

The Smart Way to End 'Pay to Slay'

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Articles & Testimony

Rather than seeking indiscriminate cuts to Palestinian aid, U.S. legislators must craft a bill that encourages the PA to reform its behavior.

Congress is finally considering legislation to stop the Palestinian Authority from incentivizing violence. The PA has long provided families of Palestinians who carried out attacks against Israelis with financial rewards tied to the amount of time they serve in Israeli jail, as well as to those whose relatives died while engaging in violence against innocents. The PA has largely justified this practice by claiming that if it doesn't provide these benefits, Hamas will. This is a losing argument; while the PA certainly does compete for political influence with Hamas, it cannot gain an advantage over its Islamist rival by adopting its policy of justifying violence.

This has to stop, and the Taylor Force Act, named after an exemplary West Point graduate and veteran who was killed in a terrorist attack in Israel last year, attempts to do that. As it currently stands, the act would cut U.S. foreign assistance to the West Bank and Gaza in its entirety if the "payments for acts of terrorism against United States and Israeli citizens to any individual who has been imprisoned after being fairly tried and convicted for such acts of terrorism, including to a family member of such individuals," do not stop. The legislation before the Senate is

currently in the drafting phase, and a markup of the bill is scheduled for later this week in the Senate Foreign Relations Committee.

If passed, the legislation will send an unambiguous message to the PA that its practice of providing benefits to those who carry out acts of violence against Israelis or Americans is abhorrent and unacceptable. Israeli officials who have interrogated Palestinian perpetrators of violence find many who say they carried out attacks because they know their families will be rewarded. For this reason, the Israeli government has expressed general support for the bill, though a senior advisor said Prime Minister Benjamin Netanyahu will not offer views about the specific provisions in order not to interfere with the American legislative process.

But being right about an issue is not the same as being smart about it. The United States wants the PA to stop legitimizing terror by rewarding violence, but it needs to act in a way that does not make the situation between Israelis and Palestinians even worse. Threats of sweeping cuts to Palestinian aid may hurt the cause more than they help.

The worst-case scenario is that the PA feels compelled by the legislation to prove that it is not bowing to external pressure, and thus severs a project Washington strongly favors: security cooperation with the Israelis. Such a development would risk igniting the already tense situation in the West Bank and Jerusalem, further endangering the lives of Israelis, Palestinians, and Americans.

The PA and Israeli security services have long cooperated, for good reason, to keep Hamas and jihadi groups out of the West Bank. At the annual Herzliya Conference on security and foreign policy in June, Israel Defense Forces (IDF) Chief of Staff Lt. Gen. Gadi Eisenkot publicly declared, "The Palestinian security apparatus' conduct is worthy of notice and admiration, reflecting their understanding of our mutual interests." Eisenkot's public comment was echoed time and again in a recent trip to Israel during our conversations with Israeli military officials, who very much want the security cooperation to continue.

In terms of cutting U.S. assistance, these officials were very careful not to appear to be weighing in on a political issue. That said, while they would like to see a tough message sent to the PA about the consequences of incentivizing violence, they also want to prevent any deterioration in the quality of life for Palestinians lest that lead to greater radicalization. The IDF has quietly pushed back at politicians who, at times, have favored collective punishment to deal with lone perpetrators of violence -- arguing that making life difficult for all Palestinians is the surest way to ignite a much wider uprising.

To entirely defund U.S. aid to the West Bank and Gaza is thus to halt economic and social progress there that Israeli military officials see as in the mutual interest of Israelis and Palestinians. President Donald Trump's administration has also favored an economic development agenda for Palestinians in the West Bank, and this is bound to be impacted if all U.S. funding is discontinued.

So, the place to start in developing an effective U.S. policy is understanding how assistance to the Palestinian Authority is structured and where Washington's levers of influence lie. After President Mahmoud Abbas forced the departure of PA premier Salam Fayyad in 2014, aid was slashed significantly; the United States cut approximately \$200 million in budgetary support. It also ceased to transfer money into the PA's account, transferring funds instead by direct payments to American-backed creditors. The current U.S. funding level of the PA is \$260 million per year.

This money can be divided into three baskets. The first basket, consisting of roughly \$70 million, goes to electricity costs in the West Bank and medical treatment. Approximately \$25 million of this basket serves to reimburse hospitals for the medical care of Palestinians in East Jerusalem. Witnesses at the Senate Foreign Relations Committee's recent Taylor Force Act hearing gave testimonies reflecting bipartisan agreement that the payments to hospitals are an essential form of humanitarian aid that must be maintained.

The remaining \$45 million of this basket is paid directly to Israeli electricity companies to settle the PA's electricity debts for services to PA buildings and debts accrued by Palestinians. If the United States cuts this aid, the PA will be forced to reallocate funds from its budget to meet the debt payments. In other words, this is the only portion of U.S. aid to the West Bank and Gaza that is fungible; cutting this money would force the PA to adjust its budget that includes the payments to prisoners and the families of "martyrs."

The second basket, \$85 million, consists of U.S. aid that is tangentially related to the PA. Most of these projects pertain to roads, water desalination, education, and good governance. In all likelihood, these projects will be abandoned if the U.S. pulls funding. Roads will be left unfinished and less clean water will be available, increasing the likelihood of another confrontation between Israelis and Palestinians. Good governance projects that work to foster the legal frameworks, transparent procedures, and private-sector participation that can enable economic reform will be similarly abandoned -- and their consequences will be felt over time.

A third basket, made up of the remaining \$106 million, goes directly to projects that are completely independent of the PA. These include various educational initiatives and private sector development. One of the notable projects in this basket is headed by the U.S.-based Mercy Corps, which aims to affect the lives of hundreds of thousands of Gazans by improving economic growth, education, and health in the Strip. It is safe to say that if the United States chooses to defund these projects, the PA will not step in to resuscitate them. The projects will simply cease to exist -- at a time when the humanitarian conditions in Gaza are already near collapse, with only three hours of electricity a day.

There is actually a fourth basket, which comes out of a different set of funds. This is support for U.S. Army Lt. Gen. Frederick Rudesheim, the security coordinator who has skillfully succeeded in working with both sides of the Israeli-Palestinian security system to facilitate close security cooperation. This portion of U.S. funding is not being considered for cuts under the Taylor Force Act. However, if the economic assistance is zeroed out, the security cooperation -- which is very unpopular among Palestinians -- may not be politically sustainable.

Rather than placing the bulk of U.S. aid on the chopping block, legislation must be crafted to incentivize the PA to reform its behavior -- not further downgrade its ties with the United States and Israel. This seems to be the sentiment of senior members of Congress on both sides of the aisle. Sen. Ben Cardin (D-Md.), the ranking Democrat on the Senate Foreign Relations Committee, conveyed in the recent hearing that he strongly supports the principles underlying the Taylor Force Act but questioned its unintended consequences. Similarly, Sen. Bob Corker (R-Tenn.), the committee chairman, commented, "I think there is probably a more targeted way of dealing with that issue."

Sen. Corker may be on to something. The PA has ways of supporting those who are in need without providing rewards and outsized financial benefits to the families of terrorists. For instance, it has a welfare bureau to support families who have lost their breadwinners. There is a big difference between providing comparable payments to those in need and giving preferential treatment and substantially greater money to the families of those who commit acts of terrorism. Israeli security officials have privately maintained that this would be the best practice to balance the need to support the families, while avoiding any incentivization of violence.

In attempting to bring this pernicious PA policy to a halt, members of Congress who are formulating the Taylor Force Act should proceed carefully. There should definitely be no "pay to slay."

(<http://www.washingtoninstitute.org/policy-analysis/view/if-palestinians-are-serious-about-peace-martyr-violence-should-not-pay>) but the approach needs to recognize that shades of gray enter into dealing with an issue like this. Being smart counts for more than being right. And the smart approach is one that also recognizes that innocent Palestinians, who have not been able to vote in an election for more than a decade, should not be forced to pay for the mistakes of a government they cannot control.

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