How to Deal with Terrorism

Bruno S. Frey

DETERRENCE AND PREEMPTIVE strikes are currently being used to fight terrorism, but they work badly, if at all, and in some cases are even counterproductive. As viable positive alternatives, the following three strategies are proposed:

1. Reduce vulnerability by decentralizing society.
2. Strengthen positive incentives to leave the terrorist camp.
3. Divert media attention from terrorist groups.

INEFFECTIVENESS OF DETERRENCE

After the attacks of 9/11, the American president declared a "crusade" against terrorists. This crusade was, after some thinking,

Bruno S. Frey is a professor of economics at the University of Zurich, Switzerland. His research team has pioneered using economics to study people's happiness, intrinsic motivation, procedural utility, pro-social behavior, and direct democracy. He is author of more than a dozen books and many articles in academic journals in economics and other social sciences. He received his Ph.D. from the University of Basel in 1965 and honorary doctorates from the University of Goeteborg and University of St. Gallen.

changed into a "war against terrorism." This war on terrorism is totally based on deterrence and preemptive strikes. Actual and prospective terrorists must be wiped out by killing or at least capturing them, holding them prisoner, or (perhaps) putting them on trial and sentencing them to imprisonment for long periods or indefinitely. Such treatment is expected to make the penalty for the crime so harsh that no individual will engage in terrorist activities in the future.

History and recent experience suggest, however, that deterrence is ineffective and may even be counterproductive in dealing with terrorism. Moreover, the extent of terrorist acts may well increase rather than decrease. A policy based on deterrence has a second disadvantage: it threatens civil and human rights in the countries engaged in fighting terrorism. Deterrence thus tends to undermine exactly those values it claims to protect.

Many people share this concern but see no alternative to deterrence. I want to show that such alternatives do exist and are viable, specifically, the three strategies listed above.

DECENTRALIZATION REDUCES VULNERABILITY AGAINST TERRORIST ATTACKS

Any system with many different centers is more stable due to the ability of the various centers to substitute for each other. When one part of the system is negatively affected, another part or parts can take over. This basic insight also applies to terrorism. A target's vulnerability is lower in a decentralized society than in a centralized society. The more centers of power there are in a country, the less terrorists are able to hurt it. In a decentralized system, terrorists do not know where to strike because they are aware that each part can substitute for the other so that a strike will not achieve much. In contrast, in a centralized system most decision making takes place in one
location. This power center is an ideal target for terrorists and therefore is in great danger of being attacked.

As a means of reducing vulnerability, decentralization can be achieved in various ways:

- Decentralize the *economy* by relying on the market as the major form of resource allocation.
- Decentralize the *polity* by resorting to the classical division of power among the government, the parliament, and the courts. Decentralization over space is achieved by a federalist structure with decision-making power attributed to lower levels of the polity (states, provinces, regions, and communes).
- Decentralize the *society* by allowing for many different actors, such as churches, nongovernmental organizations, clubs, and families.

**POSITIVE INCENTIVES TO ACTUAL AND PROSPECTIVE TERRORISTS NOT TO ENGAGE IN VIOLENT ACTS**

Positive incentives consist in providing people with previously nonexistent or unattainable opportunities, thus increasing their utility. The opportunity costs of remaining or becoming a terrorist are raised because other valued possibilities are now available. Various approaches are possible.

_Terrorists can be reintegrated._ One of the most fundamental human motivations is the need to belong, and this also applies to terrorists. The isolation from other social entities gives strength to the terrorist group because it has become the only place where a sense of belonging is nurtured. An effective way to overcome terrorism is to break up this isolation. The (potential) terrorists must experience that there are other social bodies able to care for their need to belong. Interac-

tion between groups tends to reduce extremist views, which are more likely to flourish in isolated groups of like-minded people. Segregation reinforces extremism and vice versa. Therefore, breaking up this vicious circle of segregation and extremism should lower terrorists' inclination to participate in violent activities.

There are various methods of motivating terrorists to interact more closely with other members of society, thus overcoming their isolation. The terrorists can be involved in a discussion process, which takes their goals and grievances seriously. 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.

The same principle of antiterrorist policy can be applied to nations supporting or harboring terrorists. When 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 reenter the international community and to adopt its rules.

_Repentants can be welcomed._ Persons engaged in terrorist movements can be offered incentives, most importantly reduced punishment and a secure future life if they are prepared to leave the organization they are involved with and are prepared to talk about it and its projects. Terrorists who credibly show that they wish to renounce terrorist activities should be supported and not penalized (principal witness programs). A member's opportunity costs of remaining a terrorist are therewith increased.

_Valued opportunities can be offered._ 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 academics and other intellectuals. Liberalism is based on the conviction that the atmosphere of discourse existing in such places of learning tends to mellow terrorist inclinations. If prospective terrorists do not
change their views, the situation is not worse than before. The very least to be achieved is that the (potential) terrorists have access to new and radically different ideas compared with the situation in which they live within a closed circle of other extremists.

Providing terrorists positive incentives to no longer engage in violent actions represents a completely different approach from the conventional antiterrorist policy of deterrence based on coercion. An effort is made to break the organizational and mental dependence of persons on the terrorist organizations by offering them more favorable alternatives.

ATTENTION TO BE DIVERTED FROM
THE TERRORIST GROUPS

The relationship between terrorists and the media can be described as symbiotic. The interests of the terrorists are similar or even identical to those of the media: both want to make news, and both want the terrorist act to remain in the news as long and as prominently as possible.

Terrorists have become very skilled in using the media to achieve a maximum effect. They have learned to exploit the media to propagate their political demands to millions and even billions of people. Terrorists have fully adjusted their tactics in order to accommodate media needs.

Terrorists can be prevented from committing violent acts by reducing the utility gained from such behavior. A specific way for terrorists to derive lower benefits from terrorism consists in the government ascertaining that a particular terrorist act is not attributed to a particular terrorist group. This prevents terrorists from receiving credit for the act and from gaining the public's attention associated with committing the act. The government must see to it that a particular terrorist group does not monopolize media attention.

This does not mean that the government should suppress information. This is not possible in an open society. 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. It must be made known that several terrorist groups could be responsible for a particular terrorist act. Experience shows indeed that in the case of most terrorist attacks several groups of terrorists have claimed to be responsible. The authorities have to reveal that they never know with certainty which terrorist group may have committed a violent act. Rather the government must publicly discuss various reasonable hypotheses.

The strategy of refusing to attribute a terrorist attack to one particular group systematically affects the behavior of terrorists. The benefits derived from having committed a terrorist act decreases for the group having undertaken it because the group does not reap the public attention hoped for. The political goals it wants to publicize are not propagated as much as desired. This reduction in 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 put forth their political beliefs feel deeply dissatisfied. Their frustration is intensified by the feeling that other, not equally as "brave" political groups are given a free publicity ride. This frustration is often intense because terrorist groups tend to be in a state of strong competition even when they have similar political beliefs.

CONCLUSIONS

The proposed antiterrorist policy based on a positive approach has two important advantages over a coercive policy:
• The whole interaction between terrorists and the government takes the character of a positive sum game: All sides benefit. The effort of the government is no longer directed solely toward destruction. Rather, the government makes an effort to raise the utility of those terrorists who choose to enter the programs offered. It provides alternatives to persons considering becoming terrorists. In contrast, deterrence policy by necessity produces a worse position for both sides. The terrorists are punished (incarcerated, killed, or mutilated), and the deterrence strategy is very costly in terms of resources and civil rights.

• The strategy undermines the cohesiveness of the terrorist organization. The incentive to leave is a strong threat to the organization. The terrorist leaders no longer know whom to trust because, after all, most persons can succumb to temptation. An effort to counteract these temptations by prohibiting members from taking up the attractive offers leads to conflicts between the leaders and the rank and file. With good outside offers available to the members of a terrorist group, its leaders tend to lose control. The terrorist organization’s effectiveness is thereby reduced.

The application of the economic approach to terrorism offers a range of superior antiterrorism policies to deterrence. They are effective in dissuading potential terrorists from attacking. All of these policies are based on the notion that a positive approach is preferable to one based on the use of force. The policies are positive as they do not seek to harm or kill potential and actual terrorists, but rather they seek to reduce terrorist activities. The policies are not retributive but antiterrorist. The positive approach here championed is not the only effective strategy and it does not work in every case; but, compared to the now dominant deterrence and preemption policy, the favorable features by far prevail. There is no need to restrict policies to de-