

Now Trump's Shutdown Threatens Israel's Security

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Articles & Testimony

The last remaining thread of U.S.-Palestinian ties is the American-trained PA security forces, but Washington is about to cut them off.

For over a decade the strongest pillar of stability in the volatile Israeli-Palestinian conflict has been the close cooperation between the Israeli military and the Palestinian Authority's security forces, who work together to maintain order and keep terrorists in check on the West Bank. Now these Palestinian forces—primarily American-trained, equipped and funded—look like they may be the latest casualties of the Trump government shutdown.

U.S. legislation passed by Congress last year and set to go into effect at the end of the month will effectively end all remaining aid to the Palestinian Authority (PA), including to the security forces. It will also cut the funding for a small American mission in Jerusalem, headed by a U.S. three star general, that helps coordinate ties between the Palestinian forces and the Israeli military.

Potential amendments to the law that would allow this aid to continue are on hold due to the shutdown, two sources familiar with the issue told The Daily Beast. The atmosphere of confrontation and crisis in Washington is such that orders of business like fixing bad legislation slip to the wayside.

To make matters worse, a separate Israeli law withholding a major portion of the Palestinian budget will also take effect at the end of the month, further straining the cash-strapped PA government and possibly tipping the Gaza Strip into war. On its own each step would be bad enough; taken together they are a likely recipe for future violence.

The [Anti-Terrorism Clarification Act \(ATCA\) \(https://www.congress.gov/bill/115th-congress/senate-bill/2946/text\)](https://www.congress.gov/bill/115th-congress/senate-bill/2946/text) was little noticed when it was passed last October and signed into law by Donald Trump. Its genesis stemmed from civil suits brought against the PA and Palestine Liberation Organization (PLO) in U.S. courts by families of terror victims, alleging official Palestinian facilitation and culpability. In at least two cases the families won massive judgments, totaling nearly \$600 million in damages, yet appeals vacated the decisions on the grounds

that U.S. courts lacked jurisdiction. Enter Congress: ATCA states that a “defendant shall be deemed to have consented to personal jurisdiction” if it accepts “any form of assistance, however provided” from the U.S. government. In other words, by accepting any U.S. aid, the PA was **opening itself to massive liabilities** (<https://www.lawfareblog.com/congress-has-less-60-days-save-israeli-palestinian-security-cooperation>) in U.S. courts, up to potential bankruptcy, far outstripping the dollar value and utility of whatever it received from Washington.

ATCA came near the end of a year that saw the Trump administration **slash almost all U.S. assistance to the Palestinians** (<https://www.thedailybeast.com/trumps-policy-toward-the-palestinians-is-dazed-and-confused-and-dangerous-for-israel>): hundreds of millions of dollars that heretofore had gone to fund the United Nations agency for Palestinian refugees, USAID development and infrastructure programs, East Jerusalem hospitals, and Israeli-Palestinian reconciliation programs.

The sole tranche of aid left standing—\$60 million—was for the PA Security Forces (PASF) and the U.S. Security Coordinator (USSC) mission in Jerusalem, highlighting its value even in the jaundiced eyes of the current U.S. administration. As **The Daily Beast has reported previously** (<https://www.thedailybeast.com/the-hush-hush-deal-that-keeps-the-middle-east-from-exploding>), the 30,000-man PASF works intimately with the Israeli military to uphold law and order in Palestinian cities, counter terrorism, stop demonstrations from escalating, and safely return hundreds of Israelis who stray into PA-controlled territory.

Since 2005, the USSC has worked to train, equip and advise the PASF, helping transition an unwieldy collection of services smashed by Israel during the Second Intifada (2000-2005) into a cohesive and professional force. As the name attests, the mission also “coordinates” between Israel and the PA, acting as a confidence-building interlocutor between the two parties. Dozens of Israeli security officials interviewed in recent years have been unanimous in their support for the reconstituted PASF, the ongoing security coordination, and **the American and international effort** (<https://www.washingtoninstitute.org/uploads/Documents/pubs/PolicyFocus154-ZilberOmari.pdf>) in this regard. Lt. Gen. Gadi Eisenkot, concluding his term as the Israeli army chief of staff last week, **reportedly counseled** (<https://www.timesofisrael.com/in-farewell-remarks-idf-chief-urges-cabinet-to-strengthen-pa-security-forces/>) the Israeli cabinet to “strengthen” the PASF in his farewell remarks.

Scott Anderson, a former State Department official, recently noted that both Congress and the Trump administration appeared unaware of the damage that ATCA could wreak on the above gains—arguably the most positive facet of the entire U.S.-led “Peace Process.” “No one appears to have anticipated this outcome,” Anderson wrote, alluding to the potential cut-off in Palestinian security assistance. “Or if anyone in the legislative process did, they did not mention it.” The U.S. Security Coordinator himself, Lt. Gen. Eric Wendt, was dispatched to Washington in December to lobby on behalf of an amendment to the bill—and, as one source put it bluntly, to save the mission. These efforts seemed to be gaining a receptive ear, according to another source, until the Trump-induced shutdown. Washington is now in a race against time until the legislation comes into effect February 1.

The Palestinians, for their part, already have made clear what they plan to do if the law isn’t amended. The PA “fully disclaims and no longer wishes to accept any form of assistance referenced in ATCA,” PA Prime Minister Rami Hamdallah informed Secretary of State Mike Pompeo in **a letter leaked to NPR** (<https://twitter.com/danielestrin/status/1086253205640699904>). “The Government of Palestine unambiguously makes the choice not to accept such assistance.”

The possible impact on the ground is, at present, difficult to gauge. In the short term, direct Israeli-Palestinian security coordination will likely remain intact even absent the American role. “It’s a ‘holy interest’ for [Palestinian President Mahmoud] Abbas, and coordination operationally will continue,” Lt. Col. Alon Eviatar, a retired Israeli intelligence officer with long experience in Palestinian affairs, told The Daily Beast. And yet, Eviatar warned, the

Palestinian response could be, as is traditionally the case, “demonstrative”—creating a crisis so as to “drag Israel on to its side [vis-a-vis the U.S.], so that everyone understands the implications and consequences.” In the longer term, termination of the USSC’s work in areas like training, logistics, human resources, and equipment provision will undoubtedly have a negative impact on the PASF’s overall capabilities and professionalism.

Belying its name, the USSC is in fact a multinational mission, with military officers from Canada, Britain, the Netherlands, and Italy also serving in Jerusalem and Ramallah. An intriguing question, then, is whether Europe increases its support to the PASF in the event of a U.S. withdrawal.

Historically, though, leading European states like France and Germany have shown no willingness to get involved beyond rhetorical support. It’s an open question, too, whether Israel would allow non-Americans to play such a sensitive role.

In yet another example of bizarre **synchronicity** (<https://www.thedailybeast.com/netanyahu-is-trying-to-use-trumps-tactics-to-survive-his-corruption-and-bribery-scandal>) between Israeli and American politics, the Israeli Knesset passed separate anti-terror legislation last summer that could also have far-reaching consequences. The law would see Israel withhold over \$300 million per year from the amount it transfers in taxes to the PA—a sum it says is then paid out yearly to some 35,000 Palestinians either imprisoned in Israeli jails on terrorism charges or the families of slain terrorists.

As part of past peace agreements, Israel and the Palestinians are connected economically by a joint customs union; every month Israel transfers to the PA tax revenues it collects on its behalf. These transfers are, by far, the PA’s largest single revenue source, with the new law meant to deduct anywhere from **7 to 10 percent of the PA’s entire annual budget**. (<https://www.washingtoninstitute.org/policy-analysis/view/israeli-financial-measures-against-the-palestinian-authority>)

“The PA has turned itself into a factory that employs murderers of people,” said Avi Dichter, a co-sponsor of the bill from the Likud party, summing up the Israeli view that such official stipends incentivize Palestinian terrorism. No matter that Dichter, a former Shin Bet security chief, would also know better than most that the PASF work closely with his former organization to thwart those very same terror attacks. The bill **passed overwhelmingly last July** (<https://www.ynetnews.com/articles/0,7340,L-5302574,00.html>), driven on by a similar U.S. law earlier in the year that strove to end so-called “pay to slay” practices.

Israel and the Palestinians, not surprisingly, differ greatly on the issue. The actual text of the law stipulates that almost anyone in Israeli prisons for amorphous “security-related” offenses, not just those with blood on their hands, would see their stipend amount cut from the tax transfers. Where Israelis view a terror-sponsoring program, the Palestinians see, as **Abbas has said** (<https://www.theatlantic.com/international/archive/2018/04/israel-palestine-terrorist-payment-new-york-times/559097/>), a “social responsibility to look after innocent people impacted by the incarceration or killing of loved ones” that dates back to the 1960s. Even the actual amount quoted by Israeli officials may be inflated, as *The Washington Post* laid out (<https://www.washingtonpost.com/news/fact-checker/wp/2018/03/14/does-the-palestinian-authority-pay-350-million-a-year-to-terrorists-and-their-families/>) in painstaking detail.

Yet the merits of the law and the definition of “terrorist” is likely beside the point. The PA will never stop the practice, which would be a move **one Palestinian official called** (<https://www.jpost.com/Arab-Israeli-Conflict/Analysis-Why-cant-Abbas-stop-paying-families-of-martyrs-493701>) “nothing short of political suicide.” “Even if we have only a penny left, we will give it to the martyrs, the prisoners and their families,” Abbas **said after the law passed** (<https://www.timesofisrael.com/abbas-vows-to-continue-stipends-to-terrorists-even-with-pas-last-penny/>).

Similar to ATCA, the Israeli law is set to go into effect at the end of the month, with no provision built in for the cabinet to delay on national security grounds. “It’s a law that was passed in the State of Israel, of course it will happen,” a close aide to Dichter told The Daily Beast. The looming Israeli election in April will also make any move to soften the measure politically impossible. All of which means that in a few days the PA—already running serious budget deficits—will begin losing a major chunk of its revenue each month.

Recent weeks have seen thousands of private-sector workers take to the streets of Palestinian cities, **protesting a controversial new social security law** (<https://www.timesofisrael.com/wary-of-pa-corruption-palestinians-launch-protest-of-new-social-security-law/>). Future shortfalls in government spending could now impact the public sector too, by far the largest employer in the West Bank.

Abbas will likely have to respond by cutting non-essential government expenditures, first among them the continued subsidies the PA pumps into the breakaway Gaza Strip—ruled since 2007 by the Hamas terrorist group. By most accounts these subsidies amount to nearly \$100 million a month, and Abbas since last year has repeatedly threatened to cut them all. Gaza, already perched on the brink in economic and humanitarian terms, could be pushed over the edge, drawing a Hamas retaliation in the only way it knows how: **by escalating violence against Israel** (<https://www.thedailybeast.com/how-gaza-became-hell-on-earth>).

“Gaza is the most probable target for cuts, and it serves [Abbas’] logic,” said Eviatar, the former Israeli intelligence officer. “He doesn’t have a problem with Israel possibly solving his Hamas problem.”

A senior Palestinian official told The Daily Beast that recent efforts to find a way forward on both upcoming laws, in dialogue with the U.S. and Israel, had not yielded results. He said that despite political differences with the U.S. administration, the Palestinians and Americans “maintained a strong relationship on security,” one that they are “very proud of [as] partners in peace,” but also one they feel is “a red line,” and inviolable.

President Trump shut down the government in order to build a wall that he often justifies based on Israel’s own success with barriers. Two security crises erupting in the West Bank and Gaza due to rank politics in Washington and Jerusalem could now put those walls to the test, an irony that would be rich if it weren’t so dangerous.

Neri Zilber is an adjunct fellow with The Washington Institute and coauthor of the paper State with No Army, Army with No State: Evolution of the Palestinian Authority Security Forces, 1994-2018 (<https://www.washingtoninstitute.org/policy-analysis/view/state-with-no-army-army-with-no-state>). ❖

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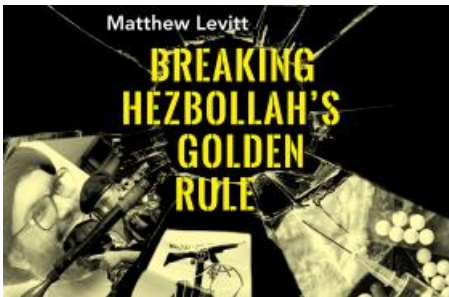
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