

# Terrorism and Territorial Conflict

- **Puzzle:** Occupation needed to stabilize weak states from terrorism, but empirical studies demonstrate that foreign occupiers increase terrorism.
- **Question:** Why do governments intervene in weak states, when doing so seemingly exacerbates terrorism?
- **Argument:** The rise in terrorist violence justifies continued occupation, thereby allowing foreign powers to de facto control a host state's territory.

# Fighting Terrorism in Weak States

- Need foreign intervention to defeat groups and establish functional governance in weaker territories.
- According to social choice theory, the creation of governing institutions will typically reflect the preferences of the designer.
- These institutions therefore create commitment problems for excluded factions, but create increases in power for collaborators.
- **Paradox:** Terrorist violence may increase to resist this new order, but that supports continuation of an occupation to defeat terrorists.
- When does this occur, and for how long?

# Model

- Three players: intervening Government  $G$ , a local faction of collaborators  $L$ , and terrorists  $T$  in dispute over the territory of a weak state  $\pi \hat{\in} [0,1]$ .
- $G$  prefers to keep  $T$  out of power and protect her interests in the territory, while minimizing the level of violence she must suffer to keep it.
- $L$  and  $T$  prefer to establish sole control of the territory.
- $L$  shares some alignment with  $G$ , denoted  $\delta \hat{\in} [0,1]$ . More aligned with  $G$  if  $\delta \rightarrow 1$ , less if  $\delta \rightarrow 0$ .

# Moves

- Territory consists of four provinces  $[A, B, C, D]$ .
- Game played until  $T$  is removed from all of the provinces, or until  $T$  forcibly takes control of all of the provinces.
- $G$  begins by offering to fight terrorists for  $L$  with military commitment  $x \in [0,1]$  in exchange for autonomy over territory.
- $L$  accepts or rejects. If  $L$  rejects, he makes some offer to share the territory with  $T$ .  $T$  then either accepts, or engages in terrorism to gain control of a province.
- If  $L$  accepts,  $T$  is either deterred or attempts to seize a province.

# Transition Probabilities

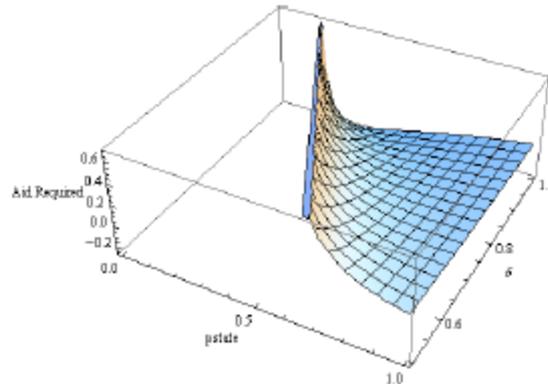
0 ( $G, L$ win)	1 ( $T$ controls $A$ )	2 ( $T$ controls $A, B$ )	3 ( $T$ controls $A, B, C$ )	4 ( $T$ wins)
1	0	0	0	0
$1 - (1 - x)p - q$	$q$	$(1 - x)p$	0	0
0	$1 - (1 - x)p - q$	$q$	$(1 - x)p$	0
0	0	$1 - (1 - x)p - q$	$q$	$(1 - x)p$
0	0	0	0	1

- Assume that  $T$  takes control of an additional province with probability  $p$ .
- A stalemate occurs with probability  $q$ .
- $T$  loses control of a province to  $(G, L)$  with probability  $1 - p - q$ .
- $T$ 's ability to seize additional provinces is discounted by the size of  $G$ 's military commitment  $x$ .

# Assumptions

- $T$ 's probability seizing entire territory  $p^*$  is the state variable, which is a function of number of provinces under  $T$ 's control.
- Assume that each player pays some cost  $c \in [0,1]$  for fighting.
- Assume that  $T$  has private information about its willingness to fight  $c_T$ .  $(G, L)$  are only aware that  $c_T \sim U[0,1]$ .
- Equilibrium behavior is therefore a function of state of the game  $p^*$  and belief  $c_T$ .
- Markov Perfect Bayesian Equilibrium (*MPE*).

# The Collaborator's Decision



**Figure 1. Local Faction's Reservation Price of Military Aid to Continue Occupation as a Function of Terrorist Strength ( $p$ ) and Alignment with Occupying Power ( $\delta$ ) ( $c_L = .2$ )**

- $L$  more likely to accept occupation if state of the game favors  $T$  ( $p^* \rightarrow 1$ ), regardless of how divergent his preferences are from  $G$ .
- However, if threat of terrorism wanes,  $L$  with divergent interests will reject occupation and seek a separate peace with  $T$ .

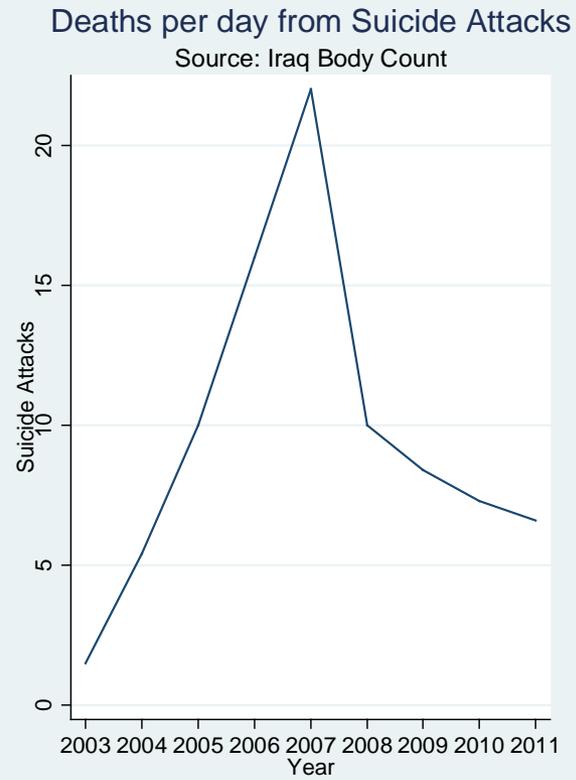
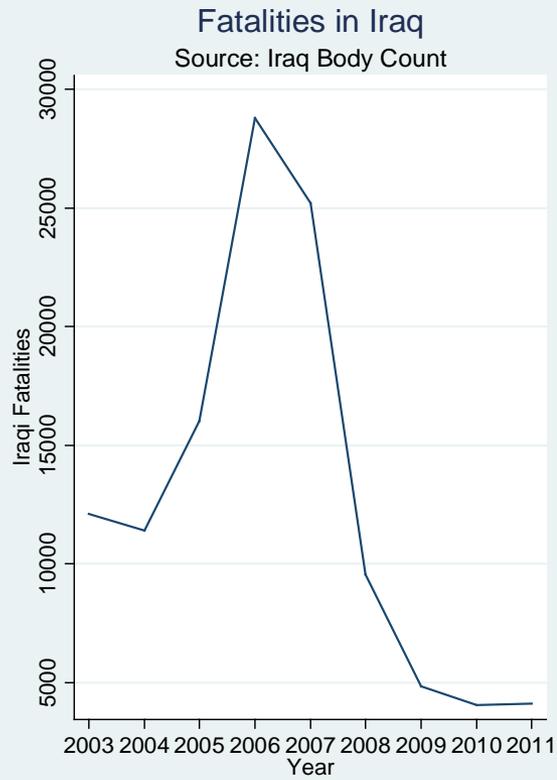
# Empirical Implications

- $G$  needs the threat of terrorism to maintain autonomy over territories with uncooperative collaborators.
- If the collaborators are similar, occupations will be relatively shorter.
- If collaborators are non-aligned, occupation can only sustain if threat of destabilization is moderate – if it is too high, cost will grow and  $G$  will withdraw.
- **H1**: Governments are more likely to enter and sustain occupations if collaborators have different political preferences and threat of destabilization is moderate.

# Preliminary Analysis: U.S. in Iraq v. India in Kashmir

- Both are occupations that experience declines in violence.
- Both have local collaborators that voice preference for ending occupation: Maliki in Iraq; Abdullah call for end to Armed Forces Special Powers Act (AFSPA).
- **Difference:** Iraq sees overall decline in al Qaeda related events whereas Kashmir sees increasing LeT activity.
- **Expectation:** Decreasing threat of al Qaeda in Iraq allows Maliki to facilitate an end to occupation in Iraq, sustained LeT violence compels Abdullah to accept it in Kashmir.

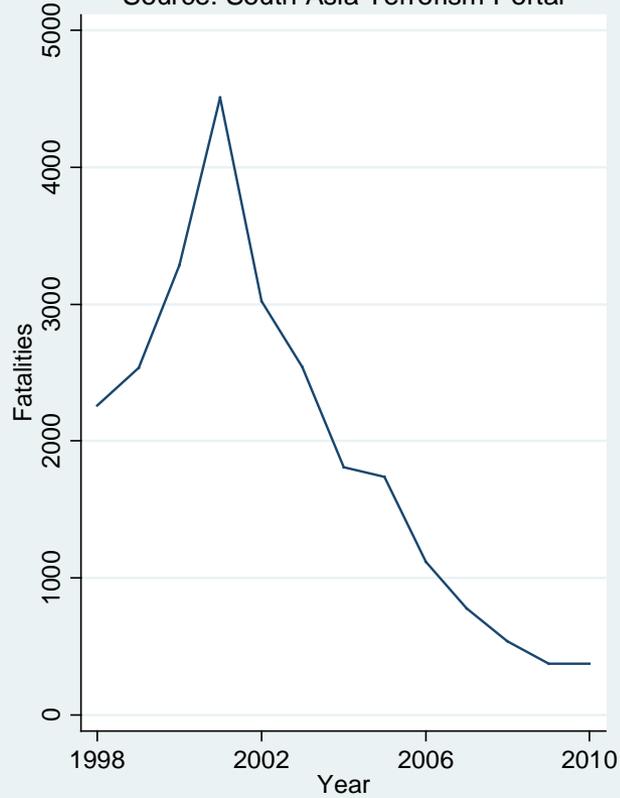
# U.S. in Iraq



# India in Kashmir

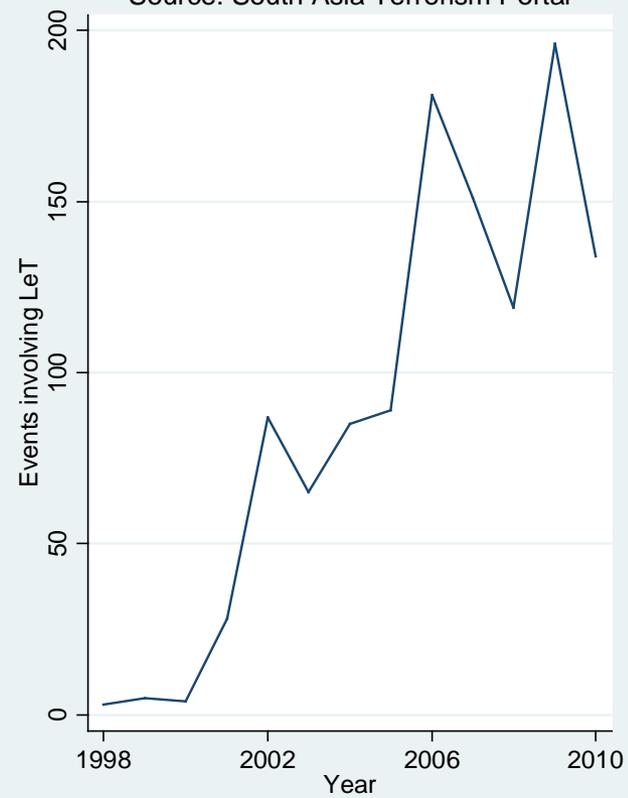
## Fatalities in Kashmir

Source: South Asia Terrorism Portal



## LeT Events

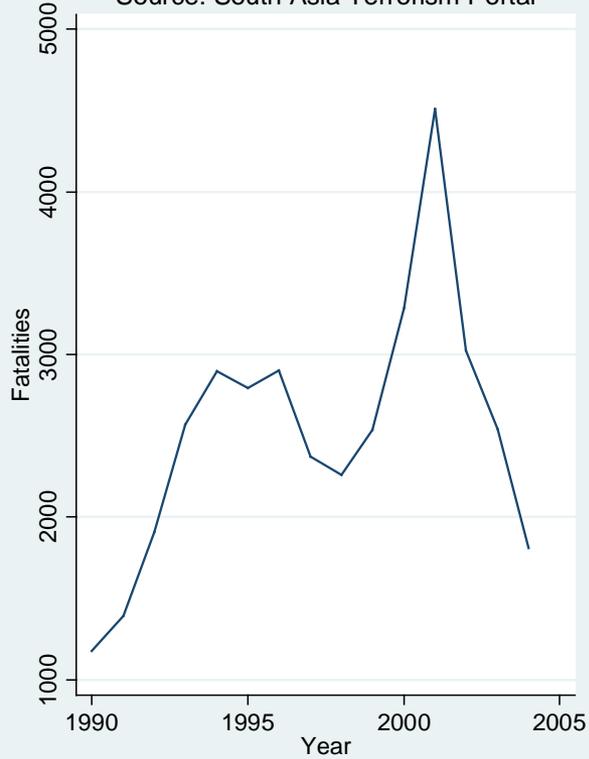
Source: South Asia Terrorism Portal



# India in Kashmir

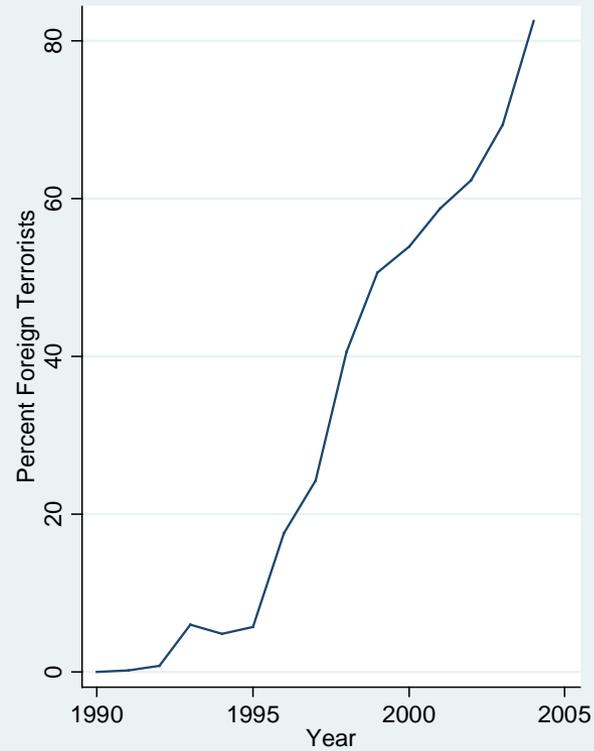
## Fatalities in Kashmir

Source: South Asia Terrorism Portal



## Threat of Terrorism in Kashmir

Source: South Asia Terrorism Portal



# Conclusion

- Explanation for the initial puzzle: states can leverage the threat of terrorism to maintain control over potentially hostile polities.
- States will intervene and sustain occupations if:
  1. The collaborator's interests diverge from those of the occupier.
  2. Threat of terrorism is moderate.
  3. The territory is high value.
- Case studies provide some preliminary support.
- Project is currently developing more systematic test with greater cases, along with refining theoretical model.