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What Makes A Terrorist: Economics and the Roots of Terrorism

By Alan B. Krueger

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What Makes a Terrorist by Alan B. Krueger, Bendheim Professor of Economics and Public Affairs at Princeton University, is an intellectually honest and appropriately transparent effort to define the causes of terrorism, the environments it comes from, and what it accomplishes. It uses regression methodology generally accepted in the social sciences as an analytical tool. In a regression model, the relationship of a dependent variable to an independent variable is determined with a coefficient of correlation, which may range from -1 to 1. For example, the level of ethnic violence shows low correlation with unemployment levels in Professor Krueger's research. To maintain balance, Islamic, Christian (Irish Republican Army), and Jewish terrorism are discussed, however the fundamental content of the book and most of the research relate to Islamist extremism.

The research supports the idea that terrorists, who by definition perpetrate "premeditated, politically motivated violence", come from personal backgrounds of relative affluence and education. (The IRA is named as a notable exception). Further, Professor Krueger argues that it is ideological ardor that is the basis of this extremism, driven by lack of political rights and civil liberties. Acceptance of terrorism by a populace as a justifiable method also tends to increase somewhat with the level of education, based on research presented for Jordan, Morocco, Pakistan, Turkey and for the Palestinians.

The book is presented in the form of three lectures followed by Q & A. It is certainly not an easy read, unless the reader has a decent understanding of elementary statistics, and even then some of the charts are not sufficiently explained and therefore relatively difficult to navigate.

The view expressed, that terrorists generally come from moderate income countries, is challenged by the presence of various perceived exceptions. With known Al-Qaeda links, Afghanistan, Tanzania, Yemen, Sudan and Pakistan come to mind, where per capita GDP (purchasing power parity) ranges from \$800 to \$2,400 (Source: Central Intelligence Agency The World Fact Book 2007).

The idea that terrorists are more likely to come from countries where civil liberties and political rights are limited is presented effectively, however the observations regarding poorest GDP per capita are somewhat confusing with respect to the role of poverty in the poorest and richest source countries.

World leaders have rushed to ascribe economic deprivation and lack of education as principal causes of terrorism. Statements by President George W. Bush, former Prime Minister Tony Blair, Richard Armitage, former Deputy Secretary of State, Rowan Williams, the Archbishop of Canterbury, James Wolfensohn, former President of the World Bank, and various Muslim religious sources are presented that are not supported by the findings of Professor Krueger in terms of logic as well as regression analysis. As Professor Krueger notes, the 9/11 Commission came to the same conclusion: "Terrorism is not caused by poverty."

The "small effect" view of the consequences of terrorism sees the issue through a small prism, focusing on the effects upon physical or human capital deployed in the production process. The "big effect" view is more compatible with the destructive impact on certain industries (e.g. airlines and hospitality sectors), decline and volatility in world capital markets following 9/11, and creation of uncertainty in business conditions. To say that the type of terrorism we have seen so far is more like the Barbary pirates of the late eighteenth century than World War II does not recognize that 1) Al-Qaeda is a global brand committed to the destruction of western countries and interests with conventional means or WMD; 2) small fanatical groups with technology and asymmetric capabilities can achieve shocking results; 3) the Barbary pirates did not have hard drives discovered with drawings of nuclear technology; and 4) Hezbollah is believed to have the resources to hit the United States at home.

The question remains as to who is the intended audience for this book. Surely, it is being read in academia, but that is not where it is needed most. However, statistical methods such as regression analysis, which do not establish causality but only correlation, require significant training in order to be interpreted and placed in expert perspective. One must wonder if it is practical for 435 Congressional Representatives and 100 Senators to read this book. Doubtless there are highly trained analytical minds in the Departments of Defense and State; however, it is difficult to determine whether individuals at the senior levels would challenge the existing order which upholds that poverty and lack of education breed terrorism. Accepting Professor Krueger's logic might discredit decades of bipartisan foreign policy by formally identifying the unintended consequences.

The suggestion in *What Makes a Terrorist* that a more effective and publicly available data base would enhance the analytical framework seems to be an interesting but impractical one. The antecedents of 9/11, the issue of WMD, and the prosecution of the war in Iraq have been highly politicized. Also, not enough progress has been announced since 9/11 to integrate data bases among more than a dozen intelligence agencies and others with a vested interest in national security. And there are various nuances that can obscure what is or is not accepted as terrorism. For example, attacks by substate organizations against civilian populations to influence the psychology of wide audiences is the basis of a definition in this book, and at one time that of the State Department in *Patterns of Global Terrorism* which initially focused on non-combatant targets.

However, in view of the way the Administration has conflated 9/11 with Iraq, it is easy to think that terrorism includes attacks against coalition soldiers. Professor Krueger notes that the Department of State amended its earlier definition beyond non-combatants to include military targets under certain conditions.

In the book, the limitations of regression analysis are appropriately cited in terms of the difference between correlation and causality and issues with small sample sizes. The author also acknowledges the difficulty in eliminating doubt about hypotheses with statistical methods employed in the social sciences. While the absence of correlation does not mean lack of causality, Professor Krueger rightly notes that the burden of proof should be on those who believe poverty and lack of education are drivers.

A great deal of information and nuance is presented in *What Makes a Terrorist*, raising the question of how much of it is essential to support the basic hypothesis. A summary of conclusions would be very helpful and would make this useful and provocative work more appealing to the lay community, and to Congressional and other government officials.

The content of education is acknowledged by Professor Krueger as important in fostering toleration and respect for diversity. The effect of fundamentalist clerics, and thousands of madrassas in the Islamic world as a source of extremist teachings merits more discussion.

What Makes a Terrorist contributes to a dialogue and better understanding of the causes of terrorism. The instruments of foreign policy that address sponsorship of civil liberties and political rights are quite different from foreign aid, which addresses economic disparities. An implication seems to be that stronger alignment of U.S. foreign policy with democratic principles and movements will do more to moderate the forces of terrorism than sponsorship of repressive regimes with the hope of containing them. •

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