

## Why Choose Terrorism? Rebels and Terrorists

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1. Overview.....	1
2. Research Accomplishments .....	1
3. Applied Relevance .....	2
4. Research Products.....	2
4.1. Publications and Reports.....	2
4.2. Presentations .....	3
4.3. Software Tools, Databases, and Other Products.....	3
5. Education and Outreach Products .....	3

### 1. Overview

Evidence for the club theory has been collected on four groups: the Taliban, Hamas, Hezbollah and Sadr's Militia (Berman, 2003; Berman and Laitin, 2005). One goal of this research project is to broaden the scope of the argument, looking at domestic conflicts beyond the four cases listed above, including nonreligious organizations in the analysis, and examining target choice by terrorists. Our theoretical goal is to explain festering insurgencies, ongoing terrorism and peace as three separate, stable equilibria. From a practical standpoint, our purpose is to develop a theory of insurgent organizations which will inform counterterrorism and counterinsurgency efforts, including a realistic analysis of the vulnerability of particular targets to attack by specific organizations.

Theory: We have worked out one theoretical model of terrorist groups (the club model) and are working through another (the rational peasant or "hearts and minds" model). The former has been tested and published (Berman and Laitin 2008). The latter will be submitted as an NBER working paper and submitted for publication in December 2008 (Berman, Shapiro and Felter, 2008).

Data: A. We have coded and cleaned organizational data for a total of 80 terrorist groups worldwide. It has been matched with the final version of the MIPT and used in analysis reported in a book manuscript which is in the final stages of acceptance at the MIT Press (Berman 2009).

Data B. We have declassified, coded, cleaned and combined data on attacks and reconstruction spending in Iraq, in order to test a theory of "hearts and minds."

### 2. Research Accomplishments

- A research paper based on previous work on this project "Religion, Terrorism, and Public Goods: Testing the Club Model," was published by Berman and Laitin in the *Journal of Public Economics*, a top ten journal in Economics.
- We co-organized a workshop, in conjunction with the Center for Advanced Study in the Behavioral Sciences at Stanford, on Political Violence. That workshop brought together academics and practitioners from the Special Operations Command to discuss political violence generally and terrorism in particular. A half-day session was devoted to issues counterterrorism, which included a detailed discussion of research on club and rational peasant models. Participants included START director Gary LaFree and Bryan Roberts of DHS University Programs.
- A manuscript on terrorism and religion by Berman was accepted for publication at the MIT Press in December 2008: "Sects and Violence for Economists: Religion, Community and Terrorism."

- A working paper was completed in December 2008 that developed a model of conventional insurgency, in contrast to modeling of terrorist groups. This distinction is essential to understanding how policies differ for counterterrorism as opposed to counterinsurgency. The paper is a combined effort by Berman, Col. Joseph Felter of USMA and Prof. Jacob Shapiro of Princeton: “Can Hearts and Minds be Bought? Evidence from Iraq.”
- Co-organized a seminar at Princeton University in September 08 on terrorism and insurgency in Iraq.

### 3. Applied Relevance

The club approach to understanding terrorist organizations shifts the focus of CT to a) seeking organizational weaknesses, and b) providing alternatives to benign services provided by clubs. This insight has been endorsed by many of the military practitioners we’ve consulted with who deal regularly with terrorist organizations. The club approach also helps predict what type of terrorist organizations can pose which types of threats to homeland security, allowing both offensive and defensive action to be optimized.

The “hearts and minds” model complements the club model by distinguishing between insights in CT from Iraq that are relevant to homeland security and insights from COIN that are not. For instance, DHS need be concerned with suicide attacks emanating from homegrown or foreign terrorists, but not with IEDs, because the latter require a level of community acquiescence that exists in parts of Iraq but not in the US.

### 4. Research Products

Research Products (Please detail below)		#
3a	# of peer-reviewed journal reports published	1
3a	# of peer-reviewed journal reports accepted for publication	
3a	# of non-peer reviewed publications and reports	
3a	# of scholarly journal citations of published reports	
3b	# of scholarly presentations (conferences, workshops, seminars)	13
3b	# of outreach presentations (non-technical groups, general public)	1
3c	# of products delivered to DHS, other Federal agencies, or State/Local	1
3c	# of patents filed	
3c	# of patents issued	
3c	# of products in commercialization pipeline (products not yet to market)	
3c	# of products introduced to market	

#### 4.1. Publications and Reports

Publications	Ref	Not Ref
1. Berman, E., Laitin, D., “Religion, Terrorism and Public Goods: Testing the Club Model,” <i>Journal of Public Economics</i> , Vol 92 (10-11), 1942-1967, October 2008	x	

## 4.2. Presentations

### Outreach:

- Berman, Eli, Princeton University, September 08
- Berman, Eli, National Defense University, August 08
- Berman, Eli, NBER National Security Working Group, Cambridge, July 08
- Berman, Eli, Western Economic Association, Honolulu, July 08
- Berman, Eli, CASBS conference, Stanford, May 08
- Berman, Eli, UCSD applied lunch, April 08
- Berman, Eli, DHS University Programs Summit, Washington DC, March 08
- Berman, Eli, NBER National Security Working Group, Cambridge, February 08
- Berman, Eli, Special Operations Command, Tampa, February 08
- Berman, Eli, ASSA Annual Meetings, New Orleans, January 08
- Berman, Eli, Political Science Lunch, UC Berkeley, January 08
- Berman, Eli, Harvard/MIT development seminar, Cambridge, October 07
- Berman, Eli, North Coastal Breakfast Club, September 07

## 4.3. Software Tools, Databases, and Other Products

- Two data set on terrorist and rebel organizations developed. Not yet circulated.
- Research summary for U.S. Military commanders, Baghdad.

## 5. Education and Outreach Products

Education and Outreach Initiatives (Please detail below)	#
# of students supported (funded by CREATE)	3
# of students involved (funded by CREATE + any other programs)	4
# of students graduated	0
# of contacts with DHS, other Federal agencies, or State/Local (committees)	5
# of existing courses modified with new material	
# of new courses developed	
# of new certificate programs developed	
# of new degree programs developed	

- Students funded: Choon Liang Wang, Lindsay Heger, Sarah Abarbanel, Nassim Novin
- Contacts with Federal Agencies: Full day briefing at Special Operations Command, Conference in which Special Operations Command officers participated, DHS summit presentation, briefing of US Military in Baghdad, briefing of Joint Forces Command / Special Operations Command workshop on long range planning.