

STATE LEVEL CAUSES OF TERRORISM: LIMITS ON POLITICAL EXPRESSION

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Expanding on prior research into the state level causes of terrorism, I argue that state repression and limited state capacity reduces opportunities for non-violent political expression and increases the utility of terrorism. I also argue that economic freedom can be a form of political expression that can dissipate political grievances. While previous authors analyzed some of these variables separately using data on transnational attacks, I created a complete model incorporating the three categories of variables and tested my hypotheses using data that includes both domestic and transnational attacks. I use regression analysis for hypothesis testing and find support for the three primary contentions of this thesis and conclude that limits on political expression increase the likelihood nations will experience increased levels of terrorism.

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CHAPTER 1

INTRODUCTION

There is consensus among policymakers and academics that state-level variables influence the probability of the occurrence of both transnational and domestic terrorism. However, there is little agreement beyond this general supposition due to the extreme heterogeneity of instances in which the phenomenon occurs. Terrorism occurs in wealthy nations and poor nations, weak states and strong states, ethnically divided societies and homogeneous populations, and so forth. The occurrence of terrorism represents a fundamental challenge to the state oriented international order, as non-state actors seek to set their agenda through violent action. Furthermore, it is the source of untold suffering throughout the planet and by its very nature, targets the most vulnerable and unprotected elements of modern society. It is because of this the causes of terrorism is of interest to academics and policymakers.

The variety of situations in which terrorism is observed, coupled with the fact that terroristic violence is often designed to appear as random and meaningless, makes it understandable that the casual observer attributes its occurrence to the work of lunatics. If terrorism is a random and irrational act, it is unpredictable and cannot be coherently understood. But, if terrorism is conceptualized as a distinctly political form of violence that possesses an underlying logic, substantive analysis of its causes is possible.

Another fundamental assumption of this research is that terrorism is a political act challenging the monopoly of violence ideally held by the state. As the state is the most important actor within the realist paradigm in International Relations theory, it is appropriate

to look at state level characteristics that may influence the occurrence of terrorism. These suppositions lead to an interesting puzzle. While the broader aim of this research is to uncover and test the macro-level variables that influence the level of terrorism in a given country, I specifically ask: *Do limits on political expression influence the level of terrorism in a state?* If terrorism is a form of political expression, what state level factors make it a more attractive tactic than more benign forms of political communication? What variations on political freedom make suicide bombing a more attractive tactic than organized protest?

The primary argument of this thesis is that when peaceful avenues of political expression are shut down, the utility of riskier alternatives increases. The following research will be divided into four more chapters. Chapter 2 analyzes the pertinent literature regarding terrorism. Chapter 3 formally outlines my theory and list explicit, testable hypotheses with a research design in which to test them. Finally, a concluding chapter analyzes the results of this research and discusses the significance of the findings.

CHAPTER 2

EXTANT LITERATURE

In this chapter I review the extant literature and discuss the major contributions. The chapter is divided into four sections. First, I explain the rationale for my explicit definition of terrorism. Afterwards I examine the literature that uncovers the underlying logic of terrorism. I then discuss research analyzing the causes of terrorism with a concluding study of works that specifically dealt with state level causes of terrorism.

Defining Terrorism

Part of the challenge facing systematic analysis of terrorism is the lack of a clear definition on which to build. Tilly (2004: 5-13) wrote that the term is “politically powerful, but analytically elusive (5).” While scholars should pay attention to the different uses of terms like ‘terrorist,’ they are urged to take a more nuanced view of the concepts for analysis.

The term, which appeared in the late 18th century, was initially applied towards governments using political violence to intimidate or eliminate perceived threats. It was later used in reference to non-state actors that targeted civilians for political purposes and further expanded to include attacks by non-state actors on government forces and infrastructure. The word has also taken on meaning as a tactic or strategy. Tilly endorsed this conceptualization of terrorism and offered his own “crude typology of terror wielding groups and networks” (11), based on the nature of the attackers and the victims. This is the framework under which I construct my definition.

It is vitally important that an explicit definition of terrorism be established at the beginning of this research. The decisions made in settling on an unambiguous classification could impact the statistical analysis, so I take care to lay out a coherent defense for using the definition that I do. The definition I use is largely based off a presentation on the pedagogy of terrorism by Victor Asal (lecture, Summer Workshop on Teaching About Terrorism, "The Pedagogy of Terrorism," Norman, Oklahoma July 13, 2008).

First, and perhaps most controversially, I take the position that the primary feature that distinguishes a terrorist attack from other acts of civil violence and political violence is that it is intentionally directed at civilians. As becomes clear in the literature review, this proposition is not universally accepted. For example, Robert Pape's highly influential 2003 work on suicide bombing relies heavily on the case of the 1983 attack in Beirut, where several hundred United States marines were slaughtered by a single suicide attack. At first glance it appears to be an open-and-shut textbook case of terrorism. However, the picture becomes muddied when it is acknowledged that these were uniformed and armed personnel operating inside a war-zone, rather than civilians.

To classify all surprise attacks on security personnel as terrorism is to include almost all recorded attacks in warfare. Successful battle operations are contingent on using the element of surprise to gain the upper hand on the enemy. What else, then, makes the suicide bombing in Beirut initially appear to go in the terrorism category? Certainly, part of any inclination to call it terrorism comes from the visceral reaction that many humans have to suicide terrorism.

The thought of an individual surrounding themselves with explosives with the intent to kill and maim others, knowing full well they will not return, is naturally repulsive to many

people. It speaks to the cross-national cultural morays that most societies have about suicide and murder. Yet there is little to differentiate the 1983 bombing from other suicide acts during war. Kamikaze pilots intentionally rammed themselves into the decks of Allied naval vessels with the very same intent of the 1983 bomber, yet we do not often hear those attacks referred to as terrorism. Furthermore, history is replete with examples of troops embarking on missions from which they knew they would not come back. These situations are not considered terrorism, and to suggest that they are creates contradiction with another common cross-national value: dying for one's country.

These inconsistencies, where one attack is considered terrorism because it involved suicide and another is heralded as a profile in courage involving sacrifice for one's country, make it no wonder that the adage "one man's terrorist is another man's freedom fighter," is still commonly used and potently explanatory of the difficulty in defining terrorism. In order to keep terrorism from being a term like globalism, where it means so much that it is meaningless, I will use the criteria that, for an attack to be terrorism, it had to have been intentionally directed at civilians. As abhorrent as the murder of the armed forces in Lebanon is on a normative level, it is not considered to be terrorism under my working definition. Horrible things happen in war, but they are not all terrorist acts.

The second criterion for an act to be designated as terrorism is that the attackers must be non-state actors. There are many circumstances under which states have killed civilians, including genocide, as an accident of war, and as a consequence of social suppression. Sometimes the state killing of civilians is unintentional, the current colloquial term being "collateral damage." Airstrikes conducted by the United States in Afghanistan regularly result in

civilian casualties. There is also the international killing of civilians by the state. Nazi Germany introduced the world to factories that produced death on an industrial scale. More recently, Sudan has led a campaign of killing against its civilian population in the southern region of the country.

To call these actions terrorism, though, would widen the criteria to an unacceptable degree and rendering the term less heuristically useful. The purpose of this endeavor is to arrive at a definition that convincingly establishes terrorism as a distinct form of political violence. It is different from government sponsored campaigns against civilians in that it misses a crucial power relationships between terrorist practitioners and the governments that they challenge. Groups that use terrorism as a strategy are not the government. Rather, they often want to *be* the government and thus represent a direct challenge to the state's supposed monopoly on the legitimate use of force. To lump in civilian killings by states, perhaps more aptly referred to as "war crimes" or "state genocide," into the definition of terrorism is to ignore one of the critical tools we have for understanding the phenomena.

When terrorism is conceptualized as a tactic that is employed against civilians, often with the aim of influencing government policy, it becomes easier to analyze what motivates groups and individuals to use it. In addition, this conceptualization is useful because it allows for inquiry into the characteristics of states that experience high levels of terrorism. Accordingly, my definition of terrorism excludes state crimes against civilians. Groups that may have received some sort of assistance or guidance from an established government, such as the relationship between Hezbollah and Iran, whose links to the government are often tenuous and unclear will still be treated as non-state actors.

The final criterion deals with the motivations of non-state actors that employ violence against civilians. If the definition was left as is, a crime-of-passion murder perpetrated by one civilian against another would qualify as a terrorist act. So would a hostage-taking at a bank robbery or a deadly act of road rage. Organized crime syndicates would be considered terrorist organizations because they regularly use violence to attain their business goals. It is therefore necessary to clarify what the violence aims to achieve. If the motivation is pecuniary, such as in the case of organized crime or a bank robbery, or if the motivating factor is blind immediate fury, as in a crime of passion, then the act is not terrorism.

Terrorism is a form of political violence because the motivations behind its use are political in nature. Violence is directed at civilians in order to effect some sort of political change, whether it is to influence government policy, to influence the behavior of other non-state actors, or to provide the destabilizing catalyst that allows the group to attempt to supplant the government. That is why the Oklahoma City bombing, the 9/11 attacks, the 3.11 subway bombings in Madrid, and a whole host of other attacks do qualify as terrorism. Timothy McVeigh, a non-state actor, frustrated with the policies of his government, hoped to foment political unrest by attacking civilians in Oklahoma. Al-Qaeda, a group of non-state actors with a host of grievances against the West and the United States in particular, organized the largest terrorist attack in history in hopes of becoming the vanguard of disaffected Muslims throughout the world and ushering in a new era where their extreme vision of Islam reigned supreme. Their associates in Spain attacked civilians as they rode to work in subway cars in hopes of punishing the country for its involvement in Iraq and forcing their withdraw. These instances can clearly be designated as terrorism.

In brief, *terrorism is the use of violence by non-state actors purposely directed towards civilians with the intention of achieving a political outcome*. As such, terrorism is considered to be a tactic. Specifically it is a form of combat like guerilla warfare that allows militarily weak groups to challenge much larger and better-resourced adversaries.

The Logic of Terrorism

The key contribution of the prior literature on terrorism has been to dispel the popular myth of the lunatic terrorist and uncover the rationale behind using the tactic. Part of this aura of illogical senselessness is intentionally cultivated by terrorist organizations, as an apparently irrational actor is unpredictable and therefore difficult to combat. The other source of the madman stereotype comes from the natural repulsion such attacks illicit. However, as scholars have observed, the tactic of terrorism can produce concrete benefits for the perpetrators and there is an underlying logic behind many such attacks.

Crenshaw (1981 379-399) wrote that terrorism can be an action against a state or one undertaken by a state. The case can be made that state actions such as the firebombing of Dresden or the slaughter committed by the Khmer Rouge constituted terrorism in that they violently targeted non-combatants in order to engender fear and affect political change. Terrorism's effect reaches beyond whatever physical damage it causes. In fact the physical targets are simply a means through which to communicate a message. Therefore Crenshaw excluded from her study forms of violence such as spontaneous attacks with no political message. Crenshaw believed three primary lines of inquiry define the study of terrorism: "why terrorism occurs, how the process of terrorism works, and what its social and political effects are" (379). Her analysis centered about the first question, which she believed had been

underexplored. Crenshaw concluded that a terrorist campaign could be a “rational political choice” (385).

Terror campaigns are calculated and have particular goals, such as revolutionary or separatist aims. This does not always mean that the goals and methods are clear-cut and realistic, but it does imply a certain logic underlying terrorism. The author noted that there had been many attempts to construct a psychological profile of individual terrorists, but such studies have not found consistent distinguishing psychological anomalies or traits common to all terrorists. In fact, the one similarity found among various individual terrorists is the fact that they were normal, average people. What is distinct about individual terrorists is that they are willing to take incredible physical risks, are willing to participate in group activity, are often isolated from society, and are willing to commit to an ideology.

Sprinzak (2000: 66-73) studied the rationale behind suicide terrorism. In 1983, two separate explosions detonated by extremists killed 241 U.S. Marine and 41 French paratroopers in their barracks stationed in Lebanon. What made this attack special was not just the high casualty rate inflicted by two bombers, but the fact that these two bombers carried out their mission with the full knowledge that they were not going to return. This was a watershed moment in the international security community. Until the October 1983 suicide bombings, it was a given that terrorists would put their lives on the line to support the cause; what was unexpected was that they would freely, with tactical intent, annihilate themselves to further their agenda. The international community was unsure of how to respond to this radical new tactic. France and the United States withdrew their troops, and in doing so revealed the lack of

any defense for such an attack. Mainstream media went with a simple interpretation: this was the work of fanatical lunatics.

Experts on terrorism recognized the benefits of calculated suicide terror over more traditional forms of attack. First, it cut down on operational complexity: the attack ended when it began, with no further detailed planning necessary to rescue the dismembered combatant. Second, it was an inexpensive method not requiring sophisticated weaponry. While being inexpensive it still had the desirable characteristic of being able to inflict massive damage. In addition, the death of the combatant alleviated any concerns that they would be captured and interrogated after the fact. Perhaps most importantly, the psychological impact of suicide terrorism derives its power from the sense of vulnerability it instills in the public at large.

In the two decades since modern suicide attacks began the method has taken on an air of invulnerability. Spriznak wrote that the literature has produced insights into some of the weaknesses of suicide terror as well. His first inference stemmed from the observation that 1983 was not the beginning of all suicide terrorism. Muslim fighters destroyed themselves in 11th century Persia. Islamic combatants repeatedly used the tactic in the face of colonial repression. Furthermore, the act of suicide, in the name of whatever cause, is not strictly Islamic. Tibetan monks have set themselves afire and Irish prisoners have starved themselves to make a political point.

Suicide has long been the path to martyrdom in various cultures. Spiznak argued that martyrdom varies “not only by culture, but also by specific circumstances” (68), meaning that there is no single psychological or cultural profile for “the” suicide bomber. Rather, there are a variety of people who, under specific conditions, are willing to sacrifice their lives. Additionally

it has been argued that organizations do not cultivate suicide bombers, but instead search for candidates who are most likely to be persuaded to martyr themselves. It is true that promises of otherworldly rewards by recruiters can have a persuasive effect on would-be suicide bombers, but other factors, such as a sense of victimization, can also have substantial motivational power.

Spiznak argued that because suicide terrorism exists on an organizational level, individualistic approaches at combating it are misguided. However interesting the individual profiles of suicide terrorists are, they are not helpful for explaining why various organizations choose to employ such a tactic. Suicide attackers do not operate inside a bubble. The final operation is the end result of a multi-step process involving the participation of numerous other individuals. First, an organization must decide to use the specific tactic of terrorism. Afterwards there are six additional stages: “target selection, intelligence gathering, recruitment, physical and ‘spiritual’ training, preparation of the explosives, and transportation of the bombers to the target area” (69). Many of these steps involve the help of individuals with no intention of committing suicide during that particular operation.

Pape (2003: 343-361) argued that prior research has not fully explained the increase in suicide terrorism. Prior analysis had had focused on individual level causes, such as psychological or religious motivations. Those approaches have been found wanting because they do not account for suicide attacks by groups driven by ideological reasons other than religion (i.e. the Marxist/Leninist Tamil Tigers) and evidence “that there may be no evidence of a single profile” for a suicide attacker (344).

In contrast with individual level explanations of this phenomenon, Pape provided a conceptualization of suicide terrorism as a strategic and logical method when accounting for the group-level choices of terrorist organizations that intended to influence the behavior of states. Pape contended that suicide terrorism is found to be strategic and explicitly intent on influencing the actions of modern democracies. Further findings indicated that suicide attacks are on the rise because terrorist organizations have seen evidence of a payoff when embarking on moderate campaigns. However, “more ambitious suicide terrorist campaigns are not likely to achieve still greater gains and may well fail completely” (344). Because of this, the author believed the best way to combat suicide terrorism is not through conciliatory or military means, but through strengthening homeland security.

Pape believed that the logic of suicide terrorism comes from its coercive power. It is a means for a militarily inferior group to punish populations and armies that they cannot confront directly. Simply put, it is a specific way to use punishment as a tool for coercing others. Because the suicide attacker is sent to certain death the power of the act is increased. The attacker is more adaptive and does not have to have an exit strategy when hitting fortified targets with weapons of immense destructive power. The act of suicide is also advantageous because it sends the message that not even death is a deterrent in achieving the attacker’s goals.

One may argue that the strongest validation of the logic of suicide terrorism is that it has apparently been successful over the years. Over half of the suicide campaigns analyzed resulted in the target state conceding partially or fully to the territorial goals that drove such operations. Ronald Reagan explicitly stated the risk of suicide bombing in justifying the withdrawal of US troops from Lebanon. Israel’s territorial concessions brought on by Hamas

onslaughts are also cited as examples of semi-effective suicide campaigns. Terrorist leaders who learned from this concluded that more intense campaigns would bring about more significant concessions. This turned out to not be the case, as moderate campaigns bring moderate concessions, but states are less willing to give up “goals central to their wealth or security” (355).

A primary flaw in Pape’s argument that democracies were the only victims of suicide bombing is the cases he used. For example, Sri Lanka is a nation with questionable democratic credentials. In addition, the example of U.S. troops in Lebanon highlights the fact that Pape’s definition of suicide terrorism was quite liberal, and included actions against uniformed and armed military personnel.

Hoffman and McCormick (2004: 243-281) cast suicide terrorism as a form of communication that signals a group’s ability and willingness to utilize violence for political purposes. Primarily, “through the targets, tactics, and the timing of their attacks,” terrorist groups can communicate to various target audiences a threat level that is higher than their actual abilities (247). Suicide attacks are a particularly cost effective and spectacular way to up the perceived threat level. The use of suicide is more advantageous than other terrorist methods because “the choreographed brutality of the act commands attention” (249). Target audiences can be awestruck by the intensity of violence witnessed in such strikes. Hoffman and McCormick believed that this low cost method of grabbing attention represented rationality in that it maximized returns while minimizing costs.

Bueno de Mesquita (2005: 515-530) constructed a model of terrorism that built on the counterintuitive empirical findings that have rejected a link between poverty and terrorism.

Research has indicated that terrorists are often more educated and more economically well off than the population they are drawn from. Bueno de Mesquita believed a game theoretic model that combines both economics and ideology would represent a more accurate picture of the determinants of terrorism. After running the game, the author concluded that policy prescriptions that aid in economic growth may help reduce terrorism. The presence of more educated and economically well-off members of terrorist organizations does not mean that economic factors have no effect on one's willingness to join. Terrorist screening practices are the cause of this, as they select the most qualified applicants. Finally, government reaction to terror must be carefully calculated, as overreaction or under-reaction can further increase mobilization. Bueno de Mesquita and Dickson (2007: 364-381) noted that it is often the strategy of groups that use terrorism to provoke a government overreaction that inflicts harm on the population they claim to be fighting for. Heavy-handed government responses can serve to further alienate an aggrieved population by causing them physical and economic damage and drive them into the arms of the terrorist group. When terrorist groups operate within the aggrieved population, there is an increased risk that counterterrorist operations will negatively affect civilians. This leaves governments in a difficult position when choosing what counterterrorism measures to implement. They must risk the perception of weakness with an under-response or further increasing the support for terrorism among the group's home audience with an over-response. Recruitment and public support are essential for terrorist organizations and the authors concluded that governments must be keenly aware of the perception of damage that their retaliation causes and perhaps adopt measures designed to punish terrorists while keeping damage inflicted on an aggrieved population to a minimum.

Parker (2007: 155-179) took a constructivist approach to analyze the relationship between terrorist attacks and governmental overreaction. Drawing on a theory by Brazilian guerilla fighter Carlos Marighera, who argued that “a repressive state response would alienate the government from its population and generate support for their terrorists,” Parker used five case studies of democratic governmental counterterrorism efforts to search for correlation between the repressiveness and the strength of terrorist groups (155). Democracies, by their nature, are more constrained in their ability to repress and respond to terrorism with semi-authoritarian measures. In the case of the IRA, Parker found that repressive measures taken by Great Britain in the 1970’s did indeed serve to increase the IRA’s resiliency and helped with recruiting efforts. However, the author found that, in the case of Canada’s repressive campaign against the leftists Front De Liberation de Quebec (FLQ), the government’s harsh tactics were equalized by the lack of public support for the FLQ to begin with. The public backlash that threatens repressive government campaigns and increases sympathy for terrorist groups is much the same as the backlash terrorist groups may face when their measures are viewed by the people as illegitimate. Parker concluded that governments must “socially construct the battlefields on which they are fighting and this can be an advantage if they choose to fight from the moral high ground” (173).

Araj and Brym (2006: 319-337) examined Palestinian suicide bombing as a strategic form of retaliation motivated by the desire for revenge in the wake of Palestinians being killed by Israeli forces. Much of the prior research they analyzed sought to explain suicide bombing in terms of individual psychopathology, poverty, culture, and strategic choice. The authors were most supportive of the strategic choice model popularized by Robert Pape, but argued that

viewing all suicide bombing as a strategic choice was an oversimplification. Because suicide bombings during the second intifada were often not timed to maximize effect, did not result in any major concessions, and suicide bombers had a variety of motives, Brym and Araj argued that there was less rationality behind suicide terrorism than Pape would have us believe. They based this dispute off of a study of the motivations of suicide bombers during the second intifada. However, besides offering a few statics indicating the motivation behind suicide bombings are retaliatory and revenge based, the authors failed to accommodate for the fact that retaliation and revenge can also be viewed as strategic acts. Revenge can be seen as a rational act designed to maintain a credible threat to hostile entities.

Lapan and Sandler (1988: 16-21) employed a game theoretic model to explore the logic of negotiating with terrorist groups. Though the common wisdom then and now has been to not negotiate with terrorist groups, governments have repeatedly done so anyway. The author found that “the beliefs and the resolve of the terrorists are crucial in identifying the rather restrictive scenarios in which a non-negotiation strategy is desirable” (16). This finding reinforces the importance of examining how perception of threat affects the behavior of terrorist groups. Governments are advised by Lapan and Sandler that declarations of a no-negotiating policy must be credible in order to be an effective policy, but that a blanket no-negotiation policy proves to be useful in only a small number of considered scenarios in a multi-period model.

Arche and Sandler (2003) reviewed the contributions that game theory has made to the analysis of terrorism. The game theoretic approach to terrorism began almost three decades ago, but use of the technique increased substantially after the 9/11 attacks. The authors argued

that game theory is useful for analyzing terrorism because it considers the interdependent interactions between both the government and terrorists, is able to be used to examine the strategic choices of actors on an individual level, captures the utility of threats and promises, assumes rationality by both the government and terrorists, can help explain bargaining in hostage situations, and allows for “uncertainty and learning in a strategic environment” (320). The authors used game theory to demonstrate, among other things, the need for credible no-negotiation threats by governments, the effect of government deterrence in hostage taking situations, and the consequences of government over-deterrence.

Sandler and Siqueira (2006) used a game theoretic model to examine the efficacy of governmental counterterrorism. The game reaches equilibrium when the government must devote energies to undermining public support for terrorists and determining the proper resources that need to be allocated. The authors also argued that strong leadership can increase the efficacy of both terrorist and counterterrorist campaigns. This policy prescription seems to be vague to the point of impracticality. It is likely that strong leadership is the solution to many political problems, but how to encourage that is an unresolved question.

Oberschall (2004: 26-37) reasoned that one way that terrorism ends is when the group achieves its goals. The bombing of French and U.S. forces caused the respective countries to pull out of Lebanon in the 1980s, though there does not seem to be evidence that Hezbollah actually moderated after that. Often these groups morph into legitimate political organizations and even produce recognized political leaders, such as former terrorist group member Prime Minister Menachem Begin of Israel and Irish Republican Army member Martin McGuinness, who was allowed to become Minister of Education. Groups such as the African National Congress of

South Africa and the Front de Liberation of Canada gave up violence when they were allowed a place in the government. Often these political agreements include amnesty for some or all of the members who conducted violent operations. However, political agreements between governments and terrorist groups are particularly difficult because governments usually must place a precondition of a cessation of violence in order to begin talks. Violence, being the terrorists' bargaining chip, is unlikely to be given up before negotiations. To avoid this conundrum, Oberschall noted that governments often reach out to the more moderate elements of these groups. Oberschall echoes a theme found throughout the literature regarding the logic of terrorism: the tactic is a rational choice because it often succeeds.

Causal Explanations of Terrorism

Though the rationality behind terrorism is intimately linked to the causes of terrorism, a separate body of literature devoted itself to uncovering specific links when treating terrorism as the dependent variable.

Crenshaw (2000: 405-420) pursued individual psychological explanations for the occurrence of terrorism and wrote that the advantage in the psychological analysis of terrorism is that it links several levels of analysis, from individual up to societal. She also cautioned against uncritically assuming that the terrorism that occurred during the 1990's constituted some sort of new terrorism that should be analyzed differently. Crenshaw concluded that, while critical to the understanding of terrorism, causal explanations should not be the only focus of academic inquiry into terrorism and other avenues, including the analysis of terrorist groups moderating by ceasing their campaigns, should be explored.

In his search for a coherent causal explanation for terrorism, Ross (1993: 317-329) identified the three key theories that dominated the terrorism literature during the early 1990's. Ross identified causal models as falling into the categories of psychological, structural, and rational choice. Structural approaches to finding the causes of terrorism generally argued that "the causes of terrorism can be found in the environment and the political, cultural, social, and economic structure of societies" (317). In terms of this thesis, the structural features of interests are the characteristics of the nation state. The structural model, he argued, had an advantage because it was more practical in terms of operationalization, metrics, and predictive power. However, the structural model had several serious problems, generally methodological in nature. Ross suggested a most different systems (MDS) approach to the modeling of terrorism with a minimum of three groups and including domestic, state sponsored and transnational terrorism.

Krueger and Maleckova (2003: 119-144) conducted a wide ranging review of literature analyzing the supposed causal link between poverty and terrorism. The terrorism-poverty link has been a popular cause among policymakers. However, Krueger and Maleckova failed to find substantial hard evidence to support this position. They posited that "any connection between poverty, education, and terrorism is indirect, complicated, and probably quite weak" (119). A more precise interpretation would not view the grievances of terrorists as economically based. Rather, it would understand terrorism as a reaction to frustrations borne out of political realities.

Enders and Sandler (2000: 307-332) published at a time when transnational terrorism seemed to be subsiding and were in search for explanations of this apparent phenomenon.

They attributed the end of the Cold War and the dissolution of various left-wing terrorist organizations to the decline in transnational attacks. In this atmosphere of reduced terrorism, the authors ponder whether or not the problem of international terrorism has been successfully vanquished. However, the smaller number of terror attacks seemed to appear to be more damaging than before, leading to the research question that is the title of this article. Their data has several policy implications. The first argument made by the authors seems to be an obvious one: policymakers should focus on preventing attacks that cause casualties and deaths, as they are more predictable. Normatively, one would assume there should be a focus on injury and death causing attacks because of the carnage they produce. The second recommendation also seems obvious, but comes with a specific, practical recommendation: watch out for lulls in terrorism, particularly two year lulls. A forward looking policy that anticipates an upturn in attacks after two year lulls may be helpful while deciding when to allocate resources. However, alluding to Islamic fundamentalist terrorist groups, the authors argue that the most effective way to combat the more ideologically fanatical groups is to adopt measures aimed at eliminating such groups entirely, as opposed to trying to reduce the number of attacks or fostering an environment where such attacks are less likely to occur. The authors sounded a cautionary note against looking at "terrorist operations as either increasing or decreasing in a linear fashion" (324).

The authors concluded that the end of the Cold War has led to a drop in the number of transnational terrorist attacks, but that the rise of Islamic fundamentalism has increased the detrimental impact of any given attack. Transnational religious terrorism has increased the casualty rate among terrorist incidences. Rather presciently, the authors warned that a

fortification of official hard targets, such as the United States' attempt to harden embassies, will leave civilian soft targets more vulnerable to terrorists that are intent on inflicting mass casualties and urged policymakers to devote more resources to protecting these soft targets. Because of the fanatical nature of fundamentalist groups, a major strike against their ranks may further incite remaining members. Therefore, action against such groups must be particularly thorough. Other recommendations for combating this new problem were for countries to place more focus on disrupting religious terrorist networks through human intelligence, as well as attacking the means by which they fund their activities. Impressed with the time series technique used in their study, they concluded that authorities should, in a proactive attempt to predict the patterns of terrorist groups, use the statistical technique in their operations.

The rise of radical Islamic terrorism since the 1979 Iranian revolution has been described as a new phase in modern terrorism (Enders and Sandler 2000: 307-332). Hoffman (2002: 303-316) put the beginning of modern international terrorism at 1968. There does seem to be a consensus, though, that the terrorism we face today is not the same as that which earlier generations faced. If that is accepted then the events of 9/11 represent an even newer phase in both radical Islamic terrorism and terrorism in general.

The 2001 strikes against the United States required a reassessment of the use of terrorism. Hoffman believed that the unprecedented magnitude of the event required a shift in our approach to terrorism. Before 9/11, the death toll from any single terrorist attack did not top 500. Attacks that killed more than 100 people were extremely rare as well. In addition, the attacks were unprecedented in their spectacular nature, largely due to the sophisticated use of multiple simultaneous strikes. There had been coordinated attacks in the past, but September

11th stands out because of the massive damage it caused. The use of suicide attackers further increased the profound shock many felt after the strike. Though there was some debate as to how many of the hijackers knew they were on a suicide mission, it was clear that a specialized group of individuals were ready to die in order to kill thousands. The act of martyrdom had long been a sacred component of radical Islam and other ideologies as well, yet it was little understood by the general public. Also confusing after 9/11 was the fact that the hijackers were not poverty stricken and economically desperate, a condition popularly theorized as a determinant of terrorism, nor did they appear to be mentally unstable actors with a death wish.

Hoffman argued the rather obvious point that one of the mistakes in United States terrorism policy was underestimating the capabilities of groups such as al-Qaeda. Events such as the coordinated attacks on U.S. embassies in Africa and the bombing of the USS Cole made it clear they had both a long reach and the sophistication to create mass casualties. The United States also “arguably focused too exclusively either on the low-end threat posed by car and truck bombs against buildings or the more exotic high-end threats, against entire societies, involving biological or chemical weapons or cyber-attacks” (306). This approach missed the possibility of using mid-range sophistication, specifically hijacking, to produce high-end results.

Furthermore, Hoffman highlighted the flawed assumption, one popularized by Brian Jenkins, that terrorists wanted publicity and not mass casualties. In retrospect, al-Qaeda was after both, and U.S. counterterrorism efforts before the attacks were fitful at best. If al-Qaeda was misjudged, then certainly its leader, Osama Bin Laden, was as well. Bin Laden was a skilled operator at utilizing technology for both attacks and propaganda while maintaining legitimacy by living an austere and dangerous lifestyle. Al-Qaeda did not hew to a centralized, hierarchical

model, preferring to use “both top down and bottom up approaches” (309). Hoffman maintained that al-Qaeda operated in several modes: the professional core, the trained amateurs, the local walk-ins, and other likeminded violent groups. The author recommended that academics need to be more imaginative in their research regarding future terror attacks and that the medium-range level of attack be given further attention. Also, terrorism should fundamentally be understood as psychological warfare that has an underlying logic. Hoffman believed terrorism would be a permanent threat and accurately predicted that world animosity after 9/11 would not decrease.

Conybeare and Brophy-Baermann (1994, 196-210) explored what the necessary rate of retaliation is in response to terrorism rather than examining the efficacy of negotiation. The authors chose to focus on the rational expectations of terrorism. Specifically, they asked, “What is the effect of reprisals and what should be the optimal rate of retaliation” (196)? To answer this question the authors devised a model that assumes that terrorists make calculated, rational judgments as to what they should expect by way of counterattack and that there is a normal progression in terrorist attacks. In the model, the rate of state retaliation is either externally predetermined (i.e. the United States attaching strings to their military aid to Israel), and therefore uncontrollable, or that states can control this rate by their own accord. Concluding remarks focused on the difficulty of altering the natural rate of terrorism when the terrorists have rational expectations as to what they will receive by way of retaliation. The authors believed that having an exogenous control on the retaliation rate is more effective. Surprisingly, if terrorists are indeed rationally calculating the retaliation rate the authors argue the appropriate rate should be zero. If they are not, another externally imposed rate may be the

answer. However, the recommendations for exogenous control over state retaliation or zero retaliation rates seem highly unlikely to ever be adopted by states in an international community that still places an emphasis on sovereignty.

State Level Causes of Terrorism

The peace studies subfield of international relations literature brought renewed interest in the conceptualization of human rights. Callaway and Harrelson-Stephens (2006, 679-2006) (Aneshensel, Fielder, and Becerra 1989, 56-76) believed that poor human rights conditions create an atmosphere ripe for terrorism. Their primary argument was that “the basis for terrorism is found in deprivation of political, subsistence, and security rights, and therefore any policy designed to decrease terrorism necessarily implies addressing these rights” (680). This contention can be looked at as a more complex, and possibly more valid, derivative of the argument linking poverty to terrorism. The primary criticism of this study is that they relied fully on case studies and made no attempt to systematically analyze the data.

Newman (2007: 463-488) also explored the argument that institutional conditions foster terrorism. Specifically, the author looked at the common claim that failed states are conducive to fostering terrorism. The countries that are mentioned most in this discussion are Afghanistan or Somalia, the primary contention being that the power vacuum created by state failure, paired with a lack of order, offer conditions that allow terrorist groups to flourish. This claim can be called into question given the fact that many advanced industrialized democracies have their own homegrown terrorist groups. Nonetheless, the author tested the relationship between weak or failed states and terrorism using the Failed States Index and the United Nation’s Human Development Index (HDI) as indicators of state capacity. Newman concluded

that contested states, rather than failed states, are more attractive to terrorist groups, but that failed states that do produce terrorism tend to produce more deadly terrorism. He believed that “in terms of international terrorism and threats to western interests, there is insufficient evidence to formulate a rigorous hypothesis regarding the relationship between terrorism and state capacity” (484). Slightly more sophisticated statistical analysis could have added more credibility to that argument.

In fact, Piazza (2008: 469-488) authored a convincing study of the relationship between terrorism and failed or failing states that did take the sophistication of analysis a step further. Using time series cross sectional negative binomial analysis, Piazza found strong support that “states plagued by chronic failures are statistically most likely to host terrorist groups that commit transnational attacks, have their nationals commit transnational attacks, and are more likely to be targeted by transnational terrorists themselves” (469). This conclusion is at odds with Newman, but it also suffers from its focus on strictly transnational attacks. Finally, Sahliyah and Case (2009) argued that a combination of state limits on freedom, limits on economic freedom, and reduced state capacity together formed the basis for both transnational and domestic terrorism. The authors did not quantitatively test these propositions, however.

Summary

Asal (2007) and Tilly (2000: 5-13) laid the groundwork for a defensible and coherent definition of terrorism which is necessary for any empirical analysis of this form of political violence. Several different scenarios helped clarify the logic of terrorism by Bueno de Mesquita (2005: 515-530) and Crenshaw (1981). The work on suicide bombing by Hoffman and McCormick (2004: 243-281), Pape (2003: 343-361), Sprinzak (2000: 66-73), and Araj (2006: 319-

337) provided insight into one of the seemingly most irrational forms of terrorism. Bueno de Mesquita and Dixon (2007: 364-381) and Parker (2007: 155-179) noted that one of the reasons terrorism is effective is because it causes governments to overreach in their response. These works were critical for this research because there would be no basis for understanding the roots of terrorism if it had been established that it was the work of erratic and unpredictable individuals. Research into the causal explanations for terrorism by Crenshaw (2000: 405-420), Ross (1993: 317-329), Kreuger and Maleckova (2003), Enders and Sandler (2000: 307-332) and Hoffman (2002: 303-316) illustrated the multivariate nature of the phenomena, but did not reach a consensus. It was the research on state level causes of terrorism by Callaway and Harrelson Stephens (2006, 679-2006), Newman (2007: 463-488), Piazza (2008: 469-488), and Case and Sahliyah (2009) that began to provide a coherent explanation for terrorism.

What remains unexplored is how the proposed state level independent variables behave when they are modeled together. An open question remains as to what the specific causal mechanism is linking state capacity and state repression to terrorism. Furthermore, the theory of economic freedom posited by Case and Sahliyah (2009) needs an empirically rigorous treatment.

CHAPTER 3

THEORETICAL FRAMEWORK AND RESEARCH DESIGN

Theory

Prior avenues of state level analysis of the causes of terrorism have focused separately on state capacity, in the form of weak states or state failure, or state repressiveness. Incorporating all of these factors into a broader model will give a more complete picture of how limitations on political expression can create conditions where terrorist attacks are more likely. In addition, there is an economic element of political expression that has yet to be fully explored empirically in the prior literature, and may help explain why some authoritarian governments with high economic activity experience relative low levels of terrorism.

The research on state capacity and weak or failed states in relation to terrorism has so far paid most of its attention to the 'incubator' argument, stating that weak governments are unable to establish a monopoly on violence, allowing other violent groups to operate with a relatively free hand in their territory. However, it also seems that weak or failed states contribute to the dangerous conditions cited by Callaway and Harrelson-Stephens (2006), because they are unable to protect, and may even intentionally target, those practicing non-violent oppositional political expression. In a weakened security situation, individuals and groups expressing political opinions are at an increased risk of becoming victims of political violence. Any overt political organization is difficult to maintain in a chaotic security environment. Thus, a lawless environment serves to suppress a peaceful way to express political grievance.

As Case and Sahliyah wrote, “political grievance, once suppressed, does not simply disappear. Rather, it follows that when the avenue to nonviolently express political grievance is closed, the utility in using violent political expression increases. Political violence, and specifically terrorism, becomes a viable alternative for political expression” (16).

The failure of a state to provide basic services operates in two ways to increase the likelihood of increased levels of terrorism. First, as previously argued, the lack of physical security creates a free space for terrorist groups to operate while also increasing the level of suffering and grievance among the general population. I argue that a second causal mechanism is at play as well. Specifically, the failure of a state to provide basic protections also reduces the opportunity to express political grievance in an effective, nonviolent manner. This increases the attractive power of radical ideologies and radical tactics like terrorism. I contend that reduced state capacity will increase the level of both domestic and transnational terrorism that a state experiences. Domestic political organizations, with limited options for expressing political grievances, should be more likely to turn to the use of terrorism to achieve their objectives. Transnational groups would be drawn in by a security vacuum and perhaps also to claim the mantle as protector for a domestic population with which they may share a particular kinship.

The events that followed the 2003 invasion of Iraq provide an example of this process in action. Following a brief period of American administration, a handpicked group of Iraqis were given control of the reins of government with little domestic support. While the United States military had easily dispatched the Iraqi army, the task of maintaining security and building a functioning state became a cataclysmic failure. The conditions of lawlessness that overtook much of the country signaled to the Iraqi people that the state and the state’s security

guarantor were not providing the basic security necessary for a non-violent functioning society. A vicious cycle emerged: citizens developed grievances due to the deteriorating security environment, but could not express these grievances safely or effectively. Those that chose to join up with rebel groups and militias, in turn, contributed to the deteriorating security situation.

The Sunnis, formerly in positions of power, found themselves the target of terrorist attacks by other groups that had suffered under their rule. Sunni rebels and foreign jihadists responded with a campaign of terrorism that hit, among many other targets, the United Nations, the Jordanian embassy, and Shiite mosques. It was clear in this situation that the non-functioning state had ceased to protect the avenues that non-violent political participation had traditionally pursued. The security vacuum also allowed for a cadre of foreign fighters to flood in and take up the banner of protecting the Sunnis. The first major elections were largely shunned by the population (Case and Sahliyah 2009). Examples such as this lead to my first hypothesis:

H1: Reduced state capacity limits opportunity for non-violent political activity and increases the level of terrorism in a given country year.

Note that the expectation regarding state capacity is linear, unlike the quadratic function hypothesized by Callaway and Harrelson-Stephens (2006). Their logic that states with medium capacity experience the highest levels of terrorism, while very high capacity states and very low capacity states are at reduced risk for terrorist attack, does not ring true. If anything, states with the lowest levels of state capacity should have the highest levels of terrorism

because they do not provide any services that would allow for the non-violent adjudication of disputes.

Yet it is not only weak or failed states that eliminate the means for non-violent political expression. Consolidated authoritarian states are also able to eliminate some opposition by diverting resources to massive security apparatuses. Thus, while failing or failed states passively limit non-violent political expression through lack of ability, powerful repressive states are able to monopolize the use of force and actively quell the political expression of their citizenry. Political violence often begets more violence, and repression by the state of the citizenry should persuade some civilians to respond with force. The violent options available to citizens in repressive states can include strategies such as guerilla warfare, or violence can be directed at civilians and civilian administrators perceived as supportive of the government. As the utility of non-violent political expression increases, the utility of violent political expression increases because the risks of doing either become similar in a repressive state. Mason and Krane (1989: 175-198) suggested as much in their explanation of the effect of government death squads on the likelihood of rebellion. Groups, whether they are religious, tribal, or ethnic, do not fit neatly into pre-defined state borders. It is reasonable to expect, then, that state repression also encourages attacks from foreign terrorist organizations. The Egyptian state, for example, which violently suppressed the Muslim Brotherhood, soon found itself the victim of violent retaliation from more extreme elements within the Islamic organization. Therefore, my second hypothesis is applicable to terrorist attacks perpetrated by both those at home and by those abroad:

H2: Increased state repression limits opportunity for nonviolent political action and increases the level of terrorism in a given country year.

There are, however, examples of states that liberally use repressive measures, yet experience few documented cases of terrorism. This could, in part, be because of underreporting of such incidences in closed societies, but there is the distinct possibility that another variable is in play in some instances. The Chinese government, for example, is well known for its repressive actions against oppositional political activity. By this logic, it should be a prime target for groups that use terrorism, yet this intuition is not borne out in reality. The Chinese nation, with a billion plus people, has a relative dearth of terrorist attacks. It may be that the citizens of repressive states that experience little terrorism have economic outlets in lieu of political freedoms. Authoritarian governments with heavy limits on political expression may still allow for, and even encourage, independent economic enterprise. It is difficult to disentangle economic freedom from political freedom, but the Chinese example illustrates a situation where grievances built up by the lack of allowable political expression are alleviated by the economic freedoms that are allowed. If a citizen is not allowed to organize politically or participate in independent civil society, their opportunity for nonviolent political action is reduced. But, if in reward for their political silence, citizens are afforded the opportunity to participate in the economic marketplace, the appeal of political violence may be mitigated. I contend that economic freedom can serve as an alternative form of political expression, discouraging domestic terrorist attacks. Transnational groups should also be discouraged from targeting countries with higher levels of economic freedom, as economic transparency makes it more difficult to conceal financing methods. Therefore we again expect the occurrence of both domestic and transnational terrorism to be affected:

H3: Economic freedom serves as a substitute for nonviolent political expression and decreases the level of terrorism in a given country year.

Research Design

In this research design I will first explain how my dependent variable is operationalized in its various forms. Then I will explain the operationalization of the independent and control variables while providing a justification for the metrics that I chose. Finally, I will lay out the statistical techniques I used in analyzing the data and present an equation representing the model.

Dependant Variable

The dependent variable in this research design is, broadly, the level of terrorism a country experiences in a given year. Because of that, the primary unit of analysis is the country year. Data on the level of terrorism a country experiences can be found in the Global Terrorism Database 1 (Lafree and Dugan 2008), which is a worldwide catalog of terrorist incidences from 1970 to 1997. In accordance with the explicit definition of terrorism offered in this thesis, any incidents that targeted police or military personnel, based on the target type variable (TARGTYPE), have been dropped. There are several variables that can be used to measure the level of terrorism in a country year. First, the number of individuals wounded per incident is a variable referred to as NWOUND. Second, we can also see the number of individuals killed in a given incident by the variable NKILL. These two variables are useful in measuring the phenomenon I am seeking to explain because they literally capture the human toll exacted by each terrorist attack in the data set. As initially presented, NKILL and NWOUND are listed per

incident, but since my unit of analysis is country year these variables are collapsed and summed by country and year. That is, if a country had 10 attacks in one year, and each attack killed 10 people, the action of collapsing and summing these incidents would be listed as one entry for the country, the year it occurred, and the total value of 100 fatalities. Organizing the data in such a manner will be advantageous due to the fact that many of the independent and control variables are also organized by country year. It will be of interest to run sensitivity analysis on the NKILL and NWOUND variables by themselves, but ultimately it is the combination of fatalities and injuries that more completely captures the level of terrorism in a country year. However, simply adding them together to create a new variable (NKW), while a worthwhile measure for sensitivity analysis, equates the importance of death with the importance of injury. Surely, at least in most cases, a fatality represents a more tragic measure of a terrorist attack than that of an injury. To that end, an index variable (NKW2) has been created that gives less weight to the number of injured:

$$\text{Equation 1: } NKW2 = (0.5 * NWOUND) + NKILL$$

Weighting an injury with half the value of a fatality is admittedly crude and slightly arbitrary, but it does the job of assigning greater weight to the victims who were slain in terror attacks. This will be the primary dependant variable of interest.

Independent Variables

The hypotheses focus specifically on state capacity, political freedoms, and economic freedoms. Pippa Norris (2009) of Harvard released a massive meta-dataset which is an amalgamation of other sets from organizations such as the Polity Project, Freedom House, and the World Bank. Some of the variables in this dataset will be used to constitute the

independent and control variables. All data sets were merged either on the common country year (cyear) variable or the year (IYEAR) and (COUNTRY) variables in the GTD1 data set.

There are several indicators in the set that could have approximated the concept of state repression, but not all of them could be used because they dropped the observation count to perilously low levels where the issue of micronumerosity may have become a problem. Also, I set out to create a parsimonious model while avoiding the issues that arise when including irrelevant regressors. Thus, I settled on the torture variable (TORT) for the measure of state repression. The TORT variable was taken by Norris from the CIRI Human Rights Data Project at Binghamton University. Torture is perhaps the most clear cut case of repressive action, one that transcends the seriousness of simple detention for political purposes. The act of torture involves “the purposeful inflicting of extreme pain, whether mental or physical, by government officials or by private individuals at the instigation of government officials. Torture includes the use of physical and other force by police and prison guards that is cruel, inhuman, or degrading. This also includes deaths in custody due to negligence by government officials” (Cingranelli and Richards 2008). Torture signals to political prisoners that the consequences associated with non-violent political activity are arguably a fate as bad as or worse than death and therefore makes responding with violent political expression a more viable alternative. The TORT variable is a discrete ordinal measure, taking on the value of 0 when frequent torture was practiced in a country year, 1 if the practice was occasional, and 2 if the practice was nonexistent. Because the score increases as the amount of torture decreases, the expected estimated coefficient of this variable is expected to be negative.

Taken from Norris' dataset, I use the Marshall and Jagger's (2002) Polity IV data as an additional measure for state repression. The polity score (polity) is a 21 point measure ranging from -10 (consolidated autocracies) to +10 (consolidated democracies). It is my expectation that consolidated autocracies have honed their repressive abilities, unlike their less consolidated counterparts in the negative region approaching zero. While the TORT variable captured a very specific measure of repression, polity is a big picture variable that essentially captures regime type. The 21-point continuum is a much more precise measure of democratic or autocratic behavior than the earlier tendency for political scientists to code countries dichotomously as either democracy or non-democracy. There is a linear expectation that the more autocratic, or less democratic a regime is in a given country year there likely is a corresponding increase in the level of terrorism that year. Thus, the expected value of this coefficient is expected to be negative.

Economic freedom is a nebulous concept and difficult to quantify. Ironically, economic data is quite plentiful and well kept. Countries that repress political freedoms do not necessarily restrict economic freedom. Extremely authoritarian states are likely to attempt to stop the flow of information in and out of the country. One of the primary avenues of informational exchange is through trade, as the inflows and outflows of goods and services inevitably involve the exchange of information between parties inside and outside of the country. It stands to reason, then, that a nation such as China can build extensive networks of human and technological intelligence to stop the exchange of information, yet at the same time involuntarily allow form of political expression by the encouragement of international trade. Norris' trade variable (TRADE) is a measure of a country's imports added to exports and then calculated as a percent

of that country's GDP from 1971-1995. It is expected that as this measure of economic freedom increases, the level of terrorism in a given country year should decrease and the sign of the estimated coefficient will be negative.

A second measure of economic freedom is the variable ECONFLOWS. In addition to measuring trade levels based off of World Trade Organization figures, ECONFLOWS captures the level of investment moving in and out of the country. This is a broader measure than the Trade variable, and is also expected to have a negative estimated coefficient.

For the state capacity variable, I chose a proxy measure from the Norris data set that captures percent of children immunized in the country (IMMUNE). This may not seem like a straightforward measure of state capacity, but it actually demonstrates the level in which the state has consolidated itself due to the fact that a state must have a base level of security to even begin to provide health benefits to its population. Many measures of public services could be used to proxy state capacity, but health measures offer some of the most complete data, making it appropriate in this situation. The value of the estimated coefficient for the immune variable is expected to be negative.

Control Variables

The first appropriate control variable is the logged gross domestic product per capita (LOGGDP_WB) that Norris compiled from Dreher (2006). This measure is a standard variable to indicate the overall economic well being of a nation. It is a necessary control because the obvious expectation is that poorer countries will have lower levels of all the economic freedom and state capacity variables by because of the very fact that they are poor. In addition, the correlation between democracy and GDP is well known, making it necessary to separate the

variables in order to tease out the differences. By using this control, I can better isolate the economic and state capacity variables of interest. I expect the value of the estimated coefficient to be negative for the LOGGDP_WB variable.

Using Urdal's (2006: 607–630) demographic data set, I also will control for the natural log of the population size in each country year. The logic is fairly straightforward here, as it follows that more populous nations have total levels of violence, including terrorism, that are higher than less populous nations.

Because armed conflict and terrorism almost always appear together, it is appropriate to follow Piazza's lead and control for the onset of a conflict for each country year. For this I use Urdal's conflict variable (WARONSET) which is a dummy that takes the value of 1 when there is the onset of a conflict with 1000 battle deaths or more in a given country year.

Econometric Expression of the Model

The model I have proposed can be expressed in Equation 2:

$$\text{Equation 2: } Y_i = \beta_0 - \beta_1 \text{polity}_i - \beta_2 \text{TORT}_i - \beta_3 \text{Trade}_i - \beta_4 \text{Econflows}_i - \beta_5 \text{immunz}_i + \beta_6 \log \text{GDP}_W_i + \beta_7 \text{totpopln}_i + \beta_8 \text{waronset}_i$$

Methodology

Because I expect the relationships between the independent variables and the dependent variable to be intrinsically linear, Ordinary Least Squares regression will be used to calculate the parameter estimates.

CHAPTER 4

RESULTS AND ANALYSIS

In this chapter, I present the primary results of my statistical tests and analyze their significance. I then discuss the big picture and suggest avenues for future research.

I ran the regression using 762 observations with a resultant R-squared value of 11.7% for the NKW2 variable (Table 1). That is, 11.7% of the variation in NKW2 can be explained by the 5 independent and 3 control variables (See Table 2 and Appendix A, Table 5 for summary statistics and specific p-values).

Table 1: Primary Regression Results

	(1)	(2)	(3)	(4)
VARIABLES	NKW2	NKW	NWOUND	NKILL
Polity	-0.793*	0.00181	0.836	-0.835**
	(0.427)	(1.428)	(1.252)	(0.403)
TORT	-2.307*	-3.976	-1.756	-2.220*
	(1.201)	(4.021)	(3.527)	(1.136)
Trade	-6.93e-05	-4.70e-05	2.35e-05	-7.04e-05
	(7.03e-05)	(0.000235)	(0.000206)	(6.65e-05)
Econflows	-0.957***	-2.838***	-1.980**	-0.858***
	(0.327)	(1.095)	(0.961)	(0.309)
Immuniz	-0.869***	-2.721***	-1.949**	-0.772***

(continued on next page)

Table 1: Primary Regression Results

Continued from previous page				
	(1)	(2)	(3)	(4)
VARIABLES	NKW2	NKW	NWOUND	NKILL
	(0.297)	(0.994)	(0.872)	(0.281)
logGDP_WB	10.49	80.34	73.53	6.811
	(17.80)	(59.59)	(52.26)	(16.83)
Totpopln	12.36**	38.00**	26.99*	11.01**
	(5.195)	(17.39)	(15.25)	(4.912)
Waronset	179.4***	223.8	46.74	177.1***
	(41.07)	(137.5)	(120.6)	(38.83)
Constant	5.981	-215.4	-233.0	17.63
	(77.53)	(259.5)	(227.6)	(73.31)
Observations	762	762	762	762
R-squared	0.117	0.056	0.033	0.118

Standard errors in parentheses

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

The NKW2 variable is the primary dependent variable of interest and the first independent variable, polity, is significant at the 90% level of confidence and the coefficient is in the expected negative direction. The estimates indicate that for every one unit increase in polity, NKW2 will decrease by 0.793 units, ceteris paribus. Put another way, as countries move towards consolidated democracy, the amount of citizens killed and wounded by terrorist

attacks is expected to decrease. Interestingly, polity is statistically insignificant when the unweighted sum of killed and wounded (NKW) or the number of wounded alone (NWOUND) are tested as dependent variables, yet when the total number of killed is tested as the dependent variable polity becomes highly significant at the 95% level of confidence.

The second repression measure, TORT, is also significant at the 90% level of confidence and the estimated coefficient is in the expected direction. The magnitude of TORT is quite a bit larger, with a one unit increase resulting in an estimated decrease in NKW2 of 2.307, *ceteris paribus*. This could be due to the fact that TORT can only take on three values, so moving from “no torture” to “some torture” is a major shift. The same general pattern holds with TORT showing statistical insignificance when using NKW and NWOUND as dependent variables.

The coefficients for the TRADE variable are all in the expected negative direction, but the measure is insignificant across all incarnations of the dependent variable. It appears that international trade does not affect the level of NKW2 in a given country year.

State capacity, as measured by immunization rates of children, is highly significant at the 99% level of confidence. Furthermore, it is highly significant across all forms of the dependent variable. A one percent increase in immunization rates results in a decrease of NKW2 by 0.869 units, *ceteris paribus*. In a sensitivity analysis test (See Appendix C Table 3) I used the Correlates of War Youth Bulge data set’s state capacity variable (CINC). The CINC variable was highly insignificant, with a p-value approaching the point of absurdity (See the Appendix C, Table 4). This result indicates that there may be a problem with the way that CINC was indexed.

The control variable measuring the logged gross domestic product per capita shows no signs of statistical significance across the board. This result appears to indicate that a nation’s

economic well being is unrelated to the number of citizens killed and wounded by terrorist attacks in a given year. Anecdotally too, wealthy states do not appear to be immune from terrorist attacks.

There are no surprises with the logged total population variable. It is significant for NKW2 and NKILL at the 99% level of confidence and the coefficient is in the expected positive direction. A one unit increase in LOGGDP_WB results in an increase of NKW2 of 10.49 units, ceteris paribus. The estimated model for NKW2 is expressed in Equation 3.

Finally, the coefficient of the WARONSET dummy is highly significant in the NKW2 and NKILL models at the 99% confidence level. The massive weight of the coefficient indicates the intercept for countries experiencing the onset of a conflict is approximately 179 units higher than when there is not a conflict.

$$\text{Equation 3: } \hat{Y}_i = 5.981 - 0.793\text{polity}_i - 2.307\text{TORT}_i - 6.93\text{Trade}_i - 0.957\text{Econflows} - 0.869\text{immuniz} + 10.49\text{logGDP_WB} + 12.36\text{totpopln} + 179.4\text{waronset}$$

I ran a series of regressions represented in Table 2 to test for the possibility of regional effects as well as conduct additional sensitivity analysis. The regional dummies, taken from the Norris data set, are Africa (AFRICA), Asia (ASIA), North America (NAM), South America (SAM), Middle East (MEAT), Central Europe (CEUROPE), and Western Europe (WEUROPE). All regressions were conducted on the NKW2 variable. There are two general conclusions that can be reached from the results in Table 2. First, adding the regional dummies has little effect on the magnitude and significance of the parameter estimates. The polity, TORT, ECONFLOWS, IMMUNIZ, TOTPOPLN, and WARONSET variables remained significant at a maximum of 10%

levels of confidence across all regions. TRADE and LOGGDP_WB again failed to reach acceptable levels of statistical significance.

The second conclusion that can be reached is that regional effects are largely unimportant except for in North America and South America. The North American regional effect, significant at the 10% level of confidence, is negative and the estimated coefficient is substantially large in magnitude. This means that the estimated intercept for North America is approximately 45 units lower than other regions, *ceteris paribus*. For South America, the opposite situation occurs, with positive parameter estimates and significance at the 99% level of confidence and the estimated intercept is approximately 54 units higher than other regions, *ceteris paribus*.

Table 2: Regional Controls

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
VARIABLES	NKW2	NKW2	NKW2	NKW2	NKW2	NKW2	NKW2
polity	-0.842** (0.428)	-0.808* (0.428)	-0.792* (0.426)	-0.809* (0.426)	-0.976** (0.424)	-0.868** (0.430)	-0.771* (0.426)
TORT	-2.381** (1.202)	-2.327* (1.202)	-2.262* (1.201)	-2.323* (1.200)	-2.283* (1.189)	-2.215* (1.203)	-2.402** (1.202)
Trade	-6.70e-05 (7.03e-05)	-7.54e-05 (7.12e-05)	-7.66e-05 (7.05e-05)	-3.09e-05 (7.36e-05)	-4.18e-05 (6.99e-05)	-8.26e-05 (7.11e-05)	-7.41e-05 (7.03e-05)
Econflows	-0.970*** (0.327)	-0.983*** (0.330)	-1.017*** (0.330)	-1.067*** (0.333)	-0.904*** (0.324)	-0.982*** (0.328)	-0.846** (0.334)
immuniz	-0.834*** (0.298)	-0.863*** (0.297)	-0.755** (0.310)	-0.901*** (0.297)	-0.693** (0.297)	-0.790*** (0.303)	-0.976*** (0.304)
logGDP_WB	1.548 (19.18)	12.69 (18.22)	8.250 (17.88)	18.40 (18.36)	13.91 (17.64)	9.142 (17.83)	24.91 (19.98)

(continued on next page)

Table 2: Regional Controls

Continued from previous page

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
VARIABLES	NKW2	NKW2	NKW2	NKW2	NKW2	NKW2	NKW2
totpopln	11.43** (5.246)	11.41** (5.451)	12.09** (5.197)	11.32** (5.223)	15.90*** (5.211)	12.88** (5.209)	13.13** (5.212)
waronset	179.4*** (41.06)	178.4*** (41.13)	180.4*** (41.06)	176.9*** (41.04)	177.6*** (40.64)	178.1*** (41.07)	178.0*** (41.04)
Africa	-23.29 (18.60)						
Asia		9.938 (17.19)					
CEurope			-34.13 (26.14)				
Nam				-45.16* (26.03)			
Sam					54.40***		

Table 2: Regional Controls

Continued from previous page

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
VARIABLES	NKW2	NKW2	NKW2	NKW2	NKW2	NKW2	NKW2
					(13.13)		
MEast						-23.73	
						(18.54)	
WEuro							-27.40
							(17.29)
Constant	49.36	6.734	13.75	-5.387	-72.16	4.897	-47.07
	(84.89)	(77.58)	(77.72)	(77.71)	(79.00)	(77.50)	(84.38)
Observations	762	762	762	762	762	762	762
R-squared	0.119	0.118	0.119	0.121	0.137	0.119	0.120

Standard errors in parentheses

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Discussion and Concluding Remarks

Overall, there is broad support for my theory of limits on political expression at the state level. Hypothesis 1 was strongly confirmed with the immunization variable. Both measures of state repression indicated that limits on political freedom increase the level of terrorism found in a given country year, a confirmation of Hypothesis 2. However, I can only report partial confirmation of Hypothesis 3. While the Trade variable was insignificant, the measure of economic flows did give some indication that economic freedom, independent of traditional political freedoms, can reduce terrorism levels.

This research offers an additional confirmation of Piazza's arguments regarding the relationship between state capacity and terrorism. In addition, the qualitative work by Case and Sahliyah has further empirical confirmation. However, the results of my statistical analysis go beyond Piazza's work as they include data on both domestic and transnational based attacks. In addition, my measure for state capacity has more observations than the measure used by Piazza. I can conclude that reduced levels of state capacity expose nations to a higher risk of casualties from terrorism by both homegrown and foreign terrorist groups. This leads me to stress that the newer data on terrorism (LaFree 2008), which is free and comprehensive, is a better choice for academics than previous data sets that were expensive and tracked transnational attacks. For policymakers, this means that indicators for state capacity should be monitored closely in regional trouble spots. The need for state capacity building measures is apparent for nations on the precipice of governmental collapse, and this was only briefly touched on in the literature regarding the causes of terrorism.

I also can conclude that there is a direct link between state repression and the level of terrorism in a given nature. Of course there are outliers such as 9/11 (not included in the statistical analysis), where a state with high levels of consolidated democracy and low levels of violent political repression was attacked, but there are always exceptions in a probabilistic model. There are also examples of terrorist groups that appear to be threatened by the expansion of political rights for others. I note that the Taliban seems to be struggling, in part, against institutions in Afghanistan that channel dissent. My reply to this type of counterexample is two-part. First, I again stress that there are exceptions to the probabilistic rule in the model. Second, I believe the terrorism committed by the Taliban is more a function of the reduced state capacity than it is of repressive efforts by the Afghan government, especially given that there have been overtures to incorporate relatively moderate Taliban into the government. On average, states that limit political freedom create additional political grievances that cannot be funneled through the non-violent dispute adjudicating mechanisms of democratic societies. Some will express these grievances through political violence. Recent examples of high risk states are Zimbabwe and Iran, where the consequences of violent crackdowns on dissidents may be manifested in terrorist attacks. Future avenues of research should include even more measures of state capacity in order to enhance or dispute the robustness of my findings.

I have also partially confirmed a new hypothesis regarding economic freedom. Though political and economic freedoms are intimately intertwined, there are modern examples of states allowing for more of the latter than the former. It appears that this can serve to offset some of the political grievances that are formed elsewhere. The largest unanswered question in

this area is actually: How much economic freedom can a state allow before they must start relaxing restrictions on political expression?

What do the findings imply for policymakers and researchers? For policymakers the message is clear: allowing political and economic freedom is essential preventing terrorism, but those freedoms cannot exist in a within a non-functioning state. Like a tripod, any efforts at reducing terrorism levels at the national or international level will not stand up if one of these elements is ignored. It is possible that considerable blood and treasure could have been saved on all sides of the Second Gulf War if the political and economic freedom afforded by the fall of Saddam had been buttressed with more rigorous state capacity building measures. The findings also point to the importance of empirical research into effective state capacity building measures. Also of interest is exploring where economic freedom ends and political freedom ends, as the two concepts of liberty are normally intertwined. Finally, further subdivision of the components that make up political freedom could yield better insight. For example, do less repressive measure than torture still lead to increased levels of terrorism?

APPENDIX
SUPPLEMENTARY STATISTICAL TABLES

Table A1: Test of State Capacity Using Cow Cinc Variable

	(1)	(2)	(3)	(4)
VARIABLES	NKW2	NKW	NWOUND	NKILL
polity	-0.848** (0.425)	-0.111 (1.416)	0.775 (1.239)	-0.886** (0.402)
TORT	-2.106* (1.195)	-3.344 (3.983)	-1.303 (3.485)	-2.041* (1.129)
Trade	-8.33e-05 (0.000101)	8.71e-05 (0.000336)	0.000179 (0.000294)	-9.23e-05 (9.53e-05)
Econflows	-1.043*** (0.356)	-3.520*** (1.186)	-2.608** (1.038)	-0.913*** (0.336)
logGDP_WB	-16.54 (15.63)	5.407 (52.10)	23.10 (45.60)	-17.70 (14.78)
totpopln	13.43** (5.224)	38.30** (17.41)	26.18* (15.24)	12.12** (4.937)
waronset	181.1*** (40.93)	226.2* (136.4)	47.48 (119.4)	178.7*** (38.69)
cinc	-36.80 (329.9)	-888.3 (1100)	-896.3 (962.5)	8.017 (311.9)
Constant	38.84 (75.28)	-101.1 (250.9)	-147.3 (219.6)	46.21 (71.15)

Table A1: Test of State Capacity Using Cow Cinc Variable

	(1)	(2)	(3)	(4)
VARIABLES	NKW2	NKW	NWOUND	NKILL
Observations	782	782	782	782
R-squared	0.106	0.047	0.027	0.108

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table A2: Cinc P-Values

	(1)
VARIABLES	NKW2
polity	-0.848** (0.0464)
TORT	-2.106* (0.0784)
Trade	-8.33e-05 (0.409)
Econflows	-1.043*** (0.00348)
logGDP_WB	-16.54 (0.290)

Table A2: Cinc P-Values

(1)	
VARIABLES	NKW2
Totpopln	13.43** (0.0103)
waronset	181.1*** (1.11e-05)
cinc	-36.80 (0.911)
Constant	38.84 (0.606)
Observations	782
R-squared	0.106

p-values in parentheses
 *** p<0.01, ** p<0.05, * p<0.1

Table A3: Summary Statistics

(1)	
mean	
VARIABLES	(sd)
NKW2	54.44 (160.0)

Table A3: Summary Statistics

	(1)
	mean
VARIABLES	(sd)
Polity	2.331 (14.91)
TORT	0.491 (4.938)
Trade	64350 (101803)
Econflows	47.13 (20.53)
immuniz	71.08 (24.61)
logGDP_WB	3.698 (0.445)
totpopln	9.767 (1.446)
waronset	0.0184 (0.134)
Observations	762

Table A4: P-Values

(1)	
VARIABLES	NKW2
polity	(0.0635)
TORT	(0.0552)
Trade	(0.325)
Econflows	(0.00355)
immuniz	(0.00353)
logGDP_WB	(0.556)
totpopln	(0.0176)
waronset	(1.43e-05)
Constant	(0.939)
Observations 762	
R-squared 0.117	

t-statistics in parentheses

*** p<0.01, ** p<0.05, * p<0.1

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