

## **How terrorists think about the economic impact of attacks**

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It has long been recognised that terrorism can be a remarkably effective low cost form of conflict. For modest outlays on the part of perpetrators, terrorist violence can inflict disproportionately high economic costs. The potential for heavy economic impacts was a key factor behind the formation of Pool Re in the UK and other terrorism reinsurance schemes internationally.

While the insurance sector is aware of the possible large economic and commercial impacts of terrorism, what is less well understood is how terrorists themselves appreciate and think about the economic consequences of their attacks. To what extent does this play a role in terrorist targeting and strategy? What role does ideology play in the process? Are some terrorist movements more likely to select economic and commercial targets than others? This paper aims to shed light on how and why some terrorists deliberately aim for economic targets and impacts while others ignore them.

Terrorist violence is often portrayed in the media as mindless and indiscriminate, but in reality terrorist attacks are usually the result of deliberate and considered planning, and the weighing up of different choices and options. Some terrorist attacks take years to plan. Others just days or even hours.

For clandestine and secretive actors, terrorist movements are often surprisingly explicit around their ideologies and strategy. Most publish manifestos and guides intended to educate new recruits and supporters and these are frequently widely available on the internet. For those interested in understanding the drivers behind terrorist targeting these can provide crucial insight into the nature of the threat.

Ideology is a critical factor in terrorist target selection. Ideology sets the wider context for the terrorist movement. It establishes who the enemy is and what the terrorists are fighting to achieve. Ideologies also spell out what targets are considered legitimate and which ones are priorities. Some groups place a high importance on economic impact. For example, with regard to Islamist terrorism,

the writings of Al Qaeda's current leader, Ayman al Zawahiri, consistently stress a focus on economic impact:

The first front is to inflict losses on the western crusader, especially to its economic infrastructure with strikes that would make it bleed for years. The strikes on New York, Washington, Madrid and London are the best examples for that. ...

Such insight can be followed up by examining further documentation such as the instruction manuals many groups produce and use. Having established an appropriate range of targets for violence, these manuals and other writings often follow this by providing instruction to members on how to plan, prepare for and then carry out attacks (e.g. giving instructions on how to construct weapons and carry out reconnaissance of potential targets).

One sees the same trends with other terrorist groups which come from very different contexts and backgrounds. For example, the IRA's instruction manual, The Green Book, outlines very clearly the overall strategy of the organisation for new members. This states that the IRA's aims are to carry out:

A war of attrition against enemy personnel which is aimed at causing as many casualties and deaths as possible so as to create a demand from their people at home for their withdrawal.

A bombing campaign aimed at making the enemy's financial interest in our country unprofitable while at the same time curbing long term financial investment in our country.

To make the Six Counties as at present and for the past several years ungovernable except by colonial military rule.

To sustain the war and gain support for its ends by National and International propaganda and publicity campaigns.

By defending the war of liberation by punishing criminals, collaborators and informers.

Interestingly, from the IRA's perspective, economic impact was the second most important part of their overall strategy and certainly an examination of the IRA's campaign of violence prior to the 1998 Good Friday Agreement shows a repeated focus on hitting high profile economic and commercial targets. The current capacity of active dissident groups to follow suit is much more limited, but a desire to do so appears to remain.

Terrorist attacks often have multiple objectives from the views of the perpetrators. An attack which receives a great deal of media attention is usually seen as much more successful than an attack which receives relatively little (even if the human casualties and physical damage caused by both attacks are similar). Indeed, even if an attack results in the death or capture of all the terrorists involved it can be still be regarded as highly successful if it has received intense international media attention.

While the leadership of terrorist movements are often keenly aware of the strategic value in selecting economic targets, in practice their tactics and target selection are limited by the capability of the terrorist group. Terrorists have finite resources in time, money, information, skills and expertise. Lone actors are even more limited than groups. Thus terrorist planning and preparation will never be perfect.

While the rationales for targeting economic and commercial targets are often similar even if the ideological motives behind the attacks are radically different, some terrorist ideologies seem less interested in economic impact than others. We have already seen that economic impact is prominent in Islamist and some nationalist-separatist terrorism, but economic targets are much less significant in the thinking of far right extremists. When it does feature it tends to be a secondary objective rather than a priority. For example, in 1996 Eric Rudolph carried out a bomb attack targeting the Atlanta Olympics. Rudolph was a lone actor motivated by a fundamentalist Christian ideology whose previous attacks had mainly targeted abortion clinics. In targeting the Olympics he later said “the purpose of the attack ... was to confound, anger and embarrass the Washington government in the eyes of the world for its abominable sanctioning of abortion on demand.” He added that a secondary aim was “create a state of insecurity to empty the streets around the venues and thereby eat into the vast amounts of money invested”.

Even this secondary element for economic impact is unusual for far-right extremism. Examining the manifestos of some of the more notorious far right terrorists emphasises that economics does not feature in their thinking. For example, Anders Breivik who was responsible for killing 77 people in attacks in Norway in 2011 released a 1500 page long manifesto on the internet shortly before his attack. In this, he highlighted a list of “prioritised targets” which he encouraged other right wing extremists to attack. The list included buildings, meetings and individuals associated with left wing political parties, media centres and journalists, government buildings, university buildings, and finally mosques and other Islamic targets. There was no mention of explicitly economic or

commercial targets, however, and overall this was not a feature of the strategy he advocated. Any economic impact resulting from attacks was incidental (at least from the perspective of the right wing terrorist) and was not a significant aim in the decision-making around the attacks.

That many terrorist groups explicitly target economic and commercial targets is not surprising. Terrorism's asymmetric nature invites attention towards maximising the economic impact of the violence and many ideologies embrace this and flag it as a priority for the cause. While economic attacks can be strategically and ideologically desirable from the terrorists' perspective, practical limitations often restrict terrorists' abilities to carry through on this. Nevertheless, paying attention to terrorist ideologies and writings gives us with critical insight into the factors driving their attack planning and decision-making, and represents a crucial element in anticipating threats and introducing effective prevention and mitigation measures.



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