Draining the Swamp: Democracy Promotion, State Failure, and Terrorism in 19 Middle Eastern Countries

JAMES A. PIAZZA

Department of Political Science
University of North Carolina at Charlotte
Charlotte, North Carolina, USA

This study empirically evaluates the question of whether or not the promotion of democracy in the Middle East will reduce terrorism, both in terms of terrorist attacks sustained by Middle Eastern countries and in terms of attacks perpetrated by terrorist groups based in Middle Eastern countries. Using a series of pooled, time-series negative binomial statistical regression models on 19 countries from 1972 to 2003 the analysis demonstrates that the more politically liberal Middle Eastern states—measured both in terms of democratic processes and in terms of civil liberties protections—are actually more prone to terrorist activity than are Middle Eastern dictatorships. The study demonstrates, furthermore, that an even more significant predictor of Middle Eastern terrorist attacks is the intensity of state failures, or episodes of severe political instability that limit central government projection of domestic authority, suffered by states in the region. States that are unable to respond to fundamental challenges to political stability posed by internal political strife, ethnic conflict or the phenomenon of "stateless areas," geographic or political spaces within states that eschew central government authority, are significantly more likely to host or sustain attacks from terrorist groups. The findings have implications for current United States antiterrorism policy toward the Middle East and provide a statistical/empirical foundation to previous studies on the relationship between terrorism and state failure.

Will promoting democracy in the Middle East reduce terrorism, both within Middle-Eastern countries and among countries that are potential targets of Middle Eastern–based terrorist groups?

The 11 September 2001 terrorist attacks in New York, Washington, D.C., and Pennsylvania have led to a dramatic re-orientation of United States foreign policy toward the Middle East. Predicated on the hypothesis—now the dominant foreign policy paradigm within the Bush administration—that terrorism is a product of nondemocratic governance, a new idealistic interventionism has replaced the legacy of Cold War realism, culminating in the 2003 invasion of Iraq for the purposes of “draining the swamp”; that is to say removing the conditions that foster terrorism, namely dictatorship.

Received 24 February 2006; accepted 1 May 2006.
Address correspondence to James A. Piazza, Assistant Professor, Department of Political Science, University of North Carolina at Charlotte, 9201 University City Blvd., Charlotte, NC 28223, USA. E-mail: jpiazza@uncc.edu
How might promotion of democracy and civil freedoms in the Middle East reduce terrorism? Proponents of democracy promotion view the climate of “unfreedom” that pervades most Middle-Eastern countries as a dangerous precipitant to extremist thought and behavior that results in terrorist activity. The repression, violence, and systematic humiliation used by Middle Eastern regimes like Iraq or Syria as tools of popular control foster public rage and increase the appeal of fanaticism. In the absence of a free press or freedom of public expression, proponents of democracy promotion argued, an “epistemological retardation” pervades political discourse fostering a mood of paranoia and giving credence to conspiracy stories in which the United States and its allies, namely Israel, are perpetual villains. Also, in these nondemocracies, public grievances are not addressed and are allowed to fester, providing extremist groups with material for propaganda, facilitating their recruiting efforts and legitimizing their acts of political violence. Finally, the nature of nondemocratic regimes retards the public virtues of political moderation and compromise, which are necessary ingredients of nonviolent political expression (Muravchik 2001).

Jennifer L. Windsor, executive director of the Washington, D.C.–based nonprofit Freedom House, articulates a similar vision of the relationship between democratic governance and the reduction of terrorism in the Middle East:

> The underlying logic is that democratic institutions and procedures, by enabling the peaceful reconciliation of grievances and providing channels of participation in policymaking, can help to address those underlying conditions that have fueled the rise of Islamist Extremism. . . . More specifically, promoting democratization in the closed societies of the Middle East can provide a set of values and ideas that offer a powerful alternative to the kind of extremism that today has found expression in terrorist activity, often against U.S. interests. (Windsor 2003, 43)

**Democracy, Civil Liberties, and Terrorism: Political Access versus Strategic Targeting**

By and large, scholarly research on the relationship between terrorism, dictatorship, and democracy does not lend empirical support to the argument that there is a linear relationship between democratic governance or protection of civil liberties and the incidence of terrorism. Traditionally, scholars have proposed the opposite: that democracies are more conducive to terrorist activity than are dictatorships (Schmid 1992; Charters 1994; Eubank and Weinerg 1994, 1998 and 2001). Other research indicates that the relationship between democracy and terrorism is either mixed and qualified (Li 2005) or nonlinear (Eyerman 1998).

Recent research by Li (2005) finds that although “democratic participation” is a negative predictor of the incidence of international terrorism within a country, “government constraints” in the form of institutional limitations to executive power found in most democracies increases terrorism in countries. Li further illustrates that various electoral institutions within democracies—for example, proportional verses “first-past-the-post” systems—are also positive and negative predictors of the incidence of terrorism.

In his seminal study Eyerman (1998), using the assumption that terrorist groups, like all political groups, seek to maximize their rational utility and weigh the costs against the benefits associated with each terrorist act, observes that there are two theoretical schools of thought regarding the relationship between democracy and terrorism. The
first, termed the “political access” school, holds that by providing multiple avenues by which actors can advance their political agendas, democracies increase the utility of legal political activity for all political actors, including terrorists. Within democracies there is more political space available than in dictatorships, so there is room “within the system” for actors who subscribe to anti-status quo or non-mainstream opinions. It is important to note that the access school is a “political actor-focused” conceptual framework, meaning that it argues that democracy provides greater opportunities for terrorists to join mainstream politics. This is in contrast to “consumer-focused” conceptions that argue that democracy makes extremists who may engage in terrorism less appealing to the public. One would therefore expect democracies to have fewer terrorist attacks, as would-be terrorists merely pursue legitimate political activities to achieve their goals (Crenshaw 1990; Denardo 1985). The second, termed the “strategic school,” maintains that democracies are more tempting targets for terrorism than are dictatorships because their respect for civil liberties constrain them from more effective antiterrorism efforts such as surveillance, control over movement and personal ownership of weapons, associational life, and media. These same restrictions of executive and police power that are features of democracy also make democratic countries good hosts for terrorist groups. Moreover, the legitimacy of democratic government rests ultimately on the public’s perception of how well it can protect its citizens, and in a democracy citizens can punish elected officials at the ballot box for failure to protect the public. This quality of public responsiveness makes democracies more willing to negotiate with terrorists, thus increasing the potential benefits reaped for extremist groups by terrorist action (Charters 1994; Schmid 1993; Eubank and Weinberg 1992).

Eyerman (1998) and a new generation of scholars find empirical support for both the access and strategic schools. In his own study, Eyerman found that although democracies overall did exhibit fewer terrorist acts, “new” democracies were more prone to terrorism. New democracies possess all of the liabilities inherent in democracies in general, making them tempting targets for terrorists as expected by the strategic school, but they are not as able as established democracies to provide to terrorists benefits that consistently outweigh the costs of engaging in political violence as opposed to legal political action because they lack strong and durable political institutions. Similar results are found by Abadie (2004) and Iqbal and Zorn (2003), that nonconsolidated democracies are more likely to exhibit terrorism and political violence, and are consistent with earlier empirical work by Gurr (2000, 1993), which finds that democratization itself can promote political violence because powerful actors may seek to preserve their authority in the midst of uncertainty fostered by the democratic process.

The findings produced in these studies linking new democracies to terrorism, however, are limited by several design and theoretical qualities. First, with the exception of Li (2005), they employ rather limited time-frames—most are confined to one or two decades of events or less—and therefore might be distorted by medium-term episodic rises or falls in general levels of political violence. This is a limitation given that some scholarship has indicated terrorism occurs in waves that coincide with longer-term changes in global political and economic trends (Bergensen and Lizardo 2004). The exception is Iqbal and Zorn (2003), but their study is limited only to examination of predictors of assassinations of heads of state from 1946 to 2000 rather than general incidents of terrorism. Second, all but one of the studies (Abadie 2004) considers only international terrorist acts, where the perpetrators and the victims or targets are of different nationalities, rather than both domestic and international incidents, and all of the studies code their dependent variable (terrorism) based on the country where the incident took place. These design features not only eliminate
a rather large number of events from the studies, but also severely impair any examination of both the access school and the neoconservative hypothesis on the causes of terrorism. In the post-911 context, in which policymakers speculate that political conditions, namely the lack of democracy, in the “home” countries of the terrorist perpetrators themselves (Saudi Arabia, Egypt, Lebanon, and the United Arab Emirates) are important causes for attacks, it seems particularly important to be able to consider the regime typology of the country from which the perpetrators are based and to consider all manifestations of terrorism, including the most common manifestation: domestic terrorism.

Finally, with the exception of Iqbal and Zorn (2003) who include a variable for civil wars, none of the studies control for domestic political instability. The shift in Washington toward democratic state-building as a means to reduce terrorism has been accompanied by a much less pronounced discussion among foreign policymakers about the appropriate timeframe for the withdrawal of United States troops from Iraq. Within this discussion lies the question of whether or not Iraq is becoming a “failed state:” a society experiencing severe political instability in which the state is unable to provide basic “political goods” to its citizens such as personal security. This raises a second foreign policy conventional wisdom, though one that is much less vociferously articulated by the Bush administration, that failed states like Colombia, Somalia, or Indonesia (or potentially Iraq) are incubators for terrorist groups and terrorist activity (Campbell and Flourney 2001). U.S. Republican U.S. Senator Chuck Hagel explains that these types of states pose the most severe threat to U.S. security at home and abroad because, “Terrorism finds sanctuary in failed or failing states...” (Hagel 2004, 65).

**Terrorism and State Failure**

There is a small body of literature on the relationship between failed states and terrorism, but it is theoretical or qualitative case study–oriented rather than empirical (Rotberg 2002, 2003; Kahler 2002; Takeyh and Gvosdev 2002). The relationship has two mutually reinforcing features: (1) state failure helps to create the conditions that create terrorists and (2) failed states provide crucial opportunities for already existing terrorist groups. First, by failing to provide for basic human needs and lacking functioning governing institutions, failed states cannot adequately manage conflicts in society or provide citizens with essential public goods such as security, education, or economic opportunity. This damages the legitimacy of the state and of mainstream, legal political behavior, thus propelling individuals into extralegal action such as terrorism. Failed states are also characterized by predatory political elites that prey on citizens and damage the government’s ability to manage social strife. The result is that significant proportions of the population reject the authority of the central government, providing a wider recruiting pool for terrorist groups and a citizenry that will tolerate, if not aid, them.

Second, state failure erodes the ability of national governments to project power internally, creating a political space for non-state actors like terrorist groups, and creates the conditions under which state agents may provide organizational and financial assets to terrorists. Terrorists can rely on large amounts of territory to base operations such as training, communications, arms storage, and revenue generating activities that go beyond the much more limited network of safe houses they are limited to constructing in countries with stronger states. Frequently, political elites within failed states are willing to tolerate the presence of large-scale terrorist operations within national borders in exchange for material compensation, political support or terrorist services during times of political turmoil.
Failed states lack adequate or consistent law-enforcement capabilities, thus permitting terrorist organizations to develop extra-legal fundraising activities such as smuggling or drug trafficking. However, failed states are recognized nation-states within the world community and therefore retain “the outward signs of sovereignty” (Tadekh and Gvosdev 2002, 100), thus providing terrorist groups with the necessary legal documentation, such as passports or end user certificates for arms acquisition, and protection from external policing efforts.

The Middle East

Although the Middle East is the primary laboratory for testing the utility of democracy promotion as anti-terrorism policy—exemplified by the 2003 war and occupation in Iraq and ruminations of the use of military force against Syria and Iran—the states of the Middle East provide a useful universe to empirically test the relationship between (lack of) democracy, civil liberties, state failure, and terrorism. Table 1 illustrates that the states of the Middle East afford researchers with a large number of illiberal political regimes as well as significant numbers of states that have experienced state failures, making the region central to the discussion of regime type and political stability as determinants of terrorism.

The Middle East is arguably the least democratic region of the world. Freedom House notes that in 2003, only 5.6 percent of Middle Eastern and North African states could be considered “free” in terms of political rights or civil liberties, placing it behind every other developing world area including Sub-Saharan Africa. Moreover, the
Middle East is “bucking the trend” of democratization in the world. The “Freedom in the World 2004” report issued by Freedom House notes that while every other region has increased the number of states considered to be free—the so-called Third Wave of democratization—the Middle East has actually seen a reduction in the number of free states since the mid-1990s. Only two democracies exist in the Middle East: Israel and Turkey. While the former, Israel, guarantees democratic freedoms only for Israeli citizens, who are roughly 65 percent of the population of the total territory Israel administers, the latter, Turkey, is an incomplete and unconsolidated democracy where elected civilian government is regularly punctuated by military rule. A second strata of states—Algeria, Iran, Jordan, Lebanon, and Kuwait—are all nondemocracies, but have at times experimented with limited political and civil liberalization. The remaining states are solid dictatorships, one group of which—Egypt, Iraq, Libya, Tunisia, Syria, and Yemen—are bureaucratic-authoritarian regimes characterized by one-party rule and personalistic dictators and another group—Bahrain, Morocco, Oman, Qatar, Saudi Arabia, and the United Arab Emirates—are autocratic monarchies.

Next to Sub-Saharan Africa, the Middle East is the region exhibiting the largest percentage of states that suffer from state failures from 1998 to 2003, although all of the regions of the world dominated by developing or transitional states besides Latin America have relatively high levels of state failure. What makes the Middle East unique, and what is not captured by the figures in Table 1, is the intense and chronic nature of state failure exhibited in some states in the region. Several states—Lebanon from 1975 to 1991; Israel from 1987 to 2004; Iraq from 1980 to 1998; and Turkey from 1984 to 2000—have experienced prolonged periods of armed ethnic conflict, civil war, and widespread political insurgency. Others suffer from prolonged but low-grade insurgencies such as the Saharawi insurrection in Morocco 1975 to 1989 or the Dhofar tribal insurgency in Oman from 1970 to 1976, or from short but intense bouts of large-scale conflict such as the Syrian confrontation with Islamist guerrillas in 1982 or the suppression of a separatist insurgency by Yemen in 1993. Like many African states, Middle Eastern states suffer from what Kahler (2002) refers to as “stateless areas,” a condition linked to the incubation of terrorism where the central government is unable to project its power in substantial regions of the country controlled by insurgents or regional actors. A report on terrorism in Yemen by the International Crisis Group faults the weakness of Yemeni political institutions, poverty and the inability of the state to extend its authority to more remote tribal regions as precipitants of domestic terrorism (International Crisis Group 2003). Kahler does allow for a non-spatial variant of the stateless area condition in the case of Saudi Arabia, arguing that the Saudi government was not able to penetrate powerful civil society and parastatal institutions, namely Muslim charities, that provide material sustenance to groups like Al Qaeda. Lebanon from 1975 to 1982 (and possibly later) also fits the bill as failed state suffering from stateless areas, which permitted the Palestine Liberation Organization to base its operations in Beirut and Southern Lebanon.

Analysis

This study seeks to add to the discussion of dictatorship and state failures as root causes of terrorism by conducting a cross-national, pooled, time-series statistical regression analysis on the incidence of terrorism in 19 Middle Eastern states from 1972 to 2003. The analysis is limited to the Middle East, specifically the cases of Algeria, Bahrain, Egypt, Iran, Iraq, Israel–Palestine, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia,
Draining the Swamp

Syria, Tunisia, Turkey, United Arab Emirates, and Yemen, in order test the contention that democracy is a panacea for terrorism in the region of the world that U.S. foreign policymakers have chosen as their laboratory for their counterterrorism policy model and to also provide an empirical base to the largely descriptive and theoretical body of scholarship on terrorism produced by Middle Easternists (see, for example, Zunes 2003; Khashan 1997; Lewis 1987; Martin 1987; Amos 1985).

There are three hypotheses tested in the analysis, using 16 negative binomial regression models on a total of 493 observations:

**Hypothesis 1:** Democratic governance and state protection of civil liberties in the Middle East are negatively related to the incidence of terrorism.

**Hypothesis 2:** Democratic governance and state protection of civil liberties in the Middle East are positively related to the incidence of terrorism.

Hypothesis 1 captures the expectations of the political access school of thought regarding terrorism where one would expect more politically liberal states to be equipped to integrate the political expectations of would-be terrorists into a legal rather than extra-legal framework. The result would be fewer terrorist attacks both at home and abroad. Hypothesis 2 captures the expectations of the strategic school of thought, which argues that democracies are both particularly vulnerable to attack from domestic and or international terrorists and may find themselves hosts to terrorist groups because their antiterrorism policies are constricted by the rights protections inherent in all democratic societies.

The states of the Middle East also provide a wide range of state failures to examine as predictors of terrorist activity. Controlling for democratic governance and other socioeconomic variables, a third hypothesis is also studied:

**Hypothesis 3:** State failures, measured in the aggregate, are positively related to the incidence of domestic and international terrorism in the cases examined.

Because of the nature of the dependent variable in the study, a Poisson distribution is more appropriate than an ordinary least squares (OLS) statistical regression model to analyze the data. The study seeks to explain change or variation in the incidence (frequency) of terrorist incidents, sorted by country targeted by the attacks and the country that is the “host” of the group launching the attacks. Terrorist attacks are sporadic and concentrated in certain countries or at certain time periods, and therefore from a quantitative perspective cannot be expected to be conform to a normal distribution. Also, an event count of terrorist incidents cannot produce negative count data for any given observation; the lowest value of any observation is a zero, indicating that no terrorist attacks have occurred in that country in that year. Both of these qualities violate basic assumptions of OLS regression analysis and recommend a Poisson distribution instead. Furthermore, given that the individual event counts used in the study are not theoretically independent of each other—a country may very well experience a rash of attacks spread out across multiple years by the same terrorist group—a negative binomial Poisson distribution is most appropriate. It produces the same mean as a basic Poisson distribution, but is better suited to data exhibiting a wider variance, thus reducing standard errors and netting less biased estimators (Brandt et al. 2000; Cameron and Trivedi 1998; King 1989).

In the study the state of Israel and the occupied Palestinian territories are operationalized as one aggregated case, though this may be a controversial methodological decision. There are two justifications for aggregating these two entities into one case: First and foremost, the two entities are highly interconnected in terms of political, economic, and social life. The political conflict that produces terrorism within both of the entities was
produced by the political conflict originating in the 1967 occupation of the West Bank, the 
Gaza Strip, and Jerusalem by Israeli forces that continues to this day. Moreover, nationals 
of both political entities reside throughout Israel proper and the occupied territories, and 
until recently, Palestinians in Gaza and the West Bank regularly commuted into Israel for 
employment. Second, the state of Israel has effectively controlled public policy within 
the occupied territories since 1967, and this has meant that the Israeli government has 
helped to determine the shape of political and economic development both for Jewish 
residents of Israeli proper and Palestinians living in the territories. This poses a simple 
methodological problem: there is no independent government, or economy, on which to 
base measurements of variables for the Palestinians living in Gaza and the West Bank. 
Although a semi-independent Palestinian National Authority was created in 1994, it still 
lacks sovereignty, the quintessential quality of all nation-states. To remedy this, all variables 
for the case Israel–Palestine are operationalized as indexes of population-weighted averages 
that include the State of Israel and the occupied Palestinian territories, producing aggregate 
measures of the regime type, economy, and demographic structure of the populations of 
both entities. However, this methodological decision could potentially bias the study and 
is vulnerable to charges of subjectivity on the part of the researcher. Therefore, a separate 
set of statistical models are run that exclude Israel–Palestine as a case to determine the 
dependence of models on the total 19 cases on inclusion of Israel–Palestine.

The source for yearly terrorist incidents by case—the unit of analysis for the study—is 
the data collected by the Rand Corporation and collated by the National Memorial Institute 
for the Prevention of Terrorism, which operationally defines terrorism as:

...violence, or the threat of violence, calculated to create an atmosphere of 
fear and alarm. These acts are designed to coerce others into actions they 
would not otherwise undertake, or refrain from actions they desired to take. 
All terrorist acts are crimes. Many would also be violation of the rules of 
war if a state of war existed. This violence or threat of violence is generally 
directed against civilian targets. The motives of all terrorists are political, 
and terrorist actions are generally carried out in a way that will achieve 
maximum publicity. Unlike other criminal acts, terrorists often claim credit 
for their acts. Finally, terrorist acts are intended to produce effects beyond 
the immediate physical damage of the cause, having long-term psychological 
repercussions on a particular target audience. The fear created by terrorists may 
be intended to cause people to exaggerate the strengths of the terrorist and the 
importance of the cause, to provoke governmental overreaction, to discourage 
dissent, or simply to intimidate and thereby enforce compliance with their 
demands.3

To fully test the two hypotheses, especially in order to examine both the access and 
strategic schools, and to make appropriate use of the MIPT data, terrorism is operationalized 
as four dependent variables which are run in separate models: (1) international terrorist 
incidents sorted by the country targeted from 1972 to 1997; (2) international and domestic 
terrorist incidents sorted by the country targeted from 1998 to 2003; (3) terrorist incidents 
sorted by country or countries that serve as the base for terrorist attacks abroad from 1972 
to 1997; (4) terrorist incidents sorted by country or countries that serve as the base for 
terrorist attacks both domestically and abroad from 1998 to 2003. The first distinction, 
between international and international and domestic incidents, is one driven by the data 
available from MIPT. Although it is methodological desirable to consider both domestic and
international attacks combined—incidents committed where the perpetrator and the target or victim may or may not be nationals of the same country—for the entire time-series, aggregation of incidents in this way is only available post 1998. Prior to 1998, data is only available for international incidents. Terrorists incidents are also sorted both by “target,” the country and year within the time-series in which the terrorist act occurred, and by “source,” the country or countries per year that serve as bases of operation for terrorist groups that engage in operations, as defined by the MIPT database of terrorist organizations. Targeted countries and source countries are analyzed in separate dependent variables. Examining both states targeted by terrorism and states that are sources for terrorist groups facilitates a more confident evaluation of both the access and strategic schools as well as the role played by state failures because it paints a complete picture of the domestic vulnerability of the state to terrorist attacks and the domestic political conditions that may breed terrorists.

The analysis contains no incidents that occurred across two different countries, thereby yielding two target countries. However, as is often the case, terrorist groups base their operations in more than one state. For the analysis, each state that is the host of the terrorist group perpetrating the act in question is allocated an equal count of the event. As an example, because the Black September Organization, a Palestinian militant group active in the 1970s and 1980s, is listed by MIPT as having bases of operation in Jordan, Lebanon, and in the Palestinian Occupied Territories during its active period, a terrorist act committed by Black September in a given year will be recorded as one incident for Jordan, Lebanon, and Israel–Palestine. This is an imperfect methodology because it equally weights three states as sources for terrorism though in reality the “stateless area” afforded Black September by civil-war wracked Lebanon in the 1980s or the lack of political freedom that plagues Palestinians living in Jordan or the limitations to counterterrorism efforts placed on the Israeli state by its democratic process and legal institutions might play a disproportionate role in fueling terrorist incidents. However, data do not permit fine-tuning of this nature and this is the least-subjective method of distribution of acts by source country.

Table 2 lists all variables used in the models as well as their operationalization.

To test the hypotheses, three independent variables are used: one that measures the degree of democratic governance in each case per year, “Democracy (Polity IV)” ; another that measures the degree of civil liberties protections in each case per year, “FH Civil Liberties” ; and the other measures the presence and intensity of state failures in each case per year, “State Failures.” The first independent variable is operationalized as the yearly “POLITY” measurement from the Polity IV database. This measurement is an index ranging from -10, signifying a complete autocracy, to 10, signifying a complete democracy. The expectation, given the two-tailed nature of the first hypothesis, is that Democracy (Polity IV) will either be a positive or negative predictor of the incidents in terrorism, measured all four ways in the statistical models. The second independent variable is operationalized as annual index of civil liberties protections coded by the independent nongovernmental agency Freedom House in its annual publication “Freedom in the World.” The Freedom House civil liberties index is an ordinal measure between “1,” which would indicate a status of the highest protection of civil liberties such as freedom of speech, conscience or association, and “7,” which would indicate a status of the lowest protection of aforementioned rights. As with Democracy (Polity IV), the expectation given the two-tailed nature of the first hypothesis is that FH Civil Liberties will either be a positive or negative predictor of the incidents in terrorism, measured all four ways in the statistical models. The third independent variable is operationalized as a measure of aggregate state failures suffered by a given case in a given year. All data for state failures is taken from the State Failure Task Force database, collected by researchers associated with the Center for International
<table>
<thead>
<tr>
<th>Variable</th>
<th>Operationalization</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>(by Target)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IntTerror72–97</td>
<td>Annual event count of international terrorist incidents only, 1972–1997. Events sorted by country serving as base for perpetrators.</td>
<td>Ibid.</td>
</tr>
<tr>
<td>(by Source)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(by Target)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AllTerror98–03</td>
<td>Annual event count of domestic and international terrorist incidents 1998–2003. Events sorted by country serving as base for perpetrators.</td>
<td>Ibid.</td>
</tr>
<tr>
<td>(by Source)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(PolityIV)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GDP</td>
<td>Annual population in millions.</td>
<td>Ibid.</td>
</tr>
<tr>
<td>Regime durability</td>
<td>Annual “Durable” score. (Annual total number of years present political regime has been in existence.)</td>
<td>International Monetary Fund. 2004. <em>International Financial Statistics Yearbook</em>. Washington, D.C.: IMF.</td>
</tr>
</tbody>
</table>
The CIDCM State Failure Task Force defines state failures as episodes of extreme political instability that test the ability of the state to preserve order and identifies four major types of state failure: ethnic wars, revolutionary wars, genocides and politicides, and adverse regime changes. The variable “State Failures” in this analysis is an additive index ranging from 0 to 16 of the intensity levels of all four types of state failure, which themselves are coded by the State Failure Task Force as measures of intensity where 0 indicates no state failures and 4 indicates highly intense manifestations of state failures. The expectation is that State Failures will be a positive predictor of the incidence of terrorism across all of the models.

The models control for several socioeconomic features. The first is “Area,” or the total surface area contained within the recognized boundaries of each state, and the second is “Population,” or the yearly total population count in millions. Eyerman (1998) notes that geographically large countries have higher policing costs and are therefore more susceptible to terrorist attacks. Likewise, populous countries also raise the costs associated with counterterrorism efforts as terrorist groups can more easily obscure their activities and escape detection. Gross domestic product (“GDP”), measured yearly in millions of $U.S., is a control used by Abadie (2004) and Eyerman (1998) in their respective studies and measures the total resources available to enhance state policing and or repressive measures. It is something of a conventional wisdom that poverty and poor economic development are root causes of terrorism, although this has not been validated by a slate of recent empirical studies (Piazza 2006; Abadie 2004; Krueger and Maleckova 2003), though Li and Schaub (2004) in their statistical study of 112 countries from 1975 to 1997 did find that a country’s GDP was a negative predictor of terrorism, positioning level of economic development as an interaction variable linking international economic openness to lower levels of terrorism. It is nonetheless considered as a control and is expected to be a negative predictor of terrorism across the models, if significant at all. Finally, a variable measuring the total years that the current political regime has been in place in each observation, labeled “Regime Durability,” is also included in the analysis. Regime Durability is operationalized by inserting the value for “Durable” coded in the Polity IV dataset. It is expected that more durable regimes are less likely to experience terrorism. (Li 2005)

Sixteen statistical models are run in all. The nucleus of the analysis is contained in models 1 through 8 to accommodate four dependent variables—the two measures of terrorist incidents, international and international and domestic attacks, each of which is sorted into attacks by target and attacks by source—and to accommodate two independent variables—both Democracy (Polity IV) and FH Civil Liberties—which are run in separate models. Furthermore, models 1 through 8 are run yet again omitting Israel–Palestine as a case as models 9 through 16 to control for the outlier effect that those observations may contain. Finally, two features are added to the models to correct for autocorrelation and multicollinearity errors. A 1-year lagged dependent variable \( B_1 \text{Incidents}_{t-1} \) is inserted after the intercept, as is appropriate in time-series multiple regression analysis, and a collinearity test is run on all of the independent variables.

Results

Table 3 presents the results of the first four models, which examine the effects of the independent variables on the incidence of terrorism by target country in the Middle East.
### Table 3
Predictors of the incidence of terrorism by target in Middle Eastern states, 1972 to 2003

<table>
<thead>
<tr>
<th>Model</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IntTerror 72–97</td>
<td>All Terror 98–03</td>
<td>IntTerror 72–97</td>
<td>All Terror 98–03</td>
</tr>
<tr>
<td>Democracy (Polity IV)</td>
<td>.139 (.016)**</td>
<td>.029 (.078)</td>
<td>-.470 (.085)**</td>
<td>-.034 (.306)</td>
</tr>
<tr>
<td>FH Civil Liberties</td>
<td>-.470 (.085)**</td>
<td></td>
<td>-.308 (.331)</td>
<td></td>
</tr>
<tr>
<td>State failures</td>
<td>.291 (.047)**</td>
<td>.872 (.198)**</td>
<td>.202 (.046)**</td>
<td>.308 (.358)</td>
</tr>
<tr>
<td>Area</td>
<td>-.123 (.193)</td>
<td>-.562 (.383)</td>
<td>-.203 (.206)</td>
<td>.094 (.358)</td>
</tr>
<tr>
<td>Population</td>
<td>.014 (.006)**</td>
<td>-8.89e-5 (.017)</td>
<td>.023 (.005)**</td>
<td>-.005 (.014)</td>
</tr>
<tr>
<td>GDP</td>
<td>-.005 (.003)</td>
<td>.015 (.005)**</td>
<td>-.001 (.003)</td>
<td>.012 (.006)**</td>
</tr>
<tr>
<td>Regime durability</td>
<td>.006 (.004)</td>
<td>-.025 (.517)**</td>
<td>.012 (.005)</td>
<td>-.024 (.014)</td>
</tr>
<tr>
<td>Lagged IntTerror72–97</td>
<td>.048 (.010)**</td>
<td>.006 (.002)**</td>
<td>.076 (.014)**</td>
<td></td>
</tr>
<tr>
<td>Lagged AllTerror98–03</td>
<td></td>
<td></td>
<td></td>
<td>.021 (.015)</td>
</tr>
<tr>
<td>Constant</td>
<td>.838 (.174)**</td>
<td>1.340 (.517)**</td>
<td>2.160 (.406)**</td>
<td>.792 (1.468)</td>
</tr>
<tr>
<td>Observations</td>
<td>494</td>
<td>114</td>
<td>494</td>
<td>114</td>
</tr>
<tr>
<td>Wald Test ($x^2$)</td>
<td>391.47</td>
<td>160.07</td>
<td>295.07</td>
<td>61.77</td>
</tr>
<tr>
<td>Pseudo r^2</td>
<td>.139</td>
<td>.108</td>
<td>.122</td>
<td>.118</td>
</tr>
</tbody>
</table>

Robust standard errors reported in parentheses; *significant at the .05 level, **significant at the .01 level, ***significant at the .000 level.
The results of models 1 through 4 lend partial support to the strategic school, rather than the political access school, as it applies to Middle Eastern states. In Models 1 and 3, which examine international terrorist attacks only, specifically where the perpetrator and the target or victim are of different national origins, Democracy (Polity IV) is a positive predictor of terrorism whereas FH Civil Liberties is a negative predictor. This suggests that terrorism is more likely to occur in Middle-Eastern states that are political democracies and that protect civil liberties. (Note that the operationalization of FH Civil Liberties is inverted—regimes that protect civil liberties are scored low on the scale—so results are interpreted using the opposite sign of results for Democracy [Polity IV]). However, when terrorism is measured as both domestic and international attacks by target, neither Democracy (Polity IV) nor FH Civil Liberties are significant. This is an interesting result because the two measurements of terrorism are logically and quantitatively—there are more total attacks coded per year when using the international and domestic aggregation—different. However, it is also possible that the different results found in models 1 and 3 and models 2 and 4 are due to the very different time-series used: the 26-year series (1972 to 1997) for international only verses the six year series (1998 to 2003) for the international combined with domestic. A more comparable span of data would be desirable, although presently unobtainable.

However, across three of the first four models, State Failures is a strong, significant, and positive predictor of terrorism, regardless of how terrorism is measured. This suggests that Middle-Eastern states that suffer from state failures are more likely to both host groups that will commit terrorist acts at home and abroad and are also more likely to be the target of terrorist groups from other states. Moreover, in three of the four models, the coefficient for State Failures is the largest in the model, and the coefficients are significant at the highest (.000) level.

Few of the control variables are significant across models 1–4, and there are two surprising results. Population is a significant predictor in models 1 and 3, as expected, but GDP is a significant positive predictor of terrorism in models 2 and 4 whereas Regime Durability is a significant negative predictor in model 2. The results for GDP and Regime Durability run counter to expectations, but it is telling that these counterintuitive results occur in the models with the shorter time series, as previously found.

Table 4 presents the results of models 5 through 8, in which the dependent variable, terrorism, is sorted by source country among Middle-Eastern states.

As in models 1 through 4, models 5 through 8 provide partial vindication for the strategic school at the expense of the political access school but leave some nagging questions. In Table 4, Democracy (Polity IV) is a consistent, significant positive predictor of terrorist attacks; however, FH Civil Liberties is not. That is to say that more politically liberal regimes in the Middle East, as measured by Polity IV, are more prone to harbor terrorist groups that commit terrorist acts either at home or abroad than are politically illiberal regimes. Moreover, Middle-Eastern states that respect civil liberties—the very same freedoms that pose barriers to state actors who may seek to apprehend terrorists or quash terrorist networks—are no more likely than Middle-Eastern states with poor civil liberties protections to host terrorist groups.

This is difficult to reconcile within the confines of the strategic school and either prompts a consideration of Middle-Eastern exceptionalism or a re-conceptualization of the relationship between the self-imposed limitations within democracies fighting terrorism. It may be possible that within the Middle East, mass political participation serves to inhibit governmental efforts to arrest terrorists and disrupt terrorist networks because the significant segments of the public regards them as having a legitimate political agenda. A cases in point would be Yemen, where Al Qaeda militants might enjoy some sympathy
Table 4
Predictors of the incidence of terrorism by source in Middle Eastern states, 1972 to 2003

<table>
<thead>
<tr>
<th>Model</th>
<th>IntTerror 72–97</th>
<th>AllTerror98–03</th>
<th>IntTerror 72–97</th>
<th>All Terror 98–03</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democracy (Polity IV)</td>
<td>.199 (.029)***</td>
<td>.080 (.034)*</td>
<td>-.278 (.178)</td>
<td>.237 (.199)</td>
</tr>
<tr>
<td>FH Civil Liberties</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State failures</td>
<td>.273 (.056)***</td>
<td>.302 (.146)*</td>
<td>.173 (.058)**</td>
<td>.570 (.186)**</td>
</tr>
<tr>
<td>Area</td>
<td>.368 (.253)</td>
<td>-.006 (.229)</td>
<td>-.221 (.273)</td>
<td>-.198 (.287)</td>
</tr>
<tr>
<td>Population</td>
<td>-.002 (.007)</td>
<td>-.013 (.009)</td>
<td>.010 (.009)</td>
<td>-.015 (.009)</td>
</tr>
<tr>
<td>GDP</td>
<td>-.025 (.005)***</td>
<td>.006 (.003)</td>
<td>-.009 (.006)</td>
<td>.012 (.004)**</td>
</tr>
<tr>
<td>Regime durability</td>
<td>.021 (.006)**</td>
<td>-.006 (.009)</td>
<td>.015 (.009)</td>
<td>-.022 (.010)*</td>
</tr>
<tr>
<td>Lagged IntTerror72–97</td>
<td>.090 (.028)**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lagged AllTerror98–03</td>
<td></td>
<td>.027 (.012)*</td>
<td></td>
<td>.035 (.014)*</td>
</tr>
<tr>
<td>Constant</td>
<td>1.221 (.415)**</td>
<td>1.343 (.271)***</td>
<td>1.440 (.904)</td>
<td>-.171 (.955)</td>
</tr>
<tr>
<td>Observations</td>
<td>494</td>
<td>114</td>
<td>494</td>
<td>114</td>
</tr>
<tr>
<td>Wald Test ($x^2$)</td>
<td>150.73</td>
<td>67.65</td>
<td>68.04</td>
<td>49.05</td>
</tr>
<tr>
<td>Pseudo r²</td>
<td>.082</td>
<td>.126</td>
<td>.049</td>
<td>.120</td>
</tr>
</tbody>
</table>

Robust standard errors reported in parentheses; *significant at the.05 level, **significant at the.01 level, ***significant at the.000 level.
<table>
<thead>
<tr>
<th>Model</th>
<th>Terrorism by source</th>
<th>Terrorism by Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>IntTerror 72–97</td>
<td>AllTerror 98–03</td>
<td>IntTerror 72–97</td>
</tr>
<tr>
<td>Democracy (Polity IV)</td>
<td>.101*** (.014)</td>
<td>−.017 (.096)</td>
</tr>
<tr>
<td>FH Civil Liberties</td>
<td>.278*** (.051)</td>
<td>.657*** (.183)</td>
</tr>
<tr>
<td>State failures</td>
<td>−.166 (.190)</td>
<td>−.275 (.341)</td>
</tr>
<tr>
<td>Area</td>
<td>.018** (.006)</td>
<td>.012 (.026)</td>
</tr>
<tr>
<td>Population</td>
<td>−.003 (.003)</td>
<td>.010* (.005)</td>
</tr>
<tr>
<td>GDP</td>
<td>.002 (.004)</td>
<td>−.025 (.013)</td>
</tr>
<tr>
<td>Regime durability</td>
<td>.056*** (.014)</td>
<td>.067*** (.016)</td>
</tr>
<tr>
<td>Lagged IntTerror72—97</td>
<td>.013 (.014)</td>
<td>.013 (.015)</td>
</tr>
<tr>
<td>Lagged AllTerror98—03</td>
<td>1.341** (.419)</td>
<td>−2.208 (1.833)</td>
</tr>
<tr>
<td>Constant</td>
<td>.522* (.209)</td>
<td>.927 (.681)</td>
</tr>
<tr>
<td>Observations</td>
<td>468</td>
<td>108</td>
</tr>
<tr>
<td>Wald Test (x²)</td>
<td>279.00</td>
<td>110.02</td>
</tr>
<tr>
<td>Pseudo r²</td>
<td>.132</td>
<td>.083</td>
</tr>
</tbody>
</table>

Robust standard errors reported in parentheses; *significant at the .05 level, **significant at the .01 level, ***significant at the .000 level.
from a public that is permitted to participate in albeit incomplete elections. Or, a second possibility is that in countries where public outrage against terrorists has prompted an over-zealous antiterrorism policy from the government that itself fuels terrorist activity and recruitment. The case here would be Turkey, where public outrage against Kurdish Worker Party (PKK) attacks in the 1980s and 1990s facilitated a harsh antiterrorism policy that included torture, arbitrary arrest, detention, and sentencing, and direct military reprisal against Kurdish civilians. These measures on the part of Turkish government security forces enhanced Kurdish support for the PKK’s objectives, thus assisting PKK recruitment, organization of safe houses, and procurement of supplies.

Again, in models 5 through 8 state failures is a significant, at times highly significant, positive predictor of the incidence of terrorism. This illustrates that regardless of whether or not the Middle-Eastern state in question is considered to be a target of terrorist attacks or a source of terrorist attacks, terrorists thrive in countries beset with state failures.

A few control variables are significant, and again yield results that counter expectations. GDP is a negative predictor of international terrorism in model 5, but is a positive predictor of terrorism in model 8, as is regime durability. Again, it is possible that sample size is responsible for these differences.

Finally, all models are re-run omitting the potentially problematic case of Israel–Palestine, producing the results shown in Table 5:

Roughly the same results are obtained in the modified data set analyzed in models 9 through 16. Democratic governance seems to be a somewhat consistent positive predictor of terrorism, while in at least one model (model 11), civil liberties protections are a positive predictor of international terrorism by source—given the negative relationship between FH Civil Liberties, an indicator where states exhibiting poor protections of civil rights are scored higher. Some support for the strategic school is found, although no support is evident for the political access school. And State Failures is a nearly perfectly consistent positive predictor of terrorism, regardless of how terrorism is measured or how terrorist attacks are sorted. Population, as a control variable, is significant in two of the models (9 and 11) and is a positive predictor, as expected. However, GDP and Regime Durability continue to exhibit inconsistent and counterintuitive results. Overall, models 9 through 16 dispel the possibility that the results found in Tables 1 and 2—that state failure is the most significant predictor of the incidence of terrorism, while democracy and civil liberties are more weakly associated with terrorist incidents—are a mere product of the inclusion of a set of observations from an outlier case: a combined Israel and Palestine.

**Conclusion**

The results of this study are preliminary, but they do not lend support to the hypothesis that fostering democracy in the Middle East will provide a bulwark against terrorism. Rather, the results suggest the opposite: that more liberal Middle-Eastern political systems are actually more susceptible to the threat of terrorism than are the more dictatorial regimes, as predicted by the strategic school approach to the relationship between democracy and terrorism. Furthermore, the result of the study do lend empirical support to the descriptive literature linking failed states to terrorism: those Middle-Eastern states with significant episodes of state failures are more likely to be the target of and the host for terrorists.

Because the study examines multiple measurements of terrorism, by target and by source, multiple measures of political liberalization, democratic processes and civil liberties, and includes what is strangely overlooked by other studies of democracy and
terrorism, the role played by state failures, it contributes to scholarly understanding of the relationship between terrorism, democracy, and political stability while assessing the potential effectiveness of current antiterrorism policy.

These findings have significant policy implications. The results suggest that a foreign policy toward the Middle East constructed around democracy promotion, or around widening of civil liberties, will not reap a significant security dividend in terms of terrorism. Rather, it may exacerbate the problems of terrorism, both within Middle-Eastern states and for other countries targeted by terrorist groups based in Middle-East states. These findings potentially dampen the enthusiasm of some scholars of the Middle East who have hoped that stalled (or nonexistent) efforts at democratization or the widening of rights through the creation of “civil society” in the Middle East would be revived as the beneficiaries of a new U.S. foreign policy imperative toward the region. For much of the past ten years, the Middle East has lagged far behind every other world region in terms of democratization, as noted previously, and the field of Middle East Studies has vainly searched for signs of nascent democratization among civil society actors in Middle-Eastern countries.

This study is the first to lend empirical support to a criticism of democracy-promotion already present within the field of foreign policy research. In his December 2003 article in *Foreign Affairs* (2003), director of the Democracy and Rule of Law Project for the Carnegie Endowment for International Peace Thomas Carothers critiques the Bush administration emphasis on democracy-building in the Middle East as a means to preventing terrorism. Although lionizing the principle of promoting democracy in a region so characterized by dictatorial rule—but seriously questioning whether or not the new policy really will really prove to be a departure from the Cold War policy of supporting pro-U.S. dictatorships in the region out of self-interest in the final analysis—Carothers warns that democracy might not prove to be the solid bulwark against terrorism that it is fashioned to be. He notes that democracy-promotion policy in the Middle East relies too heavily on what is essentially a fairly simplistic modernization theory conception of Islamic radicalism, that it is a manifestation of traditional society that can be eradicated through more modern and Western political and social engineering. The roots of radical Islamist movements, on the contrary, are complex, varied and “multifaceted” Carothers argues, and democracy is not likely to be the cure-all. Moreover, borrowing a page from the strategic school, Carothers warns that democratization might widen the political space for radicals in the Middle East and he regards the histories of newly democratized states as a cautionary tale to those who see rapid democratization as a stabilizing force in Islamic societies. Finally, Carothers observes that democracy, itself is not always a simple panacea for terrorism outside of the Middle East. He specifically notes Spain as a case study: it is a consolidated, though newer, Western democracy that is the target of regular and violent terrorist attacks from the Basque separatist movement, ETA. One could add a host of other established democracies to the list of countries that are either sources for or targets of terrorism: Great Britain, India, Italy, Greece, and the United States.

**Notes**


2. The exception is Chasdi (1999, 2002).


References


