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Editorial

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Countering Terrorism: Deterrence vs More Effective Alternatives

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Deterrence Policy Against Terrorism is Ineffective

Governments fight terrorism in many different ways¹ (see e.g. Schmid and Crelinsten, 1993; Lesser et al., 1999):

1. “Soft” and “hard” responses. The soft action seeks to address the root causes of terrorism while the hard action imposes immediate and strong retribution;
2. “Conciliatory” and “deterrent” response. The conciliatory response may consist in *accommodating* the demands of the terrorists. But it may also consist in *reforms* addressing the grievances of the terrorists without directly dealing with the terrorists. The deterrent response consists in applying *criminal justice*;
3. “Short” and “long” run response. The short run response deals with the immediate problems created by a terrorist attack while the long run response is directed at prevention or long-term reform;
4. “Reactive” and “proactive” response. Reactive action is incident-related and seeks to deal with a terrorist incident that has already taken place. Proactive action seeks to identify newly emerging political conflicts, which might later lead to terrorism. It also considers possible future terrorist tactics, seeking to anticipate them.

The prevailing response to terrorist attacks has been *coercive military counter-terrorism*. This holds, in particular, for today’s major world power, the United States, but also for nations such as Britain and Israel. Deterrence does not necessarily use brute force (Schelling, 1966; Byman and Waxman, 2002); it also involves the *threat* of damage to an adversary. Deterrence offers the terrorist group the possibility to desist from future violent action, but if the terrorists respond by increased actions, they impose costs on the country using deterrence. Deterrence is only credible if it is sometimes used. Indeed, the idea of a deterrent strategy is to impose such high cost on terrorists that the expected value of pursuing their course is disadvantageous to them.

Deterrence policy against terrorism has benefits and costs.

The potential *benefits* of an anti-terrorist policy based on the use of force have been widely publicized by the governments undertaking it. They claim that the terrorists are both deterred from further action and incapacitated. However, this claim is difficult to measure. The basic problem is to identify how

¹ This contribution is a sequel to the author’s previous work on the Economics of Terrorism, most of all to his book “Dealing with Terrorism – Stick or Carrot?” (Frey, 2004), part of it is an extension and reconsideration of Frey (2007, 2008). See also Frey and Luechinger (2003, 2004, 2008) and Frey et al. (2007, 2009).

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much worse off (if at all) the terrorists would have been if no deterrence policy had been undertaken. To construct such a counterfactual situation is hard especially as long run and macro-economic and macro-societal effects have to be considered.

There are several types of *costs* of undertaking a deterrence policy:

The *first* type of cost relates to the country undertaking a deterrence policy.

1. The *direct costs* for the *country undertaking the policy*. Deterrence policy relies on the military, police and the various secret services. The total number of employees and the budget is difficult to identify because much of it is not public knowledge. But it is clear that the overall budgetary cost of an anti-terrorist policy is certainly large. A deterrence policy also produces *domestic political costs*. The question is to what extent and for how long the citizens are prepared to support such a policy. Over time, the citizens become aware that the high costs of a deterrence policy displace other government expenditures from which they would benefit more directly, say for health or for old age pensions.
2. By using force deterrence policy always runs the risk of resorting to repressive means. In the name of the “war on terrorism” *constitutional civil and human rights* are undermined (Chang, 2002; Cole and Dempsey, 2002). Such a response plays into the hands of the terrorists if the citizens start to turn against the anti-terrorist policy; in that case it becomes counter-productive.
3. In order to secure remaining in power, governments have an incentive to *exploit terrorist attacks to their own advantage* by rallying support by the population (e.g. Goodin, 2005). Such temptation endangers democracy if the government restricts political competition, for instance by reducing human and political rights, or by hampering the activities of other parties and politicians. Democracy can also be undermined by a deterrence policy if deviating views are not tolerated as they are claimed to help the terrorist cause. These costs in terms of loss of freedom and political sovereignty of the individuals have to be considered when assessing the costs of a deterrence policy.

The *second* type of costs produced by deterrence policy relate to its *effects on terrorists*.

1. Complete deterrence is *impossible*. No country, not even one having extensive surveillance and punishing power is able to thwart all conceivable future terrorist activity. This has become obvious after the terrorist attacks in Paris, Brussels, Nice, Berlin and Istanbul. Terrorists are capable of innovative responses to deterrence policy. They do not only seek new ways of achieving their aims but they quickly *switch* to those targets impossible or too costly to protect. The costs are further raised if the terrorists move their attention away from less to more vulnerable objectives, resulting in more casualties and damage;
2. Coercive response *reinforces terrorists’ cohesiveness*. At the same time it exacerbates nationalism and xenophobia in the countries associated with the terrorists;
3. There are more *general costs* involved in fighting terrorism by deterrence. Deterrence is based on a negative approach: terrorists are threatened with punishment if they continue their activities. Coercive action is answered by coercive action. Such interaction tends to degenerate into a *negative sum game* between the parties involved making each one of them worse off (see George and Simon, 1994, Baldwin, 1999). Both the country engaging in the coercive response, and the terrorists lose. Any war, including the proclaimed “war against terrorism” is a “dramatically non-zero sum activity” (Schelling 1984). This consequence may be the most important argument against relying on force to counter terrorism.

It is argued here that there are effective alternatives to anti-terrorism policy. The first alternative proposes to use *positive incentives to induce terrorists to leave their camp*; the second alternative suggests a policy *aiming at diffusing media attention to terrorists*.

Offering Positive Incentives to Give Up Terrorism

An effective way to fight terrorism is to raise the *opportunity costs* to terrorists. This policy differs fundamentally from the traditional deterrence approach seeking to raise the *material* cost to potential terrorists. The two approaches imply quite different policies.

The opportunity costs faced by potential terrorists consist in the utility they could gain by *not engaging* in terrorism. Such a strategy has several advantages over deterrence policies:

- (a) Due to the enlarged outside opportunities a person's dependence on the terrorist group is reduced. *They have a better chance of leaving the terrorist camp.*
- (b) A conflict between terrorist and other activities is created *producing tension within the terrorist organization*. Nobody knows who will succumb to the outside attractions and become a "traitor" by leaving the group. This diminishes the effectiveness of the terrorist group.
- (c) The interaction between the terrorists and all other people and groups is turned into a *positive sum interaction*. The chances of finding a peaceful solution are improved.

An obvious possibility to raise opportunity costs is to increase income former terrorists may gain in peaceful occupations. The more an individual can earn in an ordinary activity, the less inclined he or she is to remain in the terrorism camp.

Three strategies serve to raise (potential) terrorists' opportunity costs.

Reintegrate Terrorists

A fundamental human motivation is the need to belong to a group; people want to form and maintain lasting positive and significant interpersonal relationships. Terrorists are no exception. Terrorist groups put great emphasis on their members' desire for belonging to them. The terrorist leaders therefore make a great effort to cut all their members' former relationships to the family, friends and acquaintances. The same holds when people join an extremist religious sect. For Islamic terrorist groups both go together. The isolation from other social entities strengthens the terrorist group; it has become the only place where the members' sense of belonging is nurtured.

An effective way to overcome terrorism is to break up this isolation. Terrorists must experience that there are other social bodies able to care for their sense of belonging. If that can be achieved the power of the terrorist leaders dwindles because their members become aware that there exist possibly preferable alternatives to terrorism. The outside contacts established must be characterized by procedural fairness. The relationship to individual terrorists must be guided by consistency, objectivity and correctness. In many cases the representatives of the government and its agencies (police and army) are unable to behave in this manner because they see terrorists as their deadly enemy to be destroyed. However, a thirst for revenge drives the terrorists back into isolation, which would conform to the aims of the terrorist leaders. For the counter-terrorist policy to be successful the reigning principle must be that the social isolation of the terrorist is broken and consequently the terrorist cohesiveness is undermined.

There are various possibilities to motivate terrorists to interact more closely with other members of society and to therewith overcome their isolation. In particular, terrorists can be involved in a discussion process which takes their goals and grievances seriously and which tries to see whether compromises are feasible. Moreover, terrorists can be granted access to the normal political process. This lowers the costs of pursuing the political goal by legal means and hence raises the opportunity costs of terrorism. This is not a utopian solution. In the Netherlands, for example, terrorist sympathizers were granted access to the media to the fullest possible extent.

The same principle of counter-terrorist policy can be applied to nations supporting or harboring terrorists. If such countries are internationally isolated and identified as "rogue states" they tend to become more extreme and ideological. A more fruitful strategy is to help them to re-enter the international community and to adopt its rules. Only then is it possible to form an encompassing international coalition

among states against terrorism. Securing the cooperation of as many states as possible has long been known to be a crucial requirement of countering terrorism.

Welcome Regretters

Persons engaged in terrorist movements can be offered incentives, most importantly reduced punishment and a secure future life, provided they leave the terrorist organization and are prepared to talk about its functioning and projects. Former terrorists who credibly show that they wish to renounce terrorist activities should be supported and not penalized. A member's opportunity costs of remaining a terrorist are therewith increased. This method has been used, for example in the case of the *Brigate Rosse* (Red Brigades) in Italy, the *Rote Armee Fraktion* (Red Army Fraction) in Germany and the *Action Directe* (Direct Action) in France. In Italy a law introduced in 1982, the *legge sui pentiti* (law on regretters), gave courts the discretion to reduce sentences when convicted terrorists provided tangible information leading to the arrest and conviction of fellow-terrorists. In that case, convicted terrorists received both in Germany and Italy reduced prison sentences and other concessions, even including daytime furloughs from prison to hold a normal job. Serious terrorists crimes were effectively de-penalized by offering terrorists an opportunity to accept their defeat, to admit their guilt and to inform about other terrorists. The implementation of this principal witness program turned out to be an overwhelming success. It provided the police with detailed information helping to crack down on cells of the Red Brigade, and enabled former terrorists to re-enter into normal life.

Offer Valued Opportunities

Persons inclined to follow terrorist ideas and undertake terrorist actions can be invited to visit foreign countries. Universities and research institutes, for example, can offer such persons the opportunity of discussing their ideology with intellectuals. The guests may, moreover, pursue their own studies. It is to be expected that the confrontation with the liberal ideas existing in such places of learning will mellow their terrorist inclinations. The very least which would be achieved is that the (potential) terrorists have access to new and radically different ideas, compared to the situation in which they live within a closed circle of other terrorists.

Diffusing Media Attention

The relationship between terrorists and the media can be described as 'symbiotic' (Chalk, 1995; Rohner and Frey, 2007). The terrorists rely on the media to spread fear and to publicize their cause. They have become skilled in using the media to achieve a maximum effect (Nacos, 1994). They have learned to exploit the media to propagate their political demands to millions, or even billions, of people. The media in turn want to make news to attract readers or viewers and thus have an incentive to bring terrorist incidences to the fore.

Terrorists can be prevented from committing violent acts by reducing the utility gained from such behavior. One way to ensure that terrorists derive lower benefits from terrorism consists in the government ascertaining that a particular terrorist act is *not* attributed to a particular terrorist group. Terrorists then no longer receive credit for the act, and no longer gain public attention for having committed it. Therefore, several scholars advocate media censorship, statutory regulations, or voluntary self-restraint of the media (Wilkinson, 2006). All information on who committed a particular terrorist act is then suppressed. But in an open society, it is impossible to withhold the type of information that the public is eager to know. Further, such intervention does not bind the foreign press and social media. Any news about the occurrence of a terrorist act and the possible perpetrators are therefore likely to quickly leak out. The proposal to censure the media must therefore be rejected as being ineffective and incompatible with democracy; the freedom of the media is seriously curtailed.

The author proposes an alternative way of diffusing media attention without infringing on the media freedom. The government can divert attention from terrorist organizations and their goals by supplying *more* information to the public than desired by the terrorist group responsible for a particular violent act. In particular, *several* terrorist groups can be made responsible for a particular terrorist act. It is known that in the case of most terrorist attacks several groups claim responsibility. The authorities never know with certainty which terrorist group committed a violent act. The government should publicly discuss various reasonable hypotheses. As a consequence, the media *disperses public attention* to many different, and possibly conflicting, political groups and goals.

The information strategy of refusing to attribute a terrorist attack to any particular group can be expected to have systematic effects on the behavior of terrorists. The benefits derived from having committed a terrorist act decrease for the responsible organization because the group does not capture public attention. The political goals it wants to publicize are not propagated as much as desired. This reduction of publicity makes the terrorist act (to a certain degree) senseless, as modern terrorism essentially depends on publicity. Terrorists, who are ready to take a high risk – even the risk of death – in order to promote their political beliefs, feel deeply dissatisfied. The feeling that other, not equally ‘brave’, political groups are given a publicity free ride, intensifies their frustration. The terrorists may either desist from further activities or increasingly engage in more risky terrorist acts. Such change in strategy exposes them to ordinary counter-terrorist methods by the police. The amount of terrorism tends to decrease and the dissatisfaction with existing political and social conditions will be expressed in different, less violent ways.

Evaluation

The two alternative strategies here proposed – offering positive incentives and diffusing media attention – want to steer counter-terrorist policy in a new direction. This does not mean, of course, that fighting terrorism by deterrence undertaken by police and military forces should be ended. However, it should be *amended* by additional policy measures promising to undermine terrorism. The two strategies here suggested are only a selection; there are certainly additional policies (see Frey, 2004), such as, for example, to reduce the consequences of a terrorist act by decentralizing the government, the public administration, as well as business. Terrorism has become a great threat to many societies, including free, democratic societies, not least because they lead to unwelcome reactions in our own countries, such as curbing media freedom and increasing surveillance of the whole population by collecting big data. It is therefore important to seek counter-terrorists strategies not undermining our own freedom. The policies of offering positive incentives and diffusing media attention may contribute to this effort.

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