## Introduction

**IN THE WAKE** of the terrorist attacks on September 11, 2001, policy makers, scholars, and ordinary citizens asked a key question: Why did they attack us? What would make someone willing to give up his (or her) life to wreak mass destruction in a foreign land?

In short, what makes a terrorist?

Although the answer to this question is complex and surely varies from case to case, many turned to a simple explanation: economic deprivation and a lack of education cause people to adopt extreme views and turn to terrorism. This explanation appealed to a wide range of people, from President George W. Bush and Prime Minister Tony Blair to religious figures of all faiths to public intellectuals. The alleged connection between poverty, lack of education, political extremism, and terrorism continues to resonate with top government officials, even those who leave office and are no longer obliged to toe the party line. For example, Richard Armitage, the deputy secretary of state from 2001 to 2005, published an op-ed piece in the *New York Times* on Pakistan's problems with terrorism that claimed, "General Musharraf has shown that he understands the seri-

ousness of dealing with the root causes of extremism, making real efforts to improve economic and educational opportunities" (Armitage and Bue, 2006, p. 11).<sup>1</sup>

Within the Muslim community, a distinguished group of thirty-nine imams and ulama (religious leaders and scholars) signed a statement that claimed, "The tragedy of 7th July 2005 demands that all of us, both in public life and in civil and religious society, confront together the problems of Islamophobia, racism, unemployment, economic deprivation and social exclusion-factors that may be alienating some of our children and driving them towards the path of anger and desperation" (Muslim Council of Britain, 2005, p. 2). Rowan Williams, the archbishop of Canterbury, chalked up terrorism to "economic powerlessness" (Williams, 2006). And in his acceptance speech upon being awarded the Nobel Peace Prize in 2006 for his work on micro loans, the economist Muhammad Yunus of Bangladesh said that it was essential to put "resources into improving the lives of the poor people" to end the root cause of terrorism (Yunus, 2006).

Although there is a certain surface appeal to blaming economic circumstances and lack of education for terrorist acts, the evidence is nearly unanimous in rejecting either material deprivation or inadequate education as an important cause of support for terrorism or of participation in terrorist activities. The popular explanations for terrorism—poverty, lack of education, or the catchall "they hate our way of life and freedom" —simply have no systematic empirical basis. These explanations have been embraced almost entirely on faith, not scientific evidence.

1. Mr. Armitage later became known for his role in leaking Valerie Plame's identity to Robert Novak. The second lecture describes his handling of the State Department's 2004 terrorism report, *Patterns of Global Terrorism*, which was strewn with errors and subsequently recalled and reissued.

While people who are unemployed or employed in lowpaying jobs have a low cost of engaging in political and protest activities and may be angry because of their circumstances, the fact is that they typically do not lash out at the world. Half of the world's population lives on \$2.00 a day or less (Chen and Ravallion, 2005). More than one billion people worldwide have a primary school education or less and some 785 million adults are illiterate (Barro and Lee, 2000; Central Intelligence Agency, 2007). If poverty and inadequate education were causes of terrorism, even minor ones, the world would be teeming with terrorists eager to destroy our way of life. Contrary to the popular stereotype, as expressed by Richard Armitage and many others, the uneducated, impoverished masses are particularly *unlikely* to participate in political processes, through either legitimate or illegitimate means.

Instead of being drawn from the ranks of the poor, numerous academic and government studies find that terrorists tend to be drawn from well-educated, middle-class or high-income families. Among those who have seriously and impartially studied the issue, there is not much question that poverty has little to do with terrorism. For example, *The* 9/11 *Commission Report* was quite clear on the role of economic deprivation in spurring individuals to participate in terrorism: "Terrorism is not caused by poverty" (National Commission on Terrorist Attacks upon the United States, 2004, p. 378). Yet the claim that poverty is the root cause of terrorism continues to be made.

There are many potential explanations for the common misunderstanding that terrorists are motivated to attack us because they are so desperately poor or uneducated that they have nothing to live for, or that they resent the West because it is rich or enjoys certain freedoms. At a theoretical level, economists expect people who have a low opportunity cost of time that is, a low wage in the legitimate labor market—to turn to crime. But terrorism is different than ordinary property crime.

Most terrorists are not motivated by their own material gain. How could one account for an excess of volunteers for suicide missions if that were the case? Instead terrorists are motivated by political goals that they believe are furthered by their actions. The West is often a target—not because it is rich, but because it is influential and because terrorism has a greater chance of succeeding when it is perpetrated against a democracy than an autocracy.

Rather than street crime, I argue that a better analogy is to voting. Having a high opportunity cost of time—resulting, say, from a high-paying job and a good education—should discourage people from voting, yet it is precisely those with a high opportunity cost of time who tend to vote. Why? Because they care about influencing the outcome and consider themselves sufficiently well informed to want to express their opinions. Terrorists also care about influencing political outcomes. Instead of asking who has a low salary and few opportunities, to understand what makes a terrorist we should ask: Who holds strong political views and is confident enough to try to impose their extremist vision by violent means? Most terrorists are not so desperately poor that they have nothing to live for. Instead they are people who care so deeply and fervently about a cause that they are willing to die for it.

It matters if policy makers and the public have the wrong understanding of what makes people turn to terrorism. For one thing, if we are to craft an effective strategy to combat terrorism, we had better know what is motivating the terrorists. Terrorists are not simply lashing out because they are desperately poor; they are responding to geopolitical issues. Misperceptions of terrorists' motives can inhibit us from addressing the real roots of the problem. Even if policy is off the table—for example, because a government decides it does not want to negotiate over a political issue that is at the root of the grievances motivating a terrorist organization—understanding the

causes of terrorism could help prevent countries from pursuing counterproductive courses of action. Curtailing civil liberties, for example, may inspire more people to resort to violent means than are prevented from carrying out terrorist attacks. Understanding the causes of terrorism can also help us to predict how our actions will affect the likelihood of future terrorist attacks. Finally, an accurate understanding of terrorists' motives can help us to put the destructive actions of terrorist attacks behind us, demystify terrorism (and therefore blunt some of the fear of terrorism), and enable society to move on and put the risks of future attacks into perspective.

This book is based on three lectures that I delivered as part of the distinguished Lionel Robbins Memorial Lecture Series at the London School of Economics and Political Science in February 2006. I draw heavily from economics, my own discipline, but also weave in relevant findings from political science, psychology, and sociology. Indeed I first thought of calling this book *Enlisting Social Science in the War on Terrorism*, but I ultimately opted for a simpler title. I strongly believe that a multidisciplinary approach is needed to study adequately the causes and effects of terrorism, especially in light of the failure of basic economic factors like poverty to explain participation in terrorism.

The first lecture examines participation in terrorism at the micro level, the level of the individual. A wide range of data on participants in terrorism is reviewed. Researchers have used ingenious methods to assemble data on terrorists, including scouring the biographies of suicide bombers. The characteristics of those who join terrorist organizations or participate in terrorist acts are compared with those of the relevant population at large. As a group, terrorists are better educated and from wealthier families than the typical person in the same age group in the societies from which they originate. There are, however, occasional exceptions to this pattern. Indeed terror-

ists are hard to profile because there is no single, unique profile. Terrorist organizations are adept at deploying people who do not fit the profiles authorities are looking for. Nevertheless there is no evidence of a general tendency for impoverished or uneducated people to be more likely to support terrorism or join terrorist organizations than their higher-income, bettereducated countrymen.

In addition to examining the characteristics of those who participate in terrorism, the first lecture draws evidence from public opinion polls. Terrorism occurs within a social context. People are encouraged or discouraged to participate in terrorism by friends, family, co-workers, neighbors, and other associates. The evidence from public opinion polls reveals that the best-educated members of society and those in higher-paying occupations are often more radicalized and supportive of terrorism than the most disadvantaged. The illiterate, underemployed population is often unwilling to express an opinion about policy issues, probably because they have more pressing matters on their minds.

The evidence at the individual level should give pause to those who argue that people join terrorist groups because they are impoverished or uneducated. But it does not foreclose the possibility that terrorists are motivated by inadequate or unequal economic opportunities in their own countries. It is possible that members of elites become terrorists because they are outraged by the economic conditions of their fellow countrymen. The second lecture addresses this issue. While it is inherently difficult to determine whether societywide conditions motivate particular individuals, there is again little support for the view that economic circumstances are an important cause of participation in terrorism. A range of socioeconomic indicators—including illiteracy, infant mortality, and gross domestic product per capita—are unrelated to whether people become involved in terrorism. Indeed, if anything, measures of

economic deprivation have the opposite effect than the popular stereotype would predict in the country-level analyses: international terrorists are more likely to come from moderate-income countries than poor ones.

One set of factors does consistently raise the likelihood that people from a given country will be ensnared in terrorism, namely, the suppression of civil liberties and political rights, including freedom of the press, the freedom to assemble, and democratic rights. When nonviolent means of protest are curtailed, malcontents appear to be more likely to turn to terrorist tactics. If favorable economic circumstances operate in any way to reduce terrorism, it is by raising the likelihood that a country can sustain civil liberties and political rights. But there are many examples of countries with low living standards that provide their citizens with civil liberties and political rights, and enough examples of rich countries (like Saudi Arabia) that restrict civil liberties and political rights, to make it clear that raising living standards is not by itself sufficient for reducing the risk of terrorism.

Coincidentally the second lecture, which contains a quantitative analysis of the national origins of foreign fighters captured in Iraq, was delivered on February 22, 2006, the day the al-Askari golden mosque in Samarra was bombed, an event considered by many to be a turning point in the Iraq war. In October 2006 the U.S. Central Command prepared a classified briefing on Iraq that was later leaked to the *New York Times*. It contained a color-coded chart titled "Index of Civil Conflict (Assessed)" (Gordon, 2006). On the left of the chart, relative stability and peace in the pre-Samarra days are depicted in soothing shades of green and yellow; on the right, the descent into sectarian violence, ethnic cleansing, and chaos in the days after Samarra is portrayed in increasingly alarming shades of orange and red. Among other things, my analysis reveals the importance of a lack of civil liberties in countries near Iraq in

motivating foreigners to join the insurgency. Economic factors were not important in explaining the national origins of the foreign insurgents, but religion was: foreign insurgents were much more likely to come from Muslim countries. The evidence also suggests that the bulk of the Iraqi insurgency, even in the pre-Samarra era, has been drawn from domestic sources.

Terrorists seek to spread fear and thereby disrupt the economy, influence public opinion, and change government policies in their target countries. Do they succeed? The third lecture considers the economic, psychological, and political consequences of terrorism. The lecture also touches on the way the media reports on terrorist attacks, focusing on incentives to sensationalize terrorism, because terrorists rely on media coverage to spread fear and accomplish their ultimate aims.

The economic consequences of terrorism are a matter of much dispute. Some economists argue that terrorism poses a major threat to the economy, while others argue that, in some circumstances, it can in fact lead to stronger economic growth. Consider the views of two prominent economists. In an interview shortly before he died, Milton Friedman asserted that the biggest risk to the world economy was "Islamofascism, with terrorism as its weapon" (Varadarajan, 2007). At the other extreme, Harvard's Robert Barro wrote in *Business Week* that a silver lining of the September 11 attacks was that they would probably end the "near-recession" that the U.S. economy was experiencing by loosening constraints on deficit spending by the government (Barro, 2001).<sup>2</sup>

The third lecture assembles and evaluates available evidence on the economic consequences of terrorist attacks. One conclusion is that terrorists only affect the economy if the public

<sup>2.</sup> According to the National Bureau of Economic Research's Business Cycle Dating Committee, a recession began in March 2001 and ended in November 2001.

lets them, that is, if people and their leaders overreact. The economic consequences of terrorism are inherently tied to its psychological and political consequences, and to media coverage of terrorist attacks because terrorism—as awful and reprehensible as it is—leaves the bulk of the human and physical capital stock intact.

While it is easier to disprove a hypothesis than to prove it, empirical research is rarely persuasive beyond a reasonable doubt in the social sciences. The evidence against material deprivation being a systematic cause of terrorism is stronger at the individual level than at the societal level. It is easier to compare the profiles of terrorists to the population than it is to identify the characteristics of societies that lead a small number of people to turn to terrorism. Even at the individual level, however, some uncertainty remains. While available evidence from a range of settings points to terrorists coming disproportionately from more advantaged backgrounds compared with the population at large, there are some important cases about which little is known, such as the Tamil Tigers of Sri Lanka, and there is conflicting evidence in the case of Northern Ireland.

An even greater barrier to providing persuasive evidence is the paucity of consistent data on terrorist attacks over time at the country level, although the situation is improving now that the National Counterterrorism Center is putting more resources into monitoring terrorist incidents. Researchers have been creative in finding data sources, but the development of an authoritative cross-country database on international terrorist incidents—one that is publicly available, so that researchers can check each others' findings—would lead to improved analysis.

The field of terrorism research is growing rapidly. I have updated the lectures for this book but have otherwise tried to remain faithful to the original lecture format, including presenting an edited version of the question-and-answer sessions that followed the lectures. The book aims to provide an acces-

sible summary and evaluation of the available evidence. Readers need not have a background in statistics to follow the lectures, although I have endeavored to base my conclusions on the best available statistical evidence. Discussions of regression results, standard errors, and multicollinearity are kept to a minimum and typically confined to tables or an appendix, if included at all. References to the underlying research are provided where applicable. Those interested in more details of the statistical analyses are particularly encouraged to read an article I published in the *Journal of Economic Perspectives* with Jitka Malečková and two papers that I co-wrote with David Laitin, a political scientist at Stanford (Krueger and Laitin, 2004b, 2007; Krueger and Malečková, 2003). These articles, along with some additional unpublished material and data used in the book, are available on my web page at www.krueger.princeton.edu.