Conciliation, Counter-Terrorism, and Patterns of Terrorist Violence:

A Comparative Study of Five Cases[*]

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Abstract

When governments offer concessions to an ideologically heterogeneous terrorist organization the moderates within that organization are most likely to accept the concessions. Consequently, the terrorist organization is left in the hands of extremists following concessions, leading to an increase in militantism and potentially in terrorist violence. However, governments often also require former terrorists to collaborate in counter-terrorism efforts, which improves the governments chances of eradicating terror entirely. I examine patterns of terrorist violence, government concessions, and counter-terrorism policy in five case studies: Basque separatists in Spain, Palestinian extremists, Irish Republican terrorists, Quebec separatists in Canada, and Zionist terrorists in British Mandate Palestine. The contribution of these case studies is twofold. First, they demonstrate that the proposed theoretical framework is an empirically useful conceptualization of the politics of terrorism. Second, and more importantly, I present a theoretically informed analysis of significant historical incidents of terrorism in an effort to shed light on the organizational and political dynamics underlying patterns of terrorist violence. This historical analysis demonstrates that, despite variance in government strategy, terrorist responses, and patterns of violence, all five case studies can be understood within a single theoretical framework.

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Governments employ an array of strategies in their efforts to put an end to armed insurgency and terrorism. The twentieth century has witnessed government responses as varied as acquiescence, peace negotiations that include concessions to terrorists, and military crackdowns. Consider, for instance, the French withdrawal from Algeria, the Spanish granting of partial autonomy to Basque separatists, the Israeli negotiations with the Palestinians followed by a renewed focus on counter-terror, and the Russian refusal to negotiate with the Chechneyans coupled with a brutal military assault. This multiplicity of government reactions raises important questions for students of terrorism. Can granting concessions to terrorists resolve violent conflict? Why do governments simultaneously pursue both conciliatory and counter-insurgency strategies? What factors affect government and insurgent strategies and the level of political violence? These are the questions that motivate this study.

I examine patterns of terrorist violence, government concessions, and counter-terrorism policy in five case studies: the Basque separatists in Spain, Palestinian extremists, the Irish Republican Army and its splinter groups, the Quebec separatists in Canada, and the Zionist terrorists in British Mandate Palestine. These case studies, as explained in greater detail later, are selected to probe theoretical claims deduced from a formal model of terrorist/government negotiations. In an earlier study I suggested a model that addresses how government concessions can cause terrorist organizations to become more militant (Bueno de Mesquita 2003). [1] Here I

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[1] Although I will not engage in a lengthy definitional discussion in this paper, it is important that I am describing internal, national level terror that happens more or less within the country that is the target of the terrorists' demands, as opposed to transnational or international terrorism. For thorough discussions of definitional issues in terrorism studies, see Crenshaw (1995), Gibbs (1989), Hoffman (1998), and Laqueur (1977).

sketch the intuition behind that model and assess some of its central empirical implications.

When governments offer concessions to an ideologically heterogeneous terrorist organization it is the moderates within that organization who are most likely to accept the concessions. Consequently, the terrorist organization is left in the hands of extremists following concessions, leading to an increase in militantism. Under certain conditions, elucidated below, this can cause an increase in terrorist violence. However, governments also stand to gain from conciliating moderate terrorists. In exchange for concessions, governments often expect former moderate terrorists to collaborate in counter-terrorism efforts, which improves the governments chances of eradicating terror entirely.

Several additional hypotheses follow from the aforementioned model of the politics of terrorism. The purpose of this paper is not to present a conclusive test of all of the theoretical claims. Rather, I explore in depth whether the fundamental logic of the model, developed informally below, maps onto the real world dynamics of terrorist conflict. The contribution of these case studies is twofold. First, they help demonstrate that the proposed theoretical framework is an empirically useful conceptualization of the politics of terrorism. Second, and more importantly, I present a theoretically informed analysis of significant historical incidents of terrorism in an effort to shed light on the organizational and political dynamics underlying patterns of terrorist violence. This historical analysis demonstrates that, despite variance in government strategy, terrorist responses, and patterns of violence, all five case studies can be understood within a single theoretical framework.

The Theoretical Framework

Terror groups are not unitary actors. Rather, they are organizations made up of ideologically

heterogeneous cells and factions (Chai 1993, DeNardo 1985, Crenshaw 1981). Moderates within a terrorist movement are more likely to compromise with the government in exchange for concessions than are extremists. Moderate terrorists are also inclined to engage in less terrorist violence than are extremists. Consequently, when concessions are offered the moderates are most likely to accept them, leaving the extremists in control and the terrorist organization more militant than it was before. The result is a potential increase in attempted terror depending on the access to resources that extremists have after the moderates have ceased their participation in terror. Two examples, to be discussed in detail later, illustrate this argument. Following the signing of the Oslo accords the Palestinian terror campaign was left in the hands of Hamas and Islamic Jihad, groups that are more committed to violent terror than the PLO. Similarly, following the granting of autonomy to the Basque country the relatively moderate ETA-politico militar disbanded, leaving the extremist ETA-militar in control of ETA terrorism.

The claim that concessions can lead to an increase in violence raises the question of why governments ever conciliate terrorists. I contend that the reduced size of the terror organization and the collaboration in counter-terror that governments demand from moderates with whom they compromise increase the probability that the government will be able to eradicate the remaining terror organization. Hence, a government will make concessions to moderate terrorists if the expected benefits of improved counter-terror outweigh the costs associated with facing a more militant residual terrorist movement. Behind this seemingly obvious claim, however, lies some surprising strategic implications.

Because of increased militantism, if government counter-terrorism efforts fail following concessions the *ex post* level of terrorist violence will increase. This is consistent with observations in the empirical literature that concessions sometimes lead to more terrorism

(Hewitt 1984, Wilkinson 1999). However, governments would not make concessions if an increase in violence were expected *ex ante*. Consequently, diverging from the extant literature, my account suggests that there must also be cases where government concessions are followed by counter-terror crackdowns that, with the aid of former moderate terrorists, succeed at eradicating the remaining terrorist cells.

An important nuance of the argument relates to terrorists' access to resources. In situations where a large percentage of the terrorists' resources disappear when the moderates depart, the remaining extremists may not have sufficient wherewithal to engage in the amount of violence they would like. In such cases, the level of violence following concessions is expected to decrease, even if government counter-terrorism fails.

The change in level of resources following concessions will vary depending on the particulars of a terrorist organization. Sometimes, after moderate terrorists accept concessions, the resources available to the still-active extremists will remain fairly high. This is likely when extremist donors who are not sympathetic to compromise with the government fund the terror organization. Similarly, terrorist organizations funded through crime would not necessarily experience a dramatic reduction in resources following a compromise between the government and moderate terrorists. Many terrorist organizations fund themselves through extortion, bank robbery, protection rackets, or drug trafficking (Adams 1986, Chalk 2000, Horgan and Taylor 1999, Rajahans and Paul 2002, Silke 1999(b)). When moderates lay down their arms and accept concessions, they are not likely to be in a position to continue their criminal activities (particularly if they have truly disarmed). Consequently, the apparatus of criminal fund-raising is left to the terrorists who have chosen to remain militarized.

If moderate donors who are supportive of compromise are the primary source of funding

for a terrorist organization, then resources may diminish following concessions. In such a scenario, even if government counter-terror failed, there would not be an increase in violence because the extremists would not have the resources to sustain an elevated campaign of violence.

This theoretical account is not intended to constitute a complete description of the complex and nuanced politics underlying terrorism. Rather, I have attempted to isolate an important feature of these politics – increased militantism following concessions – that has been overlooked in the literature and explore its implications before adding additional complexity. Among the factors contributing to potential increases in violence following concessions that others have explored are the culture of violence that develops within terrorist organizations (Shabad and Llera Ramo 1995), asset specificity acquired by terrorists which makes them reluctant to abandon violent tactics (Chai 1993), government demobilization of counter-terror forces (Darby 2000), and the existential threat faced by ideological terrorist groups contemplating compromise with their enemies (Ross and Gurr 1989). Another important argument – one that underlies ideas that are common in the press and among policy makers (such as the official US policy of not negotiating with terrorists) – is that concessions signal to terrorists that the government is weak, reinforcing incentives to engage in violent struggle. So far as I am aware, this argument has not received significant scholarly treatment and certainly deserves further attention. Clearly, a fuller understanding of the politics of terrorism would incorporate all of these factors and many others. However, knowledge may be best served by understanding the various dynamics in a focused, though necessarily incomplete, way before attempting a richer theoretical synthesis.

Stedman (1997) and Kydd and Walter (2002) argue that extremists ("spoilers" in Stedman's terminology) may attempt to prevent compromise and peace by engaging in terror

that undermines the government's confidence in ongoing negotiations. Kydd and Walter, for example, claim that Hamas increases its use of terror during key negotiations between the Israelis and the Palestinian Authority in an attempt to derail peace talks. This is particularly important for the exposition of the cases examined here. Their arguments are complementary to my account. They predict that this spoiler effect produces a short-term spike in violence that lasts only through the period of negotiations. The increased-militancy effect that I posit is a longer-term effect having to do with a change in the composition of the terrorist movement, rather than a shift in short-term incentives for the terrorists. Consequently, the spoiler effect produces a short-term spike and then a drop in terrorist violence and the increased-militantism effect (contingent on the failure of counter-terror) produces a long-term increase in the base level of terrorist violence. As such, these two arguments represent complementary aspects of an overall model of the dynamics of governmental concessions to terrorists, although the possibility of the existence of increased militantism even during the peace process suggests that the size of the spoiler effect may have been somewhat overestimated in earlier studies.[2] The joint prediction of these two models is summarized in Figure 1, in which the thick black line indicates the overall predicted trend in terrorist violence.

(Figure 1 about here)

Using the framework outlined above and developed more fully elsewhere (Bueno de Mesquita 2003) I provide an analysis of important historical cases of terror. This has the joint purpose of demonstrating the empirical utility of the increased-militantism argument and offering new insight into the organizational and political dynamics underlying terrorist violence generally and the specific cases discussed here.

To recapitulate the case analyses are intended to demonstrate that: (1) when governments

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[2] I address this in some detail in my discussion of the Israeli/Palestinian conflict.

make concessions they are accepted by moderates, leaving the terrorist movement in the hands of extremists; (2) when the extremist movement is able to survive government counter-terror, the level of violence increases contingent on funding not decreasing dramatically; (3) since governments would not make such concessions if the *ex ante* expected level of violence increased, there are cases in which concessions were accepted by moderate terrorists leading to increased militantism, but the extremist were then eradicated by government counter-terror (aided by the former terrorists); and (4) although the five cases involve a variety of government and terrorist strategies, as well as dramatically different patterns of terrorist violence, they can be understood within a single theoretical framework.

Case Selection

In each of the five cases I consider, the government made concessions to terrorists. It is unnecessary for this study to look at cases in which concessions were not made because the dynamics on which I focus are those that occur following concessions. Consequently, while future empirical work will need to have variation in governmental concessions in order to examine the wider range of hypotheses that result from the underlying model, for the purposes of this discussion it is sufficient only to look at cases in which the government made concessions.

The cases vary on a host of important dimensions. I include cases of terrorism against foreign and colonial powers, democracies, and autocracies.[3] There is geographic variation, including conflicts in North America, Europe, and the Middle East. The substantive issues underlying the terrorist campaigns include religious differences, ethnic conflict, national liberation, economic injustice, anti-colonialism, and other issues. There is temporal variation

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[3] The ETA's terrorist campaign began against the autocratic Franco regime, though later continued against the democratized Spanish government.

both in terms of when the conflicts occurred (e.g., the Zionist terrorist campaign against the

British ended in the 1940s while the Palestinian/Israeli conflict is ongoing) as well as how long

lived they are (e.g., the FLQ terror campaign lasted for a decade while the Troubles in Northern

Ireland are arguably hundreds of years old). The size and funding of the organizations in

question range from the extremely small (such as the FLQ or the Stern Gang) to those

encompassing thousands of members with multi-million dollar budgets (such as the PLO or

IRA). There is diversity in the level of success of government counter-terrorism, though it is

worth noting that I treat this as a stochastic, exogenous, explanatory variable. In future work it

will be important to provide an endogenous understanding of when and why counter-terrorism

succeeds or fails. Finally, there is significant variance in patterns of terrorist violence. All told

the five cases represent a rich (if inherently limited) diversity of terrorist conflicts. Yet a single

theoretical framework is shown to be beneficial for understanding why these cases vary from

each other in the way they do.

Three scenarios

The theoretical framework discussed above suggests three scenarios that may emerge following

government concessions to terrorists. In the first scenario the government and moderate former

terrorists succeed in their counter-terrorism efforts. In this case, the prediction is a decrease in

terrorist violence following the concessions. This decline may be slightly delayed because

counter-terrorism may take some time to be effective, in which case there would be a short-term

surge in violence as a result of the spoiler and increased-militantism effects.

    If the government and moderate terrorist cells fail to eradicate terror following

concessions, two scenarios could occur. In the event that the terrorists receive their funding from

sources that do not diminish significantly, the prediction is an increase in terrorist violence due to heightened militantism. Here it is important to recall the joint predictions of the increased-militantism argument and the spoiler model. As can be seen in Figure 1 the net expectation is that violence will increase during the peace process and then decrease afterwards. However if the increased-militantism effects that I propose are present, then the level of violence is not expected to return to as low a level as existed prior to concessions.

The third scenario follows a failure of counter-terrorism when moderate donors who are likely to reduce donations following concessions are a major source of funding the terrorist organization. In this case, the prediction is an increased radicalization of the terrorist movement, but failure in attempts to increase the level of terrorist violence due to a lack of resources. Figure 2 summarizes the hypotheses and cases associated with each of the three scenarios.

(Figure 2 about here)

It is important to note that while my argument admits scenarios in which terrorism increases and decreases following concessions, there are also scenarios that would constitute counter examples to the predictions. For instance, among others, a case in which concessions were made, counter-terrorism failed, resources did not decrease, and yet violence decreased would be inconsistent with my theoretical framework.

The ETA: *Counter-terrorism fails and resources do not diminish*

The history of ETA (Euzkadi ta Askatasuna or Basque Homeland and Freedom) terrorism is a case in which counter-terror failed and resources did not diminish. The expectation, then, is increased terror.

The ETA was factionalized into separate groups each with differing opinions regarding

the relative value of armed struggle and concessions. The most salient of these divisions was between the ETA-militar (ETA-m) and the ETA-politico military (ETA-pm). As predicted, when the government offered concessions the more moderate ETA-pm engaged in the political process leaving terror in the hands of the most extreme factions. The government also followed the predicted strategy, increasing counter-terrorism efforts in an attempt to uproot the remaining extremists. However, the government did not succeed in eradicating terror and, consistent with the theory, terrorist violence increased. I provide a brief overview of the history of the ETA leading up to the negotiations over Basque autonomy and then discus specifically how these historical events relate to the theoretical framework.

ETA was formed in the late 1950s as a Basque nationalist response to the Franco regime's policy of Spanish unification.[4] ETA has undergone many changes in ideology (including Marxism, anti-colonialism, and national liberation) and formal structure throughout its history, but its core demands have remained fairly constant: democratization, national self-determination, withdrawal of Spanish security forces from the Basque region, and cultural, educational, linguistic and political autonomy for the Basque (Shabad and Llera Ramo 1995).

ETA began its use of terror in the mid-1960s. Throughout its history ETA has succeeded at seriously disrupting Spanish society, assassinating prominent political figures, and having a significant effect on economic growth.[5] In 1968 the Franco regime killed a member of ETA and in retaliation ETA assassinated a Spanish police officer. These were, respectively, ETA's first fatality and use of mortal violence. Franco responded to Basque nationalism generally, and ETA violence in particular, quite harshly. Between 1968-1975, half of all "states of exception"

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[4] For a detailed historical discussion of the ETA and its allied political and terrorist organizations see, for example Clark 1986, Mees 2000, Shabad and Llera Ramo 1995, and Waldman 1991.
[5] Abadie and Gardeazabal (2001) estimate that per capita GDP in the Basque Country declined by approximately 10 percent as a result of ETA activity.

declared by the Franco regime in order to impose martial law were declared only in the Basque Country (Shabad and Llera Ramo 1995). Thousands of Basques were detained by the Spanish police with dozens killed and many more tortured (Clark 1984). Counter-terror became more severe as ETA violence continued. From 1978-1981, while negotiations for Basque autonomy were ongoing with moderate Basque nationalists, the Spanish government passed a series of strict counter-terrorism bills. The government made it legal to arrest and hold suspected terrorists incommunicado and without charging them with a crime for 10 days, established elite counter-terrorism commando units, built up its military presence in the Basque Country, and made it illegal to print or say anything publicly in defense of terrorism (Clark 1990).

In December of 1973 ETA assassinated Spanish Prime Minister Carrero Blanco, the heir-apparent to General Franco. The destabilizing effect of this assassination and the death of Franco in 1975 led to democratization in Spain and to major divisions within ETA. The fundamental divide was between the relatively moderate ETA-pm – comprised primarily of more moderate militants within the ETA in Spain – and the more radically militant ETA-m – comprised of the leadership of the Basque extremists in France and radical militants in Spain. While they shared similar ideologies regarding the desirability of Basque independence, the ETA-pm wanted to participate in elections for the new democratic Spanish parliament and to enter into negotiations with the Spanish government, while maintaining the armed struggle. The ETA-m stressed the fundamental role of violence and focused on military victory rather than negotiated settlement (Shabad and Llera Ramo 1995). ETA-m and ETA-pm are thus paradigmatic examples of the ideologically heterogeneous factions that are a key building block of my theoretical framework.

Major changes occurred in the mid to late 1970s in Spain. A new constitution was ratified, democratic elections were held, and partial autonomy was granted to the Basque

Country in 1978. In addition to autonomy many of ETA's other demands, as well as those of more moderate Basque nationalists, were met including amnesty for former ETA members who demilitarized, the establishment of separate Basque political institutions including a parliament and courts of justice, an independent Basque police force, tax autonomy from the central government, control over education, culture, language, the media, and industrial policy, and official recognition of the Basque flag and anthem (Mees 2000).

Negotiations over the details and extent of Basque autonomy continued through 1981, creating spoiler opportunities. During this period ETA terrorism rose to unprecedented levels. From 1968-1977 the greatest number of people killed by ETA in a single year was nineteen, with an annual average of just over seven. In 1978 sixty-eight people were killed, in 1979 ETA killed seventy-six people, and in 1980 ETA terrorism caused ninety-one fatalities.

In 1981 the autonomy had been sufficiently implemented that the more moderate ETA-pm disbanded, abandoning armed struggle in favor of mainstream politics. As predicted, concessions left the terrorist organization in the hands of the extremists. The ETA-m continued as an underground terror organization as did some smaller extremist groups based in France. These extremists, including ETA-m, rejected autonomy as an unacceptable compromise and continued to insist on complete Basque independence, further demanding that the independent Basque state occupy a region larger than the area given by the Spanish government for the Basque autonomous region. In 1982 the level of ETA violence dropped, though it did not return to the low levels of the 1960s and 1970s. Table 1 shows the annual death toll due to ETA terrorism, beginning in 1968. These figures are displayed graphically in Figure 3 (which also includes a moving-average trend line).[6]

(Figure 3 about here)

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[6] Data for all figures are available from the author's website: http://www.fas.harvard.edu/~mesquita

Following the grant of autonomy, the Spanish and French governments joined forces to attempt to root out the remaining ETA militants. However, failing to do so by the late 1980s they were once again engaged in talks with the ETA. This has led to a series of agreements, cease fires, and returns to violence, a pattern that continues to this day.

Applicability of the theoretical framework

The pattern of ETA violence is consistent with the joint predictions of my increased-militantism framework and the spoiler model, summarized in Figure 1. Terrorism reached its peak during the negotiations and decreased with the end of negotiations in 1981. However, it decreased to a level higher than the pre-negotiation level. The pre-1978 average number of annual fatalities from ETA violence was 7, from 1978-1980 the average was 78, and the post-1980 average is 24. The fact that the amount of terrorism remained well above the levels of the pre-concession stage into the 1990s, even after the elimination of the spoiler incentives associated with negotiations, lends support to the increased-militantism claims. And, indeed, the historical record bears out the claim that the concessions drew the moderates away from the terrorist organization, leaving extremists in control. The success of counter-terrorism and decreasing public support for the ETA even among Basque nationalists in the 1990s (which may have been one of the reasons for the unilateral cease fire declared by ETA in 1998) may help to explain the trailing off of violence that is observed in the mid- to late-1990s, though this trend seems to be reversing itself. Nonetheless, the pattern of violence is consistent with the theoretical analysis.

In the framework proposed here, an increase in terrorist violence due to heightened militantism is contingent not only on the failure of counter-terror but also continued access to resources. The ETA's primary source of funding is extensive criminal activity. ETA engages in

kidnapping, bank robbery, extortion, and protection rackets against Spanish businesses that it accuses of supporting the government's oppression of Basque nationalists. The ETA-m gained control of the criminal apparatus when the ETA-pm disbanded, so revenues from crime are unlikely to have dried up (Rajahans and Paul 2002). The radical Basque community in France also provides financing for ETA. These supporters are on the extreme side of ETA, having aligned themselves with the ETA-m against the ETA-pm during the split between the factions in the late 1970s (Clark 1984). While, for obvious reasons, it is difficult to obtain data on donations to terrorist organizations it is reasonable to believe that these extremist donors would not have decreased their donations to ETA following the moderates' compromise with the Spanish government. Thus, ETA funding is of precisely the type that is expected to lead to the pattern of increased violence that is observed.

The PLO, Hamas, and Islamic Jihad: *Counter-terror fails and resources do not diminish*

Like the ETA, the history of Palestinian terror seems to be well explained by the increased-militantism argument when a failure in counter-terror occurs and resources do not diminish. Palestinian terror existed at a fairly low level throughout the late 1970s and the 1980s. The beginning of peace talks in the early 1990s resulted in an increase in violence. The Israelis made significant concessions in 1993 leading the PLO to officially renounce violence and accept Israel's right to exist. The more radical Palestinian terror groups rejected compromise and elevated the level of terrorist violence.

The Israelis and Palestinians have been embroiled in a struggle over land, economics, natural resources, and Palestinian self-determination for decades. The Palestine Liberation Organization, an umbrella group for a host of organizations that differ greatly in their level of

militancy, has been the chief organizational player on the Palestinian side throughout most of the conflict. The PLO was the primary force behind Palestinian terror during the first intifada in the 1980s. However, since then a number of radical Islamic terror groups have emerged within the Palestinian national liberation movement. Most important among them is Hamas, which grew out of the peaceful Muslim Brotherhood during the first intifada as an Islamic alternative to the PLO. In addition to being one of the largest perpetrators of terrorist violence in the world, Hamas is also a major social services organization, providing education and health care throughout the West Bank and Gaza Strip (Abu-Amr 1993, Monshipouri 1996, Mishal and Sela 2000). The other major Palestinian terrorist organization is the Islamic Jihad, a radical Islamic group that also grew out of the Muslim Brotherhood.[7]

While Hamas and Islamic Jihad refuse to engage in violent, internal struggle against the PLO for leadership of the Palestinian people (Hijazi 1995), both groups also reject compromise with the Israelis, insisting on complete Islamic control over the entirety of Palestine. Article 11 of the Hamas Charter, for instance, reads, "the land of Palestine is an Islamic Waqf [permanent endowment] to all Muslim generations until the day of resurrection. It is not right to give up it or any part of it" (translated in Mishal and Sela 2000). The Charter goes on to state, in Article 13:

> [Peace] initiatives, the so-called peaceful solutions, and international conferences
> to resolve the Palestinian problem all contradict the beliefs of the Islamic
> Resistance Movement. Indeed, giving up any part of Palestine is tantamount to
> giving up part of its religion. The nationalism of the Islamic Resistance
> Movement is part of its religion, and it instructs its members to [adhere] to that
> and to raise the banner of Allah over their homeland as they wage their Jihad
> (Mishal and Sela 2000).

This is not to say that there are not more and less radical parts of Hamas or Islamic Jihad. Mishal (n.d.) has made a convincing argument that there are pragmatic elements of the Hamas

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[7] There are a host of other small, extremist Palestinian terrorist organizations. The International Policy Institute on Counter-Terrorism provides a historical overview of these groups at http://www.ict.org.il.

leadership. Nonetheless, they have staked out a significantly more extreme position than the PLO's and represent the ideological heterogeneity that is posited by my theoretical framework.

Palestinian extremists have used terrorism for decades for several stated purposes including: ending the Israeli occupation of the West Bank and Gaza Strip and, in the case of some extremists, destroying the State of Israel. The first negotiations towards peace took place in 1991 in Madrid. These negotiations eventually led to the signing of the first Oslo accord in September of 1993, followed by a series of interim peace agreements. The basic framework for negotiations revolved around land for peace. The Israelis agreed to withdraw gradually from occupied lands and grant the Palestinian Authority increasing levels of autonomy in exchange for demilitarization, the cessation of violence, and the PLO's recognition of Israel's right to exist. The Palestinian Authority was also expected to control militant extremists (Hermann and Newman 2000, Shlaim 1996).

The number of people killed in Palestinian violence annually, beginning in 1978, is reported in Figure 4. A significant increase in terror occurred after the PLO signed the Oslo Accord, leaving the extremists in control of the terror campaign.

<p align="center">(Figure 4 about here)</p>

Applicability of the Theoretical Framework

The Oslo accords created a split among Palestinian nationalists. Extremist factions, including the Popular Front for the Liberation of Palestine, Hamas, and Islamic Jihad denounced the agreement. Starting in the early 1990s the amount of violence rose, as can be seen in Figure 4.

Part of this increase was likely due to the spoiler effect suggested by Kydd and Walter (2002) in their case study of the Israeli/Palestinian conflict. The radical Islamists wanted to undermine the peace process and so engaged in more terrorism than perhaps they otherwise

would have. In the ETA case the fact that an elevated level of violence persisted long after the end of peace negotiations provided evidence that the increase in violence was not due solely to attempts to derail peace negotiations. Because peace negotiations are ongoing between the Israelis and the Palestinians, it is more difficult to separate out the spoiler effect from the increased-militantism effect in this case. However, there is evidence that heightened militantism, not just strategic incentives, is affecting the level of violence.

Spoiler violence is only expected to occur prior to major agreements and perhaps just after those agreements. The key spoiler opportunities in the Israeli/Palestinian conflict are summarized in Table 1. Following Kydd and Walter, I have classified Palestinian and Israeli elections, in addition to important negotiations, as spoiler opportunities. I consider a larger set of spoiler opportunities than did Kydd and Walter, leading to somewhat different conclusions.

(Table 1 about here)

Figure 5 gives monthly fatalities from Palestinian terror for the time period between Oslo and the onset of the second intifada in September of 2000 and Figure 6 from the beginning of the second intifada through December 2002. [8] I separate these two graphs because there has been a qualitative increase in the amount of violence since the advent of the second intifada. The mean number of monthly fatalities prior to September 2000 was approximately 3.3 with a maximum of 39 while post-September 2000 the mean is approximately 24 with a maximum of 127. Combining the data thus makes it difficult to see spikes in violence – which constitute evidence

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[8]The full data are available from the author's website. These data are all collected from the International Policy Institute on Counter-Terrorism at the Interdisciplinary Institute in Herzliya. http://www.ict.org.il. There are difficult political, moral, and conceptual issues associated with collecting these data that deserve to be addressed. I have counted any person that was killed directly by a Palestinian terrorist attack (other than the terrorist him or herself) in the Occupied Territories or in Israel proper as a fatality caused by Palestinian terrorism. This includes cases of mistaken identity in which sympathetic Palestinians were killed as well attacks on Israeli military personnel. It does not include innocent by-standers (whether Israeli or Palestinian) caught in the crossfire and killed by the Israeli police or the IDF. While inherently mired in political debates, I do not intend this codification decision to carry a particular political message. Changing the coding rules would have only a marginal impact on the data and would not change the results reported.

of the spoiler effect – because the level of post-second intifada violence dwarfs pre-second intifada numbers. Separating the data in this way gives the spoiler model the benefit of the doubt. As can be seen in Figures 5 and 6, while there were spikes in violence prior to the signing of the Cairo agreement (which formalized the "land for peace" framework), the Israel-Jordan peace accord, and the Palestinian elections, there were not spikes before Oslo II, the Israeli elections of 1996 or 1999, the first Taba negotiations, the Wye Accords, the Sharm el-Sheik Memorandum, or the Camp David negotiations. Because they fall near the beginning of the increase associated with the second intifada, it is debatable whether there was a spike prior to the joint statement from Taba in January of 2001 and the Israeli elections in February of 2001. While some of the increase in violence that followed Oslo was likely the result of the spoiler effect, much of it occurred during periods when there were not significant spoiler opportunities. This suggests that other factors, such as the increased militantism that resulted from groups such as Hamas and Islamic Jihad taking control of the terrorist movement, also play a role in explaining the increase in violence.

(Figures 5 and 6 about here)

The evidence for this claim can be further solidified by a simple statistical test to determine whether the average level of monthly fatalities is greater during spoiler opportunities than during other time periods. It is unclear how long a period constitutes the spoiler opportunity surrounding a negotiation or election. The periods around major events that Kydd and Walter examine range from a couple of weeks (prior to the Israel-Jordan Peace Accord) to several months (prior to Wye). The typical period they look at is approximately a month. Following their lead, I treat the month of, as well as the month prior to and after, a major strategic event as a spoiler opportunity. Altering this assumption does not change the results. I partition the monthly

data into two groups: violence that occurred during a spoiler opportunity and violence that occurred when there was not a spoiler opportunity. The summary statistics for these data are given in Table 2.

(Tables 2 about here)

Surprisingly, the mean level of violence during spoiler opportunities (5.1) was *lower* than during periods where there were not spoiler opportunities (10.2), contradicting the spoiler model. This anomalous result can be explained by the fact that there have not been spoiler opportunities since early 2001, while there has been a significant increase in violence due to the advent of the second intifada. Of course, this increase in violence in the absence of spoiler incentives is itself evidence that factors in addition to spoiler effects are at work. And in support of the claims of my theoretical argument, it has been the extremists that have stoked the flames of violence.

Nonetheless, it is worthwhile to examine whether the spoiler effect explains most of the increase in violence that occurred after Oslo *prior* to the second intifada or whether there is room for additional explanatory theories, such as increased militantism. To examine this, I consider the same partition of the data but only look from September 1993 through September 2000 (when the second intifada began). The summary statistics for this procedure are shown in Table 3.

(Table 3 about here)

In this more limited set of data the level of violence is now slightly higher during spoiler opportunities than during other periods, as the spoiler model predicts. However, a t-test demonstrates that the difference in levels of violence with and without spoiler opportunities is not statistically significant.[9] Thus, the data support the contention that factors beyond the spoiler effect, such as increased militantism, contribute to the increase in violence experienced since the

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[9] The null hypothesis is that the two means are equal and the alternative hypothesis is that there are more fatalities during spoiler opportunities. The t-statistic is 0.052, while the critical value for rejection of the null at the 95% confidence level is approximately $t > 1.67$. The one-sided P-value is approximately 0.48.

signing of the Oslo accord, confirming the complementarity of the two models.

The funding of Palestinian terrorist organizations is also consistent with the prediction that increased militantism could cause an increase in violence following concessions. Palestinian terrorist organizations are largely funded by part of the Palestinian diaspora community both in Europe and the United States and by wealthy donors in the Arab world (Rajahans and Paul 2002). These donors tend to be extremists who are unwilling to accept compromise with Israel. As such, their willingness to fund terror is not expected to diminish following deals between the PLO and Israel. Indeed, it has been reported that, despite an abundance of volunteers, the amount paid to the families of suicide bombers following a successful mission has increased from $10,000 to $25,000 of late (Hassan 2001, Keller 2002).

In absolute terms no Palestinian organization has resources even remotely comparable to those the PLO had access to during its time as an active terrorist organization. However, the PLO was responsible for a host of quasi-governmental functions and, as the representative of the Palestinian people in Palestine as well as in the diaspora, had to invest substantial resources in activities in and out of the West Bank and Gaza Strip having nothing to do with terrorism (Abu-Amr 1993). As such, a direct comparison of the budgets of the PLO and Hamas does not present an accurate picture of the actual resources available for Palestinian terrorism. Of course, it is not possible to obtain such data but it is clear that the extremism of the radical donor community coupled with the little data that is available (such as the payments made to suicide bombers) supports the expectation that resources for Palestinian terror have not greatly reduced following the Oslo accords. Given this, trends in Palestinian violence and the roles played by the different factions seem supportive of my theoretical framework.

Irish Republicans: *Limited counter-terrorism success and a decrease in resources*

The history of Irish Republican terrorism matches the predictions of my theoretical argument in a number of ways, particularly the scenario of concessions followed by a decrease in access to funding. The government offered a series of political concessions and compromises to persuade Sinn Fein and the Provisional Irish Republican Army (PIRA or Provisionals) to abandon armed struggle. Further, when the Provisionals accepted some of these concessions, militant dissidents from within the Republican movement broke off, forming the Continuity IRA and Real IRA (CIRA and RIRA, respectively), and continued to engage in terror. The extreme violence of the RIRA's bombing of Omagh and the fact that the violence of some of its failed attacks would have exceeded any prior terrorist action during the Irish Troubles suggest that the splinter groups were willing to engage in more extreme terror than that considered productive by the PIRA, as predicted by the increased-militantism argument. However, successful counter-terror and lack of access to resources has prevented the militants from increasing the level of violence.

The Troubles in Northern Ireland have involved many splits within the Irish Republican movement. I focus only on the most recent divisions surrounding the decision of the Provisional IRA (itself a militant splinter group from the Official IRA in the 1970s) to participate in the peace process. The first of these splits occurred in 1986. The Provisionals decided to allow Sinn Fein, their political wing, to run in Parliamentary elections. Some in the PIRA viewed this decision as an unacceptable compromise. They responded by creating a small, more militant organization named the Continuity IRA (CIRA) (Bell 1998). The CIRA, however, did not engage in its first act of terror until 1996, when it was part of an internal Irish Republican disagreement that led to the breaking of a cease-fire signed in 1994 (Dingley 1999).

In 1998 the Real IRA (RIRA) was formed as a response to the Provisionals' acceptance

of the framework established in the Good Friday Peace Accords (Silke 1999). The RIRA, CIRA, and the nationalist Irish National Liberation Army (INLA) were unwilling to accept power sharing and the other compromises inherent in the peace process. Starting in 1998 the RIRA began a terror campaign in Northern Ireland and Great Britain in an attempt to undermine the peace process and replace the PIRA as the primary militant organization of the Republican struggle to gain independence (Brown 2001, Walker 2001). Among the most spectacular attacks carried out by the RIRA were a missile attack on Britain's MI6 intelligence agency, an assault on the Ebrington Barracks in Derry that could have killed 20 soldiers but for a faulty fuse in the bomb, a car bombing of a crowded local rail station, and a bomb attack on the BBC (Cusack 2001, Toolis 2001). The most devastating act of terrorism was the infamous Bombing of Omagh on August 15, 1998. In this attack the RIRA planted a car bomb in a busy town center packed with shoppers. The blast killed 29 and injured over 200 others. While it seems that a bungled attempt to warn authorities so as to avoid the massive death toll occurred, the size of the bomb (500 lbs.) would have nonetheless caused massive damage. The Provisionals and other Republican organizations roundly criticized the Omagh bombing.

From 1998 through 2001, the RIRA and CIRA carried out at least 80 attacks, though some of these were minor incidents (Macdermott 2002). However, they failed more than they succeeded, largely due to effective counter-terror measures that were taken after the Good Friday Accords and the Omagh bombing. These efforts were aided by the wide spread rejection of the RIRA following Omagh. While it is disputed whether the PIRA passed on intelligence to the police in order to undermine the RIRA it is known that the PIRA undertook its own crackdown against extremist factions within the Republican movement. Indeed, the Provisionals threatened RIRA and CIRA members with execution if they did not respect PIRA ceasefires (Dingley

1999). In February and March of 1998 the police prevented five major bombings, including a 1300 lb. bomb that was found planted in Dudalk (Karmon 1998). These and other examples of effective counter-terrorism demonstrate the police's success in infiltrating extremist Republican terrorist cells. It has been estimated that the police foil over 80% of planned RIRA attacks (Toolis 2001).

Despite the efforts of radical splinter groups, Republican violence did not surge following the Good Friday Accords. While the Bombing of Omagh was the worst single incident of Irish Republican terror in 30 years, the death tolls have not risen to the levels achieved in the 1970s, or even the years leading up to earlier agreements in the 1980s. Annual fatalities caused by Irish Republican terror are show in Figure 7.

(Figure 7 about here)

Applicability of the Theoretical Framework

Unlike Palestinian and Basque violence the death tolls from Irish Republican violence did not rise following the Good Friday Accords. My theoretical argument predicts that such cases will arise. Governments would not make concessions if the *ex ante* expected level of violence increased following them. The theory provides two potential explanations for the decrease in terrorist violence following a compromise between moderate terrorists and the government: decreased access to resources and successful counter-terrorism. Both played a role in this case.

As discussed in the historical overview, following the Good Friday Accords the PIRA itself cracked down on extremists within the Republican movement, limiting their ability to carry out terror attacks. Further, the police infiltration of terror cells helped to prevent many attacks. While the moderate Republicans and the government did not achieve complete eradication of the extremist cells, counter-terrorism was quite successful. Indeed, if the estimate quoted above that

the police thwarted 80% of RIRA attacks is correct, then the level of terrorism that would have been achieved in the absence of counter-terrorism following the Good Friday Accords would have been extraordinarily high. Hence, the low levels of terrorist violence are not evidence of the absence of increased militantism, but rather are the result of the increased success at counter-terrorism that the theoretical argument suggests may be one of the driving forces behind the decision by governments to make concessions in the first place.

The second factor that can lead to a decrease in terrorist violence following a deal between moderate terrorists and the government is a lack of funds for the extremists. The IRA has typically financed itself in three ways: legitimate businesses, crime, and donations from the diaspora (Horgan and Taylor 1999). The RIRA and CIRA had only limited access to any of these. The legitimate business activities of the PIRA remain in its control. The IRA's criminal activities have included extortion, protection rackets, kidnapping for ransom, and, according to some, drug trafficking.[10] Because the Provisionals did not disarm following the Good Friday agreement, there is no reason to believe that they have lost control over their criminal fundraising activities. Indeed, following the 1994 ceasefire some forms of PIRA violence associated with their non-political criminal activity, such as beatings and arson, even increased (Darby and Mac Ginty 2000, Silke 1999). While the RIRA and CIRA have engaged in their own criminal activities, they have not been able to take over the PIRA's criminal empire.

Donations from the Irish diaspora community in the United States for Republican extremists are funneled primarily through the organization NORAID. Some radicals in the United States, most prominently Martin Calvin, a former director of NORAID continue to support the radical splinter groups (Dingley 1998). However, by and large the American Irish

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[10] The IRA denies involvement in drug trafficking and, in fact, has sponsored a number of anti-drug programs. However, the suspicion of their involvement with the drug trade still exists among the British Government and many scholars. See Horgan and Taylor (1999) for a discussion.

community is interested in concessions from the British government and supportive of the framework for peace proposed by former Senator George Mitchell. Consequently, the CIRA and RIRA have been unable to attract significant support from the Provisional's fundraising network, leaving them to raise money through bank robbery and smuggling (Cusack 2001). Among the anecdotal evidence of the RIRA's lack of funds is that a former full-time PIRA bomb maker who joined the RIRA is now working a day job, only building bombs in his spare time (Toolis 2001).

Increased militantism, effective counter-terrorism, and lack of resources combine to produce relatively small extremist organizations that are able to achieve only limited success in perpetrating acts of terror despite their desire to carry out more radical missions. This is consistent with the predictions of my theoretical framework. The difference in outcomes from the ETA and Palestinian cases is explained by the type of funding opportunities available to the extremists and the success of counter-terrorism measures following the deal with the moderates.

The FLQ in Quebec: *Counter-terrorism succeeds*

The history of the Front de Liberation du Quebec (FLQ) demonstrates the possibility for the successful combination of government concessions with effective counter-terrorism aimed at lingering militants. The Canadian government and moderate Quebec nationalists began a series of compromises in the mid-1960s, leaving the exercise of violence in the hands of militant nationalists who radicalized their tactics. These radicals were a relatively minor force until the major compromises of the late 1960s alienated a larger group of nationalists, leading them to form FLQ cells. As predicted, this resulted in a radicalization of the terrorist movement and a spike in terrorist violence. However, as expected, the Canadian government complemented its accommodationist approach to moderate nationalism with a crackdown on militants. The

effectiveness of the Canadian counter-terrorism efforts, aided by informants from the moderate nationalist camp, led to the destruction of the FLQ.

The FLQ began in the early 1960s as an offshoot of mainstream Quebec nationalist parties. During the 1960s Quebec nationalists engaged in a number of protests, riots, and strikes, demanding recognition by, and in some cases independence from, the rest of Canada. Although they operated for only a decade, the FLQ had an important impact on Canadian politics and undertook some of the most infamous terror attacks in Canadian history.

The dramatic events surrounding Quebec separatism began in 1960 with the election of Jean Lesage as the Premier of Quebec. Lesage, a member of the Liberal Party, left the federal cabinet to become the provincial leader in Quebec. He ran on a platform of nationalism, economic development, and modernization, urging the citizens of Quebec to become "maitres chez nous", masters in their own house. Lesage's policy initiatives, known as the Quiet Revolution, included major economic reforms, demands for greater autonomy and funding from the federal government for modernization, and gave a prominent voice to the nationalist agenda.

In 1963 Lester Pearson was elected Prime Minister of Canada, having received strong electoral support from Quebec. He was receptive to the demands of the Quiet Revolution, acknowledging the special needs and status of Quebec as the home of Canada's French-speaking minority. Pearson increased federal resources going to Quebec and granted the provincial government autonomy over certain policy areas including social welfare. He also appointed a Royal Commission on Bilingualism and Biculturalism in order to make recommendations on policies that would help to develop the Canadian Federation in a way that was respectful of its dual ethnic heritage (Thomson 1973).

The concessions from the Pearson administration led to moderation on the part of most of

Quebec's nationalists. Although not fully satisfied with the compromises offered (as evidenced by the rejection of a 1971 "Charter" that would have codified some of the compromises) the mainstream nationalists saw the opportunity for doing business with the government. Indeed, the nationalist camp formed a political party, the Parti Quebcois (PQ), which implicitly endorsed compromise by running in elections, coming in second in the provincial elections of 1970 (Ross and Gurr 1989). The FLQ and a handful of other extremist groups rejected this moderating process. They perceived the gains in Quebec autonomy as "tokenism" and criticized those engaged in the process as sell outs, creating a split in the nationalist movement between the supporters of the PQ and the more militant supporters of the FLQ (Breton 1973).

Officially, the terrorist activities of the FLQ began quite dramatically in 1963 with 22 incidents (none fatal), coinciding with the beginning of the compromise agenda from the central government (Ross 1988). However, some level of political violence had already existed in the nationalist movement in the forms of riots and strikes prior to the formation of the FLQ. With the beginning of the compromise between nationalists and the federal government, the FLQ extremists became the primary perpetrators of nationalist violence. Terrorism continued at a fairly low rate for a few years but grew following the compromises of the late 1960s, which aided greatly in FLQ recruitment. This wave of violence culminated in the October Crisis of 1970, in which two separate FLQ terror cells kidnapped James Cross, the British trade commissioner, and Pierre Laporte, the Quebec minister of immigration and labour. Cross was eventually released after the FLQ's manifesto was read over Canadian radio but Laporte died of blood loss while being held captive (Crelinsten 1988).

Concomitant with the policy compromises and increase in militant activity, the Canadian government cracked down on terrorism. The government invoked the War Measures Act,

revoking civil rights in Quebec for suspected members of terrorist organizations. An elite

counter-terrorism police force was established and informers were found within the nationalist

movement (de Vault and Johnson 1982). By 1971, virtually every active cell of the FLQ had

been infiltrated by the police (Crelinsten 1988). From October of 1970 through January of 1971

five hundred arrests were made, with 20 people sentenced to prison, including those guilty of the

kidnapping and murder of Laporte (although they were only tried for kidnapping, no one served

time for the murder) (Ross 1995). The government's crackdown continued into 1972, and by

November 1972 it was reported that the last of the surviving FLQ cells had been destroyed. After

a brief explosion of nationalist violence, following the compromises of the late 1960s, the

Quebec nationalist terrorist movement was effectively crushed, never to be heard from again.

Because the FLQ only killed 7 people during its decade long terrorist campaign (Ross

1995), it is more instructive to examine the number of terrorist acts that it undertook. These are

reported in Figure 8.

(Figure 8 about here)

Applicability of the theoretical framework

The FLQ is of course no longer counted among the world's active terrorist organizations.

However, this case demonstrates the importance of considering terrorist movements that are

utterly eradicated when evaluating the effect of government concessions on the level of terrorist

violence. As predicted by the theoretical framework, the acceptance of concessions by moderate

Quebec nationalists led to a radicalization of the terrorist movement. This caused an increase in

militancy, which culminated in the October Crisis of 1970.

Unlike the Israelis or the Spanish, the Canadian government was able effectively to

exploit the reduced size and infiltration of the terrorist movement brought about by concessions.

Thus, while there was a short-term spike in violence caused by increased militantism, the government was ultimately able to eradicate the FLQ, resulting in thirty years without nationalist terrorism in Canada.

The Zionists in British Mandate Palestine: *Counter-terrorism succeeds*

A number of military and terrorist organizations operated throughout the fight for Zionist independence in British-Mandate Palestine in the 1930s and 1940s. Most important among these were the Haganah, the Irgun Zvai Leumi (Irgun), and the LEHI (also known as the Stern Gang). The Haganah was the "official" underground army of the Zionist movement, while the Irgun and LEHI were smaller, more militant, right-wing organizations affiliated with Jabotinsky's Revisionist Zionism. The history of Zionist terrorism against the British is quite complex, consisting of a long series of alliances and violent breaks between the various Zionist groups. The events of the 1940s paint a particularly fascinating picture of the relationship between moderates and extremists that seems well explained by the increased-militantism argument when counter-terror succeeds.

During World War II, the Zionists in Palestine were deeply torn regarding their policy toward the British. On the one hand, Britain was seen as a colonialist occupier standing in the way of a Jewish State. On the other hand, virtually the entire Zionist leadership, from left to right, recognized that Hitler and the Nazis were the greatest enemy of world Jewry and as such did not want to take actions that would hamper the British war effort. Indeed, many regiments of Jewish soldiers from Palestine served with the British Army during the war (Bell 1976).

The Haganah and the mainstream Zionist leadership (led by future Prime Minister David Ben Gurion) adopted an official policy of restraint (*havlaga*) in which they refused to take any

military action against the British until Germany was defeated. However, the Irgun (led by future Prime Minister Menachem Begin) and the Stern (led by future Prime Minister Yitzhak Shamir) felt that the policy of *havlaga* and diplomatic negotiations with the British were ineffective in securing a state for the Jews in Palestine. Begin argued that if he could score embarrassing military victories against the British he would force them either to crackdown on the Jews or withdraw from Palestine. He further believed that British public opinion would not tolerate the violence required for effective suppression of the Zionists, so that the British would be forced to withdraw (Begin 1977). Consequently, the Irgun and the Stern adopted a policy of military confrontation with the British. However, in deference to the British war against Hitler, the Zionist terrorists decided to strike against political and economic targets, but refrain from attacking military targets (Bell 1976).

Although he was running the small-scale terrorist operations of the Irgun in the early 1940s independently, Begin consistently insisted that he would submit to the leadership of David Ben Gurion whenever the Haganah abandoned the policy of restraint and took up arms against the British. The Haganah, in fact, established a brief alliance with the Irgun and LEHI for four months at the end of 1943 in an attempt to pressure the British and to moderate the Zionist extremists. However, the Haganah pulled out of this "united front" for fear of alienating the British government and undoing the diplomatic advances that had been made.

In 1944 the Irgun renewed its independent struggle against the British. Through a combination of raids to steal British munitions and effective fundraising, the Irgun launched a substantial terrorist campaign against non-military British targets by February of 1944. On February 12 the Irgun bombed the British immigration offices in Jerusalem, Tel Aviv, and Haifa simultaneously. Two weeks later they bombed the tax offices in the same three cities, and a

month later they attacked the Criminal Investigation Division offices. Fifteen members of the Palestine police had been killed by October (Bell 1976). As predicted, once unfettered by the moderate Hagannah, the Irgun engaged in increased levels of violence.

The British were irate over the Irgun attacks and Ben Gurion perceived that the Zionist relationship with the British government was in jeopardy. After a series of failed attempts to persuade the Irgun leadership to abandon its terrorist campaign, the Haganah began a counter-Irgun program called "the Season" and eventually collaborated with the British in an attempt to root out the Irgun and LEHI. Menachem Begin, determined to avoid a civil war amongst the Zionists, forbid his followers from retaliating against the Haganah. Irgun activity virtually ground to a halt, as the entire leadership of the Irgun was arrested (with the exception of Begin) along with hundreds of Irgun foot soldiers (Temko 1987). By March of 1945 Begin's strategy of not retaliating against the Haganah began to create discomfort with "the Season" in mainstream Zionist circles. Under strong political pressure not to aid the British in the fight against fellow Jews the Haganah ended its anti-Irgun program (Bell 1976).

Two events in 1945 once again dramatically changed the landscape of terrorist politics in Palestine. The first was the Allied victory in Europe, which eliminated the Nazi constraint on Zionist militantism. The second was the decision in August of 1945 by the British Government not to increase the quota on the number of European Jews that would be allowed to enter Palestine. This policy outraged the Zionist leadership and helped once again to establish a unified resistance (called *Tenuat Hameri*) between the Haganah, Irgun, and LEHI. There was, however, immediate tension within the unified resistance. The Haganah leadership only supported attacks on policy relevant targets (e.g., vessels patrolling ports to keep out immigrants, deportation camps where illegal Jewish immigrants were being held, etc.) while the Irgun and

LEHI wanted to continue the strategy of embarrassing strikes against the British in order to force them into confrontation or withdrawal. The joint command operated successfully only from November of 1945 through June of 1946.

Several factors led to the demise of the unified resistance. First, Ben Gurion continued to negotiate with the British and endorsed the idea of a partition of Palestine. This position was anathema to the Irgun and Stern, who were advocates of armed resistance and hoped to gain control over the whole of Palestine along with unilateral British withdrawal. Second was the bombing of the King David Hotel in Jerusalem on July 22, 1946. The attack on the King David, which was the British Headquarters in Jerusalem, was approved by the leadership of the unified resistance, but carried out by the Irgun. And although there is some controversy as to the exact history, it seems that either because of a failure by the Irgun to make the warning phone call early enough or because the British chose not to evacuate the building, the carnage was far greater than anything that had been anticipated. The death toll of the King David Hotel bombing was eighty-eight people – British, Arab, and Jewish – with hundreds more injured. Ben Gurion denounced the attacks, calling the Irgun "the enemy of the Jewish people," (Bell 1976) and the unity of the Zionist movement was once again broken.

Ben Gurion and the mainstream Zionist leadership entered into a series of intense negotiations with the British and Americans, which eventually resulted in the partition resolution adopted by the United Nations in November of 1947. The Irgun and LEHI fundamentally rejected such compromise and continued the armed struggle. By late 1946 the number of Irgun terror attacks had increased from an average of 1 per week to an average of 4 per week (Bell 1977), as the increased-militantism dynamics played out for a second time in a decade. The British, with the aid of the Haganah, once again cracked down on the extremists. They arrested

and flogged a group of Irgun activists, leading the Irgun to do likewise to several British soldiers. When the British arrested and sentenced several Irgun militants to hanging, the Irgun retaliated in kind with British soldiers (Temko 1987).

Even with the declaration of statehood in 1948, the struggle between the moderate Zionist establishment and the Irgun was not at an end. The Irgun continued to prepare for armed conflict. The Israeli government, made up of the Zionist leadership, insisted that the State could have only one army and that the Irgun would be required to disband or integrate into the newly formed Israel Defense Forces. Although the Irgun officially agreed to integration in June of 1948, its members continued to prepare for combat and to smuggle in fighters and arms of their own.

The confrontation came to a head on June 20, 1948 with the infamous Altalena incident (Sprinzak 1999). The Altalena was an Irgun ship carrying arms and volunteers to Israel. Begin informed the Israeli government of its existence and volunteered to turn over some of the arms to the IDF, but insisted that 20% remain in the control of the Irgun. The government refused and demanded that Begin relinquish the ship to the IDF as soon as it docked. When Begin failed to do so, and began unloading the weapons at the port in the town of Kfar Vitkin, an IDF battalion, operating under orders from David Ben Gurion's cabinet, opened fire on the Irgun. The ship pulled away from port to escape the attack and headed towards the port of Tel Aviv, with Menachem Begin aboard. Upon reaching Tel Aviv the ship did not immediately enter the port, as the Irgun leadership tried to negotiate a safe landing with the government. While the boat was waiting offshore the IDF opened mortar fire on the Altalena, scoring a direct hit that set the boat on fire. Because of concerns that the munitions would ignite, the Irgun abandoned ship (Begin last of all) and made for shore, with the IDF firing on them as they attempted to reach the beach. Once on land a fire-fight erupted that left 16 Irgun members and three IDF soldiers dead. The

Irgun leadership was arrested along with hundreds of rank-and-file members.[11]

The military confrontation and arrests surrounding the Altalena affair were the final step in the destruction of the Irgun. With the arrests of the Irgun's leadership and the demoralization and imprisonment of the membership, the Irgun quickly disappeared as a military force. The former right-wing terrorists either integrated into the IDF or were rounded up by security forces and imprisoned. Begin avoided punishment because Ben Gurion believed that imprisoning him would be too politically costly. However, Begin gave up his militancy, becoming the leader of the loyal opposition and the perpetual loser in Knesset elections until the late 1970s (Bell 1977).

Applicability of the theoretical framework

The complicated relationship between the Irgun, the moderate Zionists, and the British reflects many of the features expected from my theoretical framework, although the increased militantism happened, in this case, in two stages. The dynamics from 1943-1944 operated almost exactly as predicted. Due to negotiations and offers of partition from the British, the mainstream Zionist resistance (the Haganah) withdrew from the united front that was waging a terrorist campaign against the British. The result of the Haganah's abandonment of the armed struggle was an increase in the level of violence as Menachem Begin and the other leaders of the Irgun and LEHI took control. Consequently, the number of attacks and their destructiveness increased in early 1944. However, the British, following the strategy of compromising and enlisting the moderates to crack down on extremists, demanded that the Zionist leadership put an end to terror. This led to the Haganah's massive counter-terror campaign, "the Season". Had it not been for the changing relationship between the British and the Zionist leadership, this might have been

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[11] Sprinzak (1999) provides a thorough history of the Altalena affair and an interesting discussion of its implications for the future development of Israeli politics and society.

the end of Jewish right-wing militancy in Palestine. The massive number of arrests made by the Haganah effectively prevented the militants from carrying out attacks, even if it had not yet eradicated all possibility of future attacks.

The relationship between the British and the moderate Zionists, however, did not remain good. In particular, the British reneged on promises made to the Zionist leadership by refusing to increase the quota of Jews admitted to Palestine, which set the stage for another round of terror and compromise.

The moderate Zionists returned to the use of violence with a new unified resistance. However, it was not long until they re-entered into negotiations, advocating for a partition plan that was anathema to the Irgun and LEHI. The movement split for a second time after the King David Hotel bombing and the extremists refused to submit to the decisions of the moderates, preferring to continue the armed struggle. Once again the amount of attempted terror increased with the loss of the moderating influence of the Haganah. This time, however, the crackdown by the Zionist leadership succeeded at eradicating the terrorist groups, with the final success coming in the Altalena affair and the arrests and breakup of the extremist groups that it precipitated. In this sense, then, the increased-militantism dynamics played out at least two times between the moderate and extremist Zionists, ultimately leading to the destruction of Jewish terror organizations in Palestine.

Conclusion

Understanding the various strategies available to governments in responding to terrorism, and the likely responses of terrorists to those strategies, is vital in analyzing patterns of political violence. In this paper I presented a theoretical framework in which concessions, when offered, are likely to be accepted only by moderate terrorists, leaving terrorist organizations in the control of

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extremists. When resources do not diminish this leads to an increase in attempted terrorism. Governments are willing to make concessions because the collusion of former terrorists and the decreased size of the terrorist organization improve the likelihood that counter-terrorism efforts will lead to the eradication of terrorism.

After presenting the theoretical argument I traced its logic through case studies of terrorist movements among Basque separatists in Spain, Palestinians, Irish Republicans, Quebec separatists in Canada, and Zionist terrorists in British Mandate Palestine. These case studies revealed that the model maps persuasively onto real world cases of terror. More importantly, using my theoretical argument helps provide an analytic, comparative understanding of important historical cases of terrorism, demonstrating that despite differences in strategies and outcomes, these cases can be understood within a single theoretical framework.

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Figure 1: Expected terror before, during, and after concessions
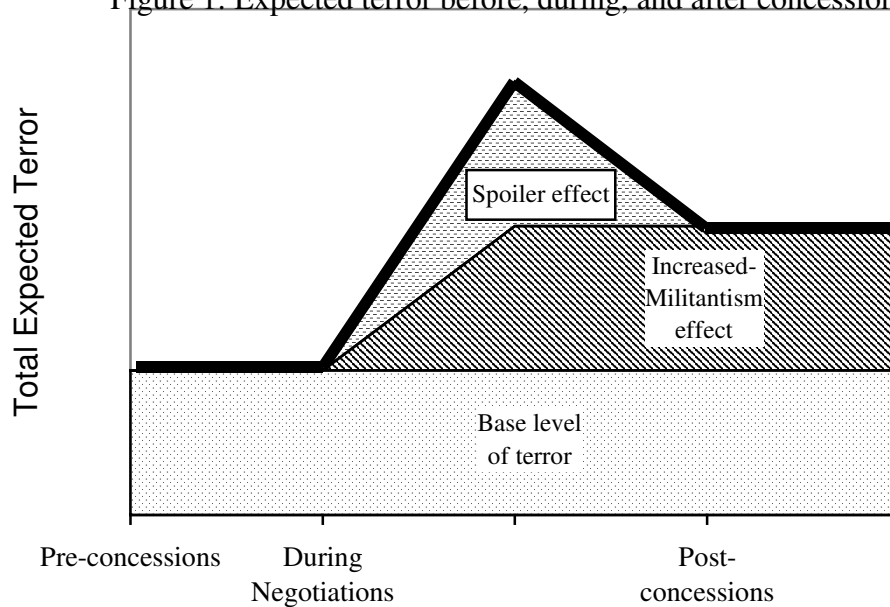

Figure 2: Scenarios predicted by the model

RESOURCES

		Remain constant	*Decrease*
COUNTER-TERROR	*Failure*	**Predictions:** 1. Radicalization 2. Terror increase (spoiler effect and adverse selection) **Cases:** 1. ETA 2. PLO and Hamas	**Predictions:** 1. Radicalization 2. Terror decrease **Cases:** 1. IRA
	Success	**Predictions:** 1. Radicalization 2. Terror decrease **Cases:** 1. FLQ 2. Zionists in Palestine	

Figure 3: Annual Fatalities from ETA Terrorism, 1968-2001
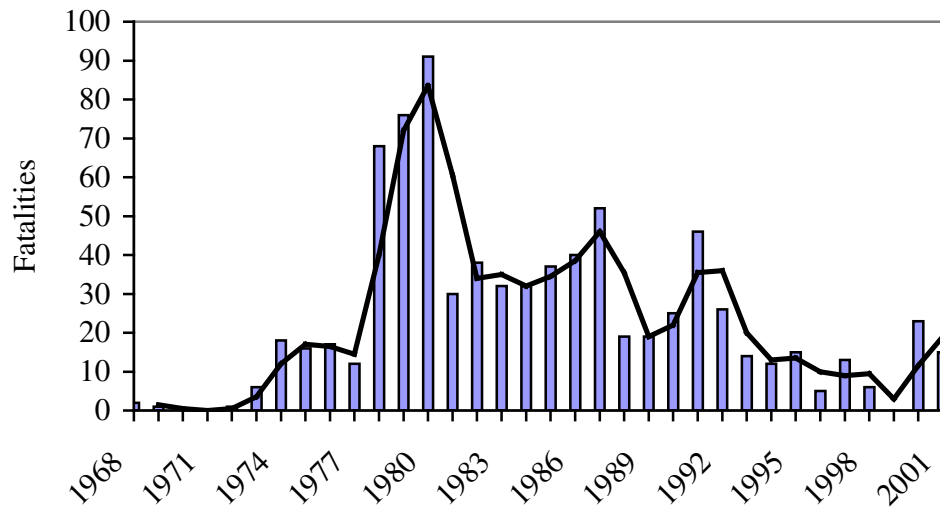
Source: Spanish Ministry of the Interior (2002)

Figure 4: Annual Fatalities from Palestinian Terrorism,
1978-1998
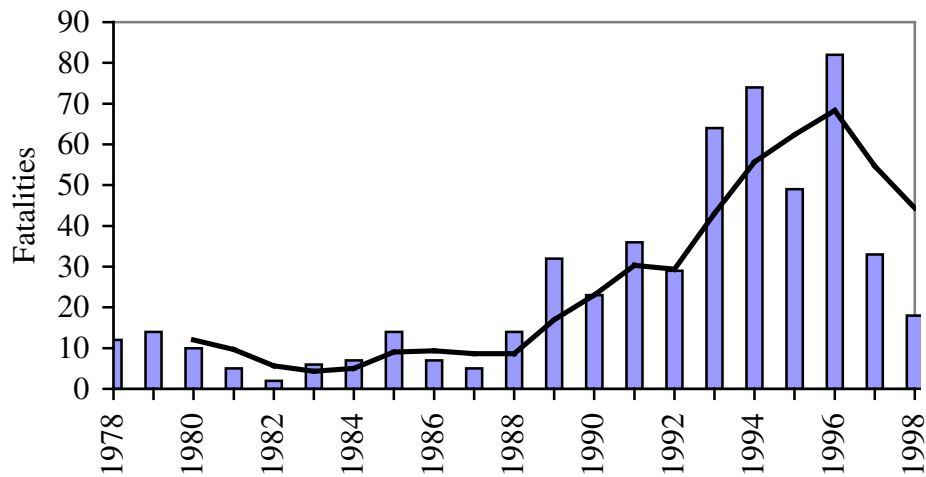
Source: Israeli Government Press Office

Figure 5: Monthy Fatalities due to Palestinian Terror,
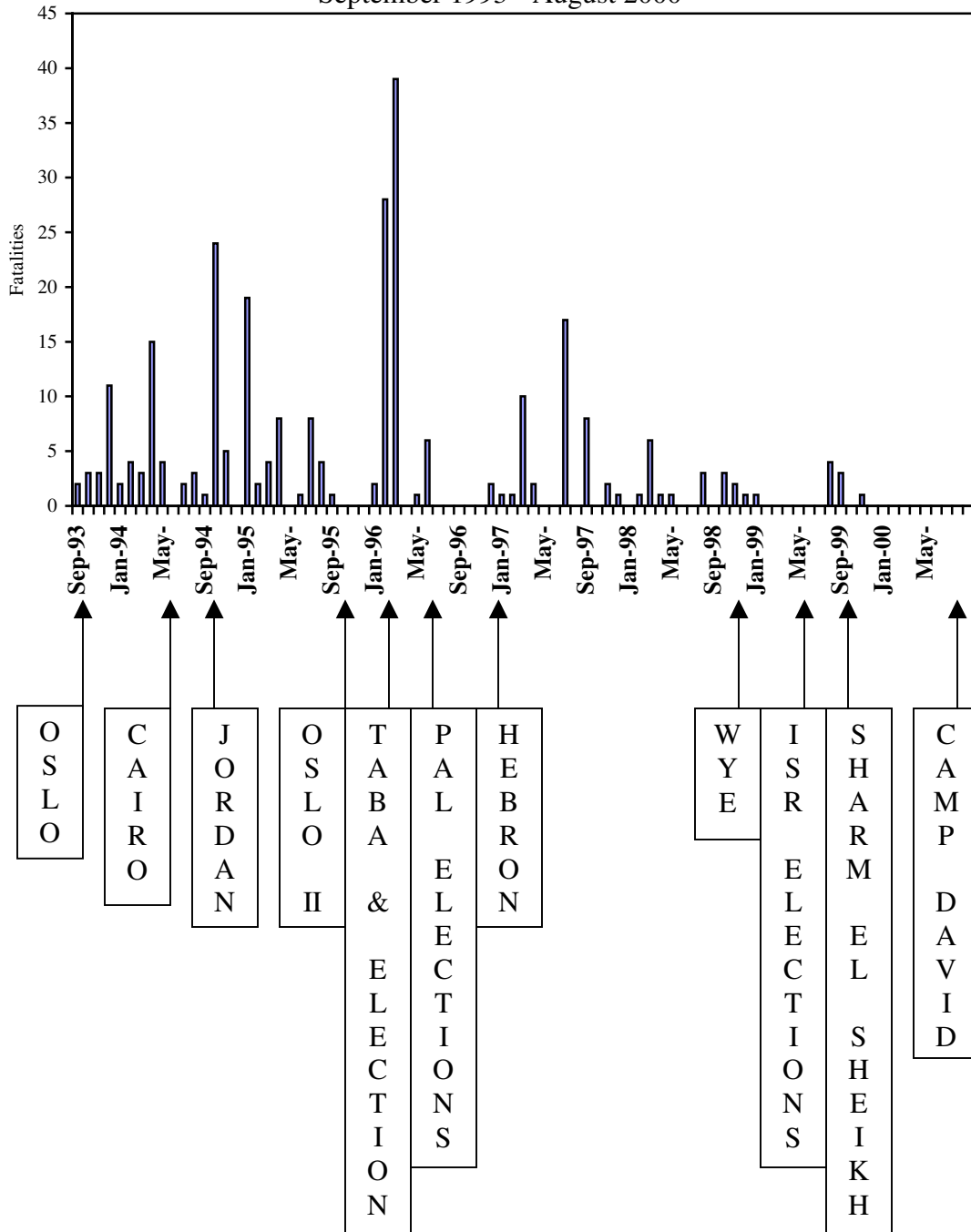September 1993 - August 2000

Figure 6: Monthly Fatalities Due to Palestinian Terror,
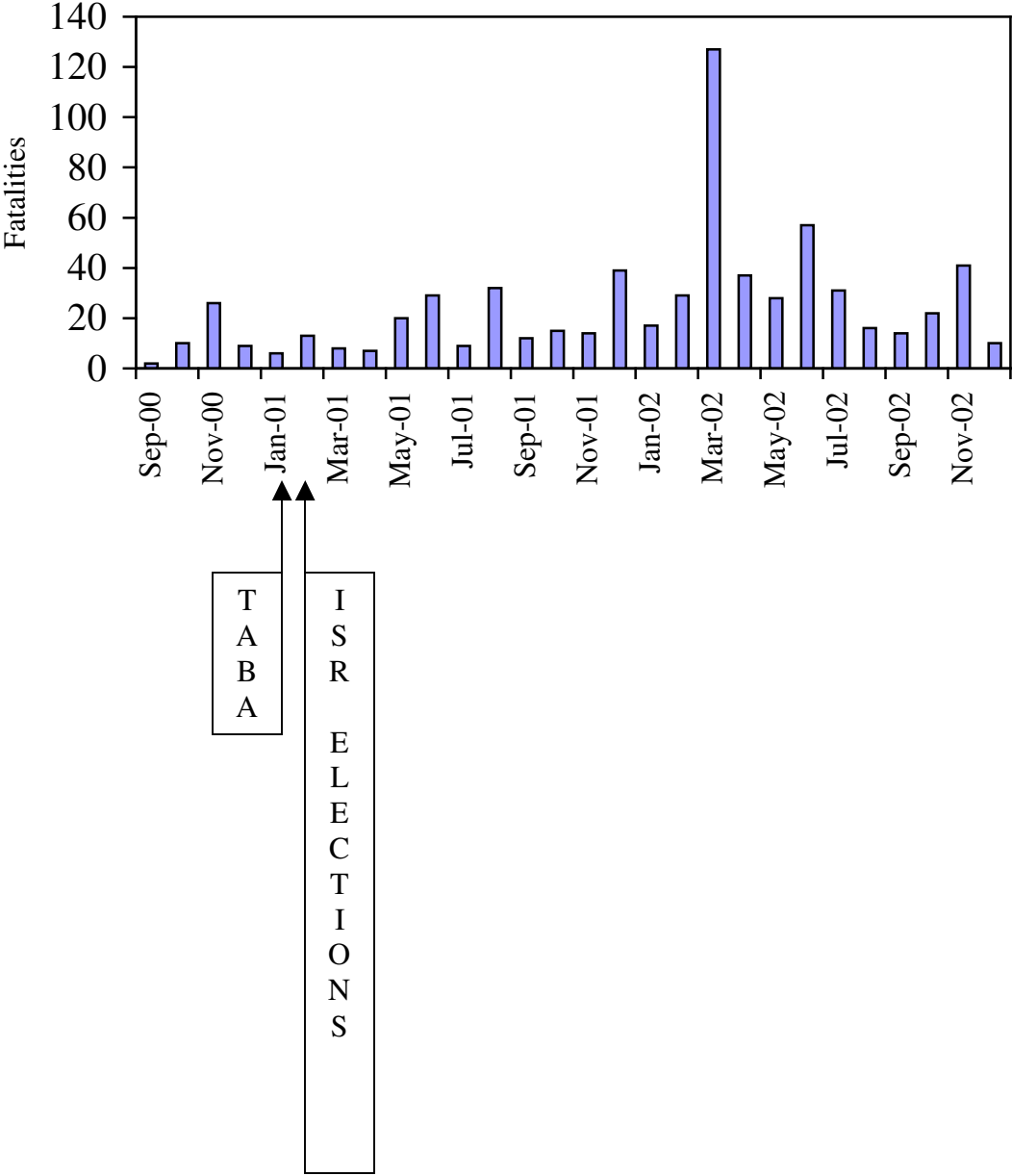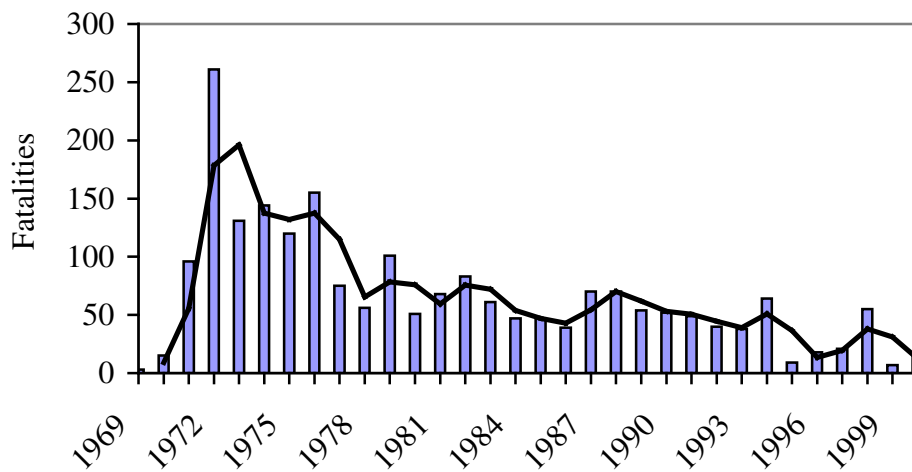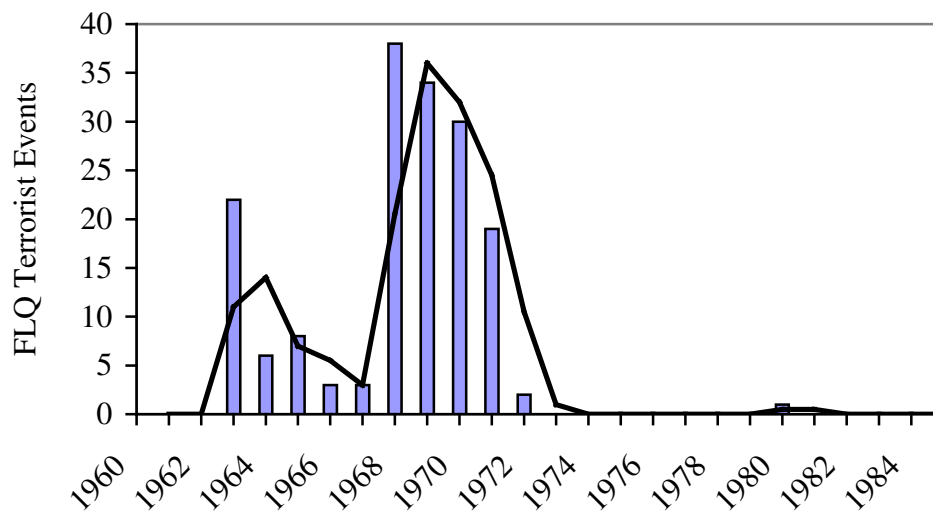September 2000 - December 2002

Figure 7: Annual Fatalities from Irish Republican Terrorism,
1969-2000

Source: Sutton (1994)

Figure 8: Annual FLQ Terrorist Events, 1960-1985

Source: Ross (1988)

Table 1: Key "Spoiler" Opportunities in Israeli/Palestinian Peace Process

DATE	EVENT
September 1993	Oslo Accord
May 1994	Cairo Agreement
October 1994	Jordan-Israel Peace Accord
November 1995	Oslo II
February 1996	Palestinian elections
May 1996	Taba negotiations and Israeli elections
January 1997	Hebron Agreement
October 1998	Wye River Peace Accord
May 1999	Israeli elections
September 1999	Sharm el-Sheikh Memorandum
July 2000	Camp David Summit
January 2001	Taba meetings
February 2001	Israeli elections

Table 2: Summary Statistics of Monthly Fatalities due to Palestinian Terror,
September 1993 – December 2002

	During Spoiler Opportunities	Not During Spoiler Opportunities
Mean	5. 1	10.2
Standard Deviation	8.8	18.2
Sample Size	36	76

Table 3: Summary Statistics of Monthly Fatalities due to Palestinian Terror,
September 1993 - September 2000

	During Spoiler Opportunities	Not During Spoiler Opportunities
Mean	4.6	4.5
Standard Deviation	9.1	8.3
Sample Size	32	61