2016). Domestically, Obama was criticized by members of Congress and pro-Israel advocacy groups, while Secretary of State Kerry clarified the principles that the U.S. was aiming for in a detailed speech: securing borders, establishing two states for two peoples, securing a just refugee solution, establishing Jerusalem as a shared capital, guaranteeing Israel's security, and regional normalization (U.S. Department of State, 2016). Obama also approved \$221 million in funds blocked by Congress for the Palestinian Authority to receive in the last days of his presidency, and these funds were released just as President-elect Donald Trump (Terry, 2017) railed against the U.S. funding of the PA. Just before leaving office, Obama approved \$221 million in blocked Congress funds for the PA, which Trump railed against while in office. The act reflected both the administration's long-term desire to settle by negotiation, and its conviction that any significant progress had been lacking. All in all, the Obama administration's settlement policy can be seen as a bold but limited attempt to change entrenched patterns of U.S. accommodation. The administration focused its attention on settlements in American diplomacy, openly criticized Israel's policy, but domestic political obstacles, Israeli coalition dynamics, and regional instability prevented the administration from making much headway in sustaining opposition to produce results.

The Trump Administration's U.S. Settlement Policy (2017-2021): The Trump administration was a radical change in U.S. policy, which had become a subject of legal uncertainty and diplomatic caution over the years. Trump openly sided the U.S. policy in support of Israel's territorial claims, something that previous administrations, Democrat and Republican, had opposed as being incompatible with international law or detrimental to peace talks. It was a structural change and not episodic, and it was marked by changes in domestic political coalitions, ideological affiliation with the right-wing government and the general rejection of multilateral legal instruments. Policy toward settlements has varied in tone since the War, but not in substance. The Carter administration decided in 1978 that Israeli civilian settlements in the occupied territories were “in violation of international law,” based on Article 49(6) of the Fourth Geneva Convention, which bans an occupying power

from transferring its people into occupied territory. Subsequent administrations, most notably Reagan, did not define settlements as illegal, but they did not officially reject this legal determination. Rather, it was Washington's diplomacy of uncertainty, along with his reiteration that settlement activity was a hindrance to peace. In November 2019, a change in the United States' stance on Israeli settlements in the West Bank finally disrupted this continuity as Secretary of State Mike Pompeo stated that it no longer views Israeli settlements as “per se inconsistent with international law.” The declaration made it clear that it overturned the 1978 State Department legal opinion, which had previously affirmed the illegality of settlements, and broke with previous U.S. policy that aligned with UN Security Council Resolutions 446 (1979), 465 (1980), and 2334 (2016), which also declared settlements illegal. The Trump administration ended a significant normative constraint on Israeli territorial policy by removing the legal stigma of the construction of settlements (Kattan, 2020; Erdoğan & Habash, 2020).

The policy move was closely following Israeli domestic developments. During Netanyahu's election campaigns, annexation of large parts of the West Bank including major settlement blocs was openly promoted. Therefore, the Pompeo declaration was a diplomatic endorsement and political signal that paved the way for annexation and settlement expansion, and ultimately de facto or de jure annexation. The formal annexation was, in the end, postponed, primarily for regional diplomatic reasons but the legal and political framework were in place. The selection of personnel indicated the administration's commitment to the settlement enterprise. David Friedman was the first U.S. ambassador to Israel to be appointed in recent years. Friedman had publicly challenged the scope of international law to apply to the settlements and kept close links with settler groups, fuelling Israelis' sense that U.S. opposition to settlement expansion had come to a close. These appointments were in line with Trump's election promises to give Israel unconditional backing, and they dovetailed nicely with the evangelical Christian voters and conservative (mostly Republican) base who saw the settlements in ideological and religious terms. The policy change was well received by the right wing of Israel and the settler movement, which saw the Trump administration's legal and diplomatic recognition as an endorsement of the long-held right wing ideologies that Jewish sovereignty over the occupied territories is permanent and not temporary. The administration's overall Middle East policy factors into this realignment. In December 2017, the recognition of Jerusalem as Israel's capital and the subsequent relocation of the U.S. embassy in 2018 implicitly recognized Israeli sovereignty claims over East Jerusalem, even though it is under international law. In 2019, further normalization of territory acquisition outside negotiated guidelines was achieved with the subsequent recognition of Israeli sovereignty over the Golan Heights. These steps together reflected a change in U.S. policy, in which U.S. policy no longer recognized any international law or final status negotiations for territorial issues.

It was merged into the “Peace to Prosperity” plan that was released in January 2020. The plan was presented as a peace initiative, but since it included nearly all of the Israeli settlements, including major settlement blocs such as Ma'ale Adumim, Ariel, Gush Etzion, Modi'in Illit, Beitar Illit, and settlements around East Jerusalem such as Giv'at Ze'ev, Pisgat Ze'ev, Neve Yaakov, Ramot, Gilo, and Har Homa in the contiguous territory of Israel, it did not acknowledge Israel's legal right to withdraw to the pre-1967 lines. The proposed Palestinian state was split up, had no real sovereignty and was under Israeli security control. In contrast, Palestinian leaders rejected the plan outright, considering it to be a unilaterally imposed legalization instead of a negotiating plan (Asmar, 2024; Youvan, 2024). Domestic political considerations were central to the durability of these policies. Unlike Obama, Trump faced limited congressional resistance. Republican lawmakers largely endorsed the administration's approach, while Democratic opposition—though increasingly vocal—lacked the institutional capacity to constrain executive action. The growing partisan polarization of U.S. policy toward Israel transformed settlement support from a diplomatic liability into a domestic political asset, insulating the administration from criticism by international partners and legal institutions. By the end of Trump's term, settlement expansion had accelerated, unauthorized outposts were increasingly legalized under Israeli law, and annexation discourse had become normalized within Israeli political debate. U.S. policy no longer functioned as a moderating force but instead reinforced Israeli claims that settlement entrenchment was irreversible. In contrast to earlier administrations, which sought to balance alliance commitments with legal norms, the Trump administration explicitly subordinated international law to political alignment, fundamentally reshaping the parameters of U.S. engagement with the Israeli–Palestinian conflict.

Comparison and Impact: Continuity, Change, and Consequences

Structural continuity and doctrinal rupture in the settlement of the United States under the Obama and Trump administrations. Under both administrations, negotiations were conducted in the context of a solid U.S.-Israel strategic partnership and were shunned from actions that would substantially undermine U.S.-Israel security cooperation. However, they had very different approaches to defining, rationalizing and executing U.S. involvement in Israeli settlement building, with different effects on the peace process and regional diplomacy.

- **Continuity in Strategic Foundations:** Neither administration made a long-term financial burden on Israel for settlement expansion. When Obama was in office, settlements became a key diplomatic priority and a part of the two-state discussion, and they were viewed as incompatible. In Obama's time, settlements became a key diplomatic priority, and they were regarded as incompatible for a viable two-state solution. Despite this, enforcement efforts were still limited, however, due to strategic priorities and domestic political constraints. Trump's version of this restriction was one of rhetoric, without any enforcement, to normalize settlement permanence and ease legal barriers, but with a clear lack of engagement with managing outcomes on the ground. U.S. policy in both scenarios ultimately respected Israeli political realities, and this illustrates the continuity of U.S. policy in the management of alliances.
- **Diplomatic and Doctrinal Change in Legal Framing:** The main change is in the legal and diplomatic doctrine. The Obama administration was trying to bring back international legal norms and multilateral diplomacy, which reached a high point with the U.S. abstention from UN Security Council Resolution 2334 (2016), calling for the reaffirmation of the illegality of settlements and their incompatibility with peace. Trump took the opposite tack in his repudiation of the 1978 U.S. legal opinion and his affirmation that "settlements are not in and of themselves violative of international law. This change made settlements an accepted reality in politics, instead of a contested issue to be negotiated. In its peace-to-prosperity plan, the Trump administration institutionalized this change by explicitly making a large number of settlements, including major settlement blocs like Ma'ale Adumim, Ariel, Gush Etzion, Modi'in Illit, Beitar Illit and settlements around East Jerusalem, Giv'at Ze'ev, Pisgat Ze'ev, Neve Yaakov, Ramot, Gilo and Har Homa, part of a contiguous Israeli territory. The plan was based on the idea that borders and Jerusalem were to be negotiated, but by mapping these areas, it rejected withdrawal from pre-1967 lines. One of the perhaps overlooked points that might have influenced the differences between the Obama and Trump administrations is the ideological lean of Israel's right wing parties. Likud and other religious-nationalist groups have always regarded settlements as permanent manifestations of Jewish sovereignty, and not as bargaining chips for diplomacy. This mindset narrowed the room for manoeuvre in Israel, and was more or less in line with the Trump administration's refusal to accept the idea of territorial withdrawal and international legal restrictions.
- **Domestic Politics and Partisan Polarization:** These differences can be accounted for in large part by domestic politics and partisan polarization. Obama's strategy was done against the backdrop of growing partisan polarization between Democrats and Republicans over Israel, greater congressional resistance, and an Israeli government that was more Republican-leaning. These factors limited the government's ability to turn opposition into policy results. By contrast, Trump was able to count on an unified Republican front, evangelical backing, and a shared ideological agenda with Israel's right-wing government. Settlement endorsement served a domestic political purpose, allowing the Administration to avoid institutional resistance, and allowed for a quick policy change.
- **Impact on the Peace Process and Regional Dynamics:** All these approaches have had a cumulative effect that has further undermined the two-state solution framework and regional dynamics. Obama's rhetoric and actions stoked doubts in Palestinian trust that the United States would effectively act as a mediator. With Trump, the explicit support for settlement permanence and the shift of the East Jerusalem to Israeli sovereignty has pushed Palestinian leaders to reject U.S.-led diplomacy entirely. The Abraham Accords changed the regional balances, but they did so by decoupling the concept of normalization with Palestinian statehood and limiting the external pressure to deal with settlement expansion. More broadly, the Obama-to-Trump history of U.S. settlement policy highlights the possibility of maintaining strategic continuity while simultaneously radically changing legal understandings and diplomatic approaches. Obama's limited opposition and Trump's clear support are two reactions to a set of structural conditions—situatedness, Israeli domestic politics, and political polarization in the U.S. What has happened is that instead of resolution, the facts have been consolidated on the ground that further constrict the room for negotiated peace.

Conclusion

The article has studied the American policy on Israeli settlements by focusing on a comparative analysis of the administrations of Obama and Trump, and placed the policies in their historical, legal and domestic political context. The analysis shows that the United States' longstanding strategic commitment to Israel has helped drive the evolution of its approach to the settlements issue, but that the Obama to Trump era represents a new shift in settlement language, rationales, and settlement inclusion in U.S. diplomacy. This period saw U.S. policy not just a balancing act between pressure and permissiveness, but a more fundamental imbalance between international legal requirements and domestic political pressures and strategic considerations in managing alliances.

During the Obama regime, settlements were considered an integral problem in the path to peace, and they did not align with the two-state solution. But Obama has turned settlement activity from a side issue into a main one in diplomats' considerations, making it a direct cause of Palestinian discontent, volatility and loss of negotiated progress. The call for a comprehensive settlement freeze, diplomatic efforts by the administration and its eventual abstention from the UN Security Council resolution 2334 (2016) indicated a return to international law and the multilateral approach. However, these steps were ultimately limited by opposition within Congress, greater polarization over Israel among parties and political makeup of Israeli governing coalitions. This meant that there was consistently a disconnect between rhetoric and action on Obama's policy.

The Trump administration filled the void in the other direction. In its repudiation of the 1978 U.S. legal opinion on settlements, the administration essentially changed the doctrine of U.S. policy. It was backed by tangible diplomatic moves like Israel recognizing Jerusalem as its capital, annexing the Golan Heights and the release of the Peace to Prosperity plan. The plan included major settlement blocs and settlements in the area that surrounds East Jerusalem as part of contiguous Israeli territory, and made settlement permanence a political fact of life, not a negotiating point. By so doing, the Trump administration rejected the longtime U.S. stance that borders and Jerusalem should be left for final status negotiations.

The opposite strategies highlight the increasing role that domestic politics plays in U.S. foreign policy towards the Israeli–Palestinian issues. Obama's settlement diplomacy was carried out in the context of both fragmented government and significant opposition from Congress, and an ever-polarizing Israeli discourse. By contrast, Trump fielded a united Republican coalition, with evangelical Christian voters and pro-settlement advocacy groups who were not pleased with territorial giveaways, if they were not outright against them. The policy of settlement therefore became a means of domestic political signaling, diminishing the importance of international legal issues and shielding the administration from criticism.

The policy directions taken have had significant impacts on the peace process. Obama's limited opposition eroded the faith of Palestinians in the U.S. as a credible mediator while maintaining a nominal respect for international legal rules. The U.S.-brokered framework of peace gave way when Trump explicitly endorsed settlement permanence and the incorporation of East Jerusalem into Israeli sovereignty, which prompted Palestinian leaders to reject U.S.-led diplomacy altogether. The Abraham Accords reshaped regional dynamics, but they did this in a way that removed the notion of settlement as part of a broader peace deal, and reduced the incentive to address Palestinian statehood in the context of settlement expansion.

More broadly, the Obama-Trump comparison reflects the ability to have continuity in strategic alliance management despite radical doctrinal change. Both administrations placed a strong emphasis on the U.S.-Israel relationship and eschewed any prolonged coercive action which could compromise bilateral cooperation. Their interpretations of the law and diplomatic approaches, however, led to different longterm implications. Whereas, Trump's policies tacitly validated a situation that was 'territorial' and incompatible with the two-state framework, Obama's approach was designed to uphold it despite the circumstances. Trump's settlement policy was not just a different evaluation of the war, but a policy that would actually define the environment in which future peace talks would take place.

Legacies of this period remain in U.S. policy debates. Over the years, successive administrations have tried to adjust the rhetoric and reintroduce some legal confusion, but the set of options that have been considered since 2017 and 2021 have limited the range of potential policy choices. When it comes to Israel's control, settlement expansion and the legalization of outposts and the entrenchment of Israeli control over East Jerusalem have proven to be impossible to undo even with renewed diplomatic efforts. Meanwhile, domestic polarization in the United States has intensified partisan differences on Israel, and bipartisan consensus on settlements is not expected to be restored in the near future.

To conclude, Obama to Trump in U.S. policy towards Israeli settlements has not only been a shift in priorities but also more fundamental structural constraints that raise the effectiveness of U.S. mediation. The complex interplay between international law, domestic politics and strategic alliance considerations has

resulted in an inconsistent trend, which ultimately hinders conflict resolution. Settlements will remain a symbol and means of the peace process's lack of progress if future U.S. policy fails to resolve these competing pressures, allowing diplomacy to be implemented in a manner that respects the rule of law and domestic political incentives.

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