

## Poverty, Development, and Violent Extremism in Weak States

CORINNE GRAFF

In October 2000, a 35-foot craft approached the U.S.S. *Cole*, docked in Aden Harbor, Yemen. Operated by two Saudi suicide terrorists, the small boat was packed with about 600 pounds of powerful explosives. Within minutes, the bombers triggered a blast that ripped through the metal hull of the 9,100-ton vessel, a U.S. Navy destroyer. The explosion killed seventeen American sailors and injured thirty-nine others. It was powerful enough to rattle buildings surrounding the port. While responsibility for the attacks was initially unclear, law enforcement agencies eventually traced them to Osama bin Laden, who, according to the 9/11 Commission, directly supervised, helped plan, and funded the operation.<sup>1</sup>

Immediately after the U.S.S. *Cole* attack, the Clinton administration assigned high priority to counterterrorism cooperation in Yemen. After 9/11, U.S. policy focused on special operations missions in Yemen to help track and capture or kill al Qaeda suspects. U.S.-Yemeni intelligence prompted a 2002 U.S. missile strike in Yemen that blew up a car occupied by a top al Qaeda leader. Yemen received U.S. security assistance, including funding to help rebuild its coast guard and monitor land borders, as well as financial and operational support for Yemeni special operations and other military forces, which resulted in numerous arrests.<sup>2</sup>

Initially, U.S. and Yemeni counterterrorism initiatives seemed to pay off: several terrorist plots were foiled, and the capture of al Qaeda leaders was hailed as a serious blow to the group's leadership and capabilities in Yemen.<sup>3</sup> Yet by 2006 the tide had begun to turn back. Analysts warned of a second generation of al Qaeda-inspired militants taking

root in Yemen. A sharp increase in terrorist attacks soon followed.<sup>4</sup> In 2008 a local cell calling itself al Qaeda in Yemen (AQY) twice attacked the U.S. embassy compound in the capital of Sana, killing two Yemenis in a March rocket attack and seventeen people—including one American—in a September bombing plot.<sup>5</sup> Other plots linked to al Qaeda have targeted foreign oil workers and facilities, a residential compound housing Americans and other foreign residents, army checkpoints, and tourists visiting the country.<sup>6</sup> Saudi Arabia announced in 2009 that many of its most-wanted militants had taken refuge in neighboring Yemen, including the regional leader of al Qaeda.<sup>7</sup>

Why, eight years after the 9/11 attacks and despite ongoing and initially effective U.S. and Yemeni counterterrorism operations against al Qaeda's leadership, does the country remain a hot spot for violent extremism? This question has implications far beyond Yemen and bears on Islamic violent extremism globally. Violent extremism should not be construed as the only important transnational threat to U.S. security, as other chapters in this book indicate. Yet the U.S. fight against violent extremism remains a top foreign policy priority and is one we must get right. As even hawkish Secretary of Defense Donald Rumsfeld remarked in 2003, our current approach begs the question: is the United States "capturing, killing or deterring more terrorists every day than the madrassas and the radical clerics are recruiting, training and deploying against us?"<sup>8</sup>

To understand why terrorist activity persists in countries like Yemen, one must move beyond intercepting terrorist leaders and bombers, and examine the conditions that allow violent extremists to operate and attract lower-level recruits and build popular support. Yemen country experts point to numerous drivers and enablers of terrorism, but the one that is increasingly gaining attention is poverty.<sup>9</sup> Though situated on the oil-rich Arabian Peninsula, Yemen ranks among the most impoverished places in the world (it is poorer than Côte d'Ivoire, Cameroon, and the Republic of Congo) and is the world's sixth fastest-growing country (the population is set to double by 2020).<sup>10</sup> The human development challenges that plague much of the Muslim world today—from low-quality education to lack of jobs, corruption, and a deficit of political liberties—all seem to be particularly acute in Yemen. Some warn that diminishing resources are undermining the government's capacity to mount effective counterterrorism operations and could cause the state to collapse.<sup>11</sup>

Yet the challenge for U.S. policymakers is how to reconcile the view of country experts who believe low income contributes to terrorism with

that of terrorism experts who tend to dismiss poverty's role? Much has been written by country experts about the perils of persistent poverty in weak states such as Pakistan and in Central Asia, Southeast Asia, and the Horn of Africa.<sup>12</sup> Yet since 9/11, terrorism experts have invoked empirical evidence that poverty does not correlate with a higher incidence of terrorist attacks and participation. The consensus appears to be that poverty does not motivate individuals to participate in terrorism, and that development assistance, therefore, has no place in a long-term counterterrorism strategy. On the contrary, policymakers would be well advised to pay far greater attention to development's role in a long-term U.S. strategy against terrorism.

The reality is that there simply is no robust empirical relationship between poverty and terrorist attacks, making it largely impossible to draw policy conclusions from this literature. To be sure, extremist groups exploit a variety of conditions across the world, even in wealthy industrialized states, where attacks have often involved educated, middle-class recruits. However, new evidence suggests that weak and failed states—many of which are among the world's poorest countries—are at increased risk of harboring violent extremists, that terrorist attacks are more deadly in poor countries, and that more attacks targeting Americans are occurring in the developing world. This chapter focuses on the vulnerabilities of weak states to extremism as a first step toward formulating more adequate, long-term strategies against violent extremism in the developing world.

The United States must take the lead in making effective capacity building and poverty alleviation in weak states a priority. This has not been the case to date, except in Iraq and Afghanistan. Rather, U.S. global counterterrorism strategy aims primarily at intercepting individual terrorists, at the expense of long-term gains in the wider fight against violent extremism. With extremist groups gaining ground across the Muslim world—not only in Yemen but also in North Africa and parts of Asia—this security-based approach appears to be backfiring. The recent global financial crisis may give violent extremists an additional boost, making even clearer the link between poverty, weak states, and terrorism in key parts of the developing world.<sup>13</sup>

In 2004 the 9/11 Commission concluded that a comprehensive counterterrorism strategy must “include economic policies that encourage development . . . and opportunities for people to improve the lives of their families.”<sup>14</sup> Yet five years on, the United States is still far from such

a strategy.<sup>15</sup> In Yemen, for example, U.S. foreign assistance spending for several years amounted to roughly \$12 per person, less than aid to comparably poor countries in Africa, and substantially less than assistance to Iraq and Afghanistan.<sup>16</sup> Half of the approximately \$20 million annual budget for Yemen in fiscal 2005–08 was spent on military and intelligence cooperation.<sup>17</sup> What little the U.S. government did provide in nonmilitary assistance in 2008 was tied to the extradition of terrorists, including several U.S.S. *Cole* bombers.<sup>18</sup> In a country whose population consistently ranks among the most anti-American in the world, this approach is not working.<sup>19</sup> U.S. policy in Yemen continues to be largely one-sided, lacking a long-range plan to dissuade youths from joining extremist groups. As discussed in chapter 7 of this book, donor agencies must redouble their efforts to identify policy solutions that are effective in countries that lack institutional capacity and are unable to maintain or establish domestic security.

## WHAT WE REALLY KNOW ABOUT POVERTY AND VIOLENT EXTREMISM

Research on poverty and terrorism has grown into a cottage industry since 9/11, but much of it claims there is no connection between the two. Some studies of economic and demographic conditions—such as income per capita, gross domestic product (GDP) growth, unemployment rates, and income inequality—and their relationship to terrorist attacks go so far as to treat the link between poverty and terrorism as a “myth,” to paraphrase one recent headline.<sup>20</sup> In the view of former Princeton economist Alan Krueger, now U.S. assistant secretary of the treasury for economic policy, “There is little reason for optimism that a reduction in poverty or increase in educational attainment will lead to a meaningful reduction in the amount of international terrorism.”<sup>21</sup> This sentiment is widely echoed in both academic and journalistic circles.<sup>22</sup> Like Krueger, al Qaeda specialist and television journalist Peter Bergen argues that economic deprivation inspires neither political nor terrorist violence.<sup>23</sup>

Yet these and other similar findings do not comport with circumstances on the ground. In Yemen, for example, one official recently observed that “most young people have no prospects in life” and “fanatics offer them the illusion that they can take power.”<sup>24</sup> Substantial anecdotal evidence from a broad swath of countries suggests that poverty does bear on terrorist activity and cannot be overlooked.

Throughout the Muslim world, violent extremists take refuge and gain support among the poor. From Yemen to Kashmir, Chechnya, and across the Middle East, uneducated and often impoverished young men with few employment prospects often are being recruited to join violent extremist groups in exchange for financial rewards.<sup>25</sup> From Mali to Yemen, Pakistan, and the Philippines, poverty undermines government capacity and allows violent extremists to use ungoverned territories as staging grounds for international attacks.<sup>26</sup>

Even in wealthier Muslim-majority countries like Morocco and Lebanon, squalid slums or refugee camps provide fertile grounds for terrorist recruiters. The Moroccan Islamic Combatant Group (GICM), an al Qaeda ally, recruited mainly unemployed and uneducated young men from the slums of Casablanca to carry out simultaneous bombing attacks in that city in May 2003, killing forty-five people.<sup>27</sup> One of the masterminds of the 2004 Madrid train bombings was a Moroccan national who grew up in a shantytown outside of the Moroccan city of Tetouan.<sup>28</sup> Similarly, many of Lebanon's Islamist militia groups such as al Qaeda-inspired Fatah al Islam originate in and draw support from the country's downtrodden Palestinian refugee camps.<sup>29</sup> Furthermore, many of the bombers in recent terrorist attacks in Western Europe and North America have roots in regions rife with inequality and lacking access to services and economic opportunities. A 2004 U.K. assessment of the threat of young Muslim radicals in Europe finds two categories of extremists there: one is well-educated, and the other consists of "under-achievers with few or no qualifications, and often a criminal background." In the United Kingdom, "Muslims are more likely than other faith groups to have no qualifications (over two-fifths have none) and to be unemployed and economically inactive, and are over-represented in deprived areas."<sup>30</sup>

Indeed, one would be hard-pressed to name a single major recent attack in the developing world in which household poverty, lack of employment opportunities, or lack of state capacity did not play some role. Pakistan-based Lashkar-e-Taiba—the group suspected of carrying out the attacks in Mumbai in 2008—recruits largely from the poor southern Punjab region of Pakistan. While the ongoing conflict in Kashmir motivates many to participate in Lashkar attacks, poverty is a common grievance of young recruits.<sup>31</sup> Jemaah Islamiyah—the Southeast Asian militant Islamist group with ties to al Qaeda that killed 200 people in an October 2002 car bombing in Bali—preys on the poor and power-

less, offering religious education as well as room and board to children whose families lack the means to pay for school.<sup>32</sup>

From their public statements and texts, it is clear that al Qaeda and other violent extremists deliberately exploit conditions of poverty. Osama Bin Laden has issued fatwas, religious rulings, describing terrorist attacks as a response to “severe oppression, suffering, excessive iniquity, humiliation and poverty.”<sup>33</sup> Radical ideologues associated with violent extremists have also spelled out the advantages of poor, weak states in Africa, where operatives are encouraged to seek refuge.<sup>34</sup> The message seems to resonate widely: public opinion polls in places like Pakistan show that significant percentages of the population believe poverty and lack of jobs are a strong cause of violent extremism.<sup>35</sup> People in developing countries who suffer from widespread attacks themselves see poverty as an important factor.

Anecdotal evidence thus seems to contradict the recent consensus among experts. Which interpretation is correct?

The first step in answering this question is to recognize that the different explanations of violent extremism may not be mutually exclusive. One common factor to emerge from various investigations is that zealous religious leaders, Islamic fundamentalists, and particularly violent Salafi ideologues have played a key role in mobilizing violent extremists throughout the Muslim world. There is also the argument that foreign military occupation and authoritarian regimes are a strong predictor of suicide attacks.<sup>36</sup> In addition, it has been shown that individuals who join violent extremist groups develop an overriding allegiance to the group that is manifested in suicide attacks. In this respect, violent extremists operate like exclusive clubs that select and initiate members, encouraging them to develop a fierce allegiance to each other.<sup>37</sup> This may be why some of the most high-profile recruits are alienated from their homeland: they joined violent extremist groups in their quest for social integration. Members are highly skilled, not because less educated individuals do not volunteer to become violent extremists, but because these groups select only the most skilled candidates.<sup>38</sup>

All of these factors are compatible with poverty’s role. As counterterrorism expert Daniel Byman warns, the global financial crisis could “make many people around the world more willing to believe that the current system is corrupt and more open to ideologies—first steps toward embracing violent extremism.”<sup>39</sup> Others would agree that “radicalism, separatism and other ideological motivations for terrorism that appear

to be intrinsically noneconomic may actually stem from underlying economic conditions.”<sup>40</sup> According to research on the background and status of Guantanamo Bay detainees, terrorist activity in some cases was motivated by religious conviction or for political reasons and in others by lack of opportunity. A Taliban driver held at Guantanamo explained: “I didn’t know the Taliban was an enemy of the United States. I used to think the Taliban was an opportunity for me to work, to avoid being with no money and to eat.”<sup>41</sup> Clearly, violent extremists are motivated by a variety of factors, a prominent one being poverty.

Moreover, the empirical research on poverty and terrorism has been accepted without careful scrutiny. For the most part, this research relies on a simplistic conception of violent extremism. Yet terrorism is merely a technique of violence that can be used for a wide variety of ends. It is defined as intentional and politically motivated violence perpetrated by non-state groups against civilians or noncombatants, or both.<sup>42</sup> The fact that poverty does not correlate or seem to explain all attacks against civilians should not come as a surprise, since such attacks can have widely differing objectives. The late scholar Charles Tilly questioned the scientific legitimacy of scholarship that seeks to identify the “root cause” of all terrorist incidents everywhere.<sup>43</sup>

The research that has been most widely cited in the press—cross-country empirical analysis of terrorist incidents—represents just one strand of work among at least three different approaches. A close examination of empirical research reveals three types of terrorism studies to date (table 3-1): country case studies, cross-country analysis, and studies of al Qaeda membership. Taken as a whole, this literature reflects little agreement on the role of poverty. It certainly does not rule out poverty as a contributing factor.

In the cross-country empirical literature, poverty and its relationship to terrorism are often too narrowly conceived, and the longer-term impacts of household poverty and low national income on societies overlooked. This research focuses almost exclusively on whether poverty directly motivates individual terrorist recruits or popular support for terrorist leaders. Yet poverty can make governments less responsive to their citizens, and less legitimate. The resulting vacuums tend to be filled by non-state organizations. Moreover, while most Muslim charities have noble intentions and seek to provide desperately needed welfare services, some have aided and abetted violent extremists—notably in Afghanistan, Bosnia, and around Pakistan’s refugee camps. Poverty also increases the likelihood of conflict. War zones from Chechnya to Iraq, Bosnia, the

**TABLE 3 - 1 . Three Types of Studies on Poverty and Terrorism**

	<i>Country case studies</i>	<i>Cross-country analysis</i>	<i>Al Qaeda studies</i>
<b>Examples</b>	Alam (2003); Angrist (1995); Berman (2003); Honaker (2005); Khashan (2003); Livingstone and Halevy (1988); Moghadam (2003); Saleh (2004); Thompson (1989); Toth (2003); White (1993) <sup>a</sup>	Abadie (2006); Blomberg, Hess, and Weerapana (2002); Burgoon (2004); Krueger and Laitin (2003); Krueger and Maleckova (2003); Li and Schaub (2004); Piazza (2006); Santos Bravo and Mendes Dias (2006) <sup>b</sup>	Sageman (2004) <sup>c</sup>
<b>Subject</b>	Terrorist activity in Egypt, Israel, the Palestinian Territories, Lebanon, and Northern Ireland	Terrorist activity across all countries	Al Qaeda members
<b>Economic variables tested</b>	Level of schooling, literacy, income, and employment status of terrorist bombers and supporters	GPD per capita, GDP growth, unemployment rate, income inequality, HDI, literacy, life expectancy, school enrollment, health and education spending	Level of schooling, literacy, income and employment status of al Qaeda members
<b>Measure of terrorism</b>	Individuals who participate in or voice support for terrorist attacks	Number of terrorist attacks in a country and/or number of violent extremists from that country	Al Qaeda members
<b>Agree on economic root causes of terrorism?</b>	No	Debate largely ongoing; emerging consensus that a rise in unemployment or sharp recession increases participation in terrorist attacks	Indicate that al Qaeda members are generally not poor or under-educated
<b>Main weaknesses</b>	Findings may not apply to violent extremism in the Muslim world	Research conflates different forms of terrorism; findings may not apply to violent extremism in the Muslim world	Sample of al Qaeda members may not be representative of rank and file

a. Joshua D. Angrist, "The Economic Returns to Schooling in the West Bank and Gaza Strip," Working Paper 95-5 (Massachusetts Institute of Technology, 1995); Anwar Alam, "The Sociology and Political Economy of 'Islamic Terrorism' in Egypt," *Terrorism and Political Violence* 15, no. 4 (2003): 114–42; James Honaker, "Unemployment and Violence in Northern Ireland: A Missing Data Model for Ecological Inference," paper presented at the annual meeting of the Midwest Political Science Association, Chicago, April 15, 2005; Hilal Khashan, "Collective Palestinian Frustration and Suicide Bombings," *Third World Quarterly* 24, no. 6 (1995): 1049–67; Neal Livingstone and David Halevy, "The Perils of Poverty," *National Review* 40, no. 8 (1988): 28; Basel Saleh, "Economic Conditions and Resistance to Occupation in the West Bank and Gaza Strip: There Is a Causal Connection," paper presented to the Graduate Student Forum, Kansas State University, April 4, 2003; J. L. P. Thompson, "Deprivation and Political Violence in Northern Ireland, 1922–1985: A Time-Series Analysis," *Journal of Conflict Resolution* 33, no. 4 (1989): 676–99; James Toth, "Islamism in Southern Egypt: A Case Study of a Radical Religious Movement," *International Journal of Middle East Studies* 35, no. 4 (2003): 547–72; Robert W. White, "On Measuring Political Violence: Northern Ireland, 1969 to 1980," *American Sociological Review* 58 (August 1993): 575–85.

b. Alberto Abadie, "Poverty, Political Freedom, and the Roots of Terrorism," *American Economic Review* 96, no. 2 (2006): 50–56; S. Brock Blomberg and others, "Terrorism from Within: An Economic Model of Terrorism," Working Papers in Economics (Claremont Colleges, 2002); Brian Burgoon, "On Welfare and Terror: Social Welfare Policies and Political-Economic Roots of Terrorism," *Journal of Conflict Resolution* 50, no. 2 (2006): 176–203; Alan B. Krueger, and D. D. Laitin, "Kto Kogo? A Cross-Country Study of the Origins and Targets of Terrorism," in *Terrorism, Economic Development, and Political Openness*, edited by Philip Keefer and Norman Loayza (Cambridge University Press, 2003); Alan B. Krueger and Jitka Maleckova, "Seeking the Roots of Terrorism," *Chronicle of Higher Education*, 2003; Quan Li and Drew Schaub, "Economic Globalization and Transnational Terrorism: A Pooled Time-Series Analysis," *Journal of Conflict Resolution* 48, no. 2 (April 2004); James Piazza, "Rooted in Poverty? Terrorism, Poor Economic Development and Social Cleavages," *Terrorism and Political Violence*, <http://www.informaworld.com/smppt/title~content=t713636843~db=all~tab=issueslist~branches=18> v1818, no. 1 (March 2006): 159–77; Ana Bela Santos Bravo and Carlos Manuel Mendes Dias, "An Empirical Analysis of Terrorism: Deprivation, Islamism and Geopolitical Factors," *Defense and Peace Economics* 17, no. 4 (2006): 329–41.

c. Marc Sageman, *Understanding Terror Networks* (University of Pennsylvania Press, 2004).



Philippines, and Somalia have been exploited by violent extremists seeking refuge from the law or easy recruits among a battle-hardened, idle population of youths.

Once violent extremism has taken root in poor states, poverty further exacerbates the threat by crippling states and hampering their ability to mount and implement effective counterterrorism programs, as is the case in Yemen. Moreover, low national income may limit the reach of the state so severely that its political regime may have no choice but to form an alliance with radicals or permit jihadis into its midst in order to ensure its survival (as in Pakistan and Yemen). The few studies that have explored the far-reaching consequences of poverty in weak and failed states find that a complex brew of poverty-related conditions leave their citizens more prone to violent extremism. The limitations of recent research on poverty and terrorism has important policy implications, as explained in the following sections.

### *Country Case Studies*

As table 3-1 indicates, country case studies on terrorist activity focus primarily on the Palestinian Territories, Lebanon, Egypt, and Northern Ireland, examining the backgrounds of individual bombers there, as well as the level of popular support for violent extremism among certain groups during terrorism campaigns (for example, among the inhabitants of the West Bank and Gaza during the Second Intifada). Some concentrate on the personal backgrounds of bombers, especially their employment status and level of literacy and schooling compared with that of the general population.<sup>44</sup> Others focus on public opinion polls in countries undergoing a surge in terrorist attacks and seek to identify the demographic profile of respondents strongly supportive of acts of terrorism.<sup>45</sup> Still others examine the relationship between economic opportunities among particular religious or ethnic groups and the incidence of terrorist attacks (for example, the relationship between unemployment rates among Irish Catholics in Northern Ireland and the number of deaths resulting from Irish Republican Army attacks).<sup>46</sup>

Although many of these studies find low income, economic shocks, and unemployment to be associated with higher numbers of attacks, some are unclear on this point. It also remains unclear whether violent extremism thrives for the same reasons in different countries, whether in the context of foreign occupation, a struggle for national liberation, or

opposition to American policies. Another drawback of this research is that it focuses on suicide attacks, which are relatively rare and may have different underlying causes than other types of terrorist attacks.<sup>47</sup>

### *Cross-Country Statistical Analysis*

Cross-country research on terrorist activity seeks to establish the profile of countries in which attacks are most prevalent. The method of analysis consists of examining the statistical relationship between certain country characteristics (such as income level, degree of social welfare, or absence of democratic governance) and either the number of terrorist attacks in the country or the perpetrators' country of origin. The economic indicators of primary interest are national income per capita, GDP growth, unemployment rates, income inequality, the United Nations Development Program's Human Development Index, illiteracy, infant mortality, life expectancy, school enrollment rates, and health and education spending as a percentage of total public expenditures. Some scholars also examine the relevance of certain political variables, including Freedom House's Political Rights Index and Civil Liberties Index, and the Polity IV Project's overall Polity Index, which measures the level of democracy in a country.

By and large, studies of this nature suffer some of the same shortcomings as the work on specific countries, with similarly controversial results, except for considerable agreement on the likelihood that a significant drop in employment opportunities, or a severe economic recession or shock, will render violent extremism more attractive to potential recruits, especially educated young men. Even "poverty skeptic" Alan Krueger acknowledges that in an average country a "sharp increase in the unemployment rate," particularly when it affects "college graduates relative to high school graduates," can result in a spike in terrorist attacks, as it has in countries with large youth bulges, such as the West Bank and Gaza Strip.<sup>48</sup>

Beyond this, however, the literature is inconclusive. Some studies see no significant relationship between low per capita income or underdevelopment and the likelihood of attacks in a country.<sup>49</sup> Others find evidence to the contrary.<sup>50</sup> Similarly, some studies find that fewer democratic rights increase the likelihood of attacks, whereas others see no relationship between the two. A few suggest that the risk of violent extremism is greatest in countries in transition toward democracy.<sup>51</sup>

Perhaps one reason for the contradictory findings from essentially the same cross-country approach and data is the tendency to concentrate on terrorist attackers themselves and to ignore the larger pool of volunteers and behind-the-scenes foot soldiers involved in the less visible planning of terrorist bombings. Nobel prize-winning criminologist Gary Becker, whose work forms the basis of much cross-country analysis, has noted that the evidence would be more convincing if it also included bombers who failed or were captured before accomplishing their missions. The unsuccessful bombers, says Becker, are likely to be significantly less educated and skilled than the perpetrators of successful attacks: “The sample of bombers or other terrorists must be representative of all terrorists . . . before reliable conclusions can be drawn about the relation between economic opportunities and the recruitment of terrorists.”<sup>52</sup>

A second and more serious shortcoming is the cross-country literature’s reliance on a catchall definition of “terrorism.” Charles Tilly complains: “A remarkable array of actors sometimes adopt terror as a strategy, and therefore no coherent set of cause-effect propositions can explain terrorism as a whole.”<sup>53</sup> Because these studies focus on many different kinds of terrorist attacks globally, they shed little light on the specific attacks prevalent today, namely, violent extremism in the Muslim world targeting American interests.

### *Profile of al Qaeda Members*

Yet another analytical approach, demonstrated by former intelligence analyst Marc Sageman, is to consider the demographic profile of participants in al Qaeda attacks. Sageman finds that al Qaeda leaders and high-profile participants in large-scale attacks are not less educated, more impoverished, or more underemployed than the average citizen in their country of origin. Such evidence, he argues, “refutes the widespread notion that terrorism is a result of poverty and lack of education.”<sup>54</sup> The problem here, however, is that the results may be biased because the primary source of information on violent extremists is the press, which is more likely to focus on the masterminds and bombers. Hence the individuals selected for study may not be representative of all al Qaeda operatives. Rank-and-file members tend to receive far less attention in the press. Recent profiles of al Qaeda’s membership based on unclassified sources may not include sufficient information on the larger pool of willing volunteers and lower-tier recruits.

***Weak States: Missing Link between Poverty and Violent Extremism in the Muslim World***

Some studies instead look at weak states and their vulnerability to violent extremist ideologies and attacks. As the 9/11 Commission reported in 2004, violent extremists “have fled to some of the least governed, most lawless places in the world . . . areas that combine rugged terrain, weak governance, room to hide or receive supplies, and low population densities.”<sup>55</sup> This work is an important complement to studies of the causes of recruitment and has received little attention to date.

Poor, weak, or conflict-prone states provide an ideal environment for a global organization in the business of producing large-scale terrorist attacks.<sup>56</sup> To mount attacks on a global scale, al Qaeda and its affiliates have had to maintain a presence—in the form of local recruiters—across many countries. In view of its considerable infrastructure needs, the organization has sought appropriate locales in which to train bombers and store contraband, set up communication hubs, coordinate the activities of local cells in various countries, and establish at least rudimentary business operations, transshipment points, and traffic routes to generate income.

Poor, weak states with inadequate border and territorial controls fit the bill. They serve as a sanctuary for violent extremist groups and their cells and hubs and lack legitimacy in the eyes of their citizens. Particularly susceptible are underserved regions, such as the Federally Administered Tribal Areas in Pakistan, the southern Philippines, northern Mali, or parts of southern and northern Yemen. Also vulnerable are refugee camps, such as those in the Middle East and Pakistan. As history has shown, when central governments fail to deliver basic services, disgruntled citizens succumb more readily to offers to address their grievances, even from violent extremist groups. The Taliban gained a foothold in Afghanistan in the 1990s in part because they were able to establish security, law, and order and reopen major trade routes after years of civil war.<sup>57</sup> The Muslim Brotherhood moved into Egypt and the West Bank and Gaza by establishing a “broad network of mosques, boys’ and girls’ schools, youth groups, clinics, hospitals, charities, trade unions, night schools for workers, and even factories,” whereas the state had failed to do so.<sup>58</sup> In Pakistan, the lack of will and capacity to fund the state school system permitted madrassas to flourish. Although some

would disagree that madrassas fuel extremist ideologies or violence in Pakistan, the sorry state of its public schools did foster militancy and help polarize society.<sup>59</sup>

Being prone to conflict, poor and weak states easily intersect with terrorism. Conflict zones not only exacerbate inadequate service delivery and lack of territorial control, but they also provide an arena in which extremists can acquire military and organizational skills.<sup>60</sup> Guerrilla wars and insurgencies in places from Iraq to Afghanistan and Chechnya have provided al Qaeda and its affiliates with a constant flow of battle-hardened recruits. Afghanistan's war against the Soviet Union gave rise to al Qaeda, which began as a recruiting and financial support platform for Afghanistan's jihadists. Thousands of Muslim radicals from countries in the Middle East, North and East Africa, Central Asia, and the Far East morphed into the base that became Osama bin Laden's transnational terrorist organization. Likewise, young Muslim radicals from Western Europe, Indonesia, and Yemen rallied to al Qaeda's cause as a result of the U.S. invasion of Iraq.

These observations are supported by compelling empirical evidence, which has led some to conclude that state weakness "is a significant predictor of transnational terrorism."<sup>61</sup> Countries categorized as being at the highest risk for state failure according to the Fund for Peace's Failed States Index are three times more likely to suffer an attack than are the two categories of strongest states. The five states at the bottom of the index—in 2009 these were Somalia, Zimbabwe, Sudan, Chad, and the DRC—are among the poorest in the world and "are substantially more likely to be the location and source of transnational terrorist attacks than any other category of state rated" by the index, which covers nearly every country in the world.<sup>62</sup> In addition to the Failed States Index, which looks only at factors that are *predictors* of violence and conflict, other evidence has shown that the risk of transnational terrorist activity also rises with political instability, civil wars, and guerrilla warfare.<sup>63</sup>

Compelling as it is, analysis of this nature still rests on poor-quality data and would greatly benefit from further investigation, particularly of individual countries. Moreover, the findings do not show a causal relation between state weakness and terrorist activity, only an empirical one. Nor does this research demonstrate that state weakness is the most important driver inasmuch as strong states may also be vulnerable, but in different ways.<sup>64</sup> Nonetheless, this literature provides specific insights into the mechanisms that render weak states more vulnerable to violent

**TABLE 3-2. Vulnerabilities of Poor, Weak States to Violent Extremists<sup>a</sup>**

<i>Vulnerability</i>	<i>Operational needs of violent extremist groups</i>	
	<i>Territory/base of operations</i>	<i>Recruits/popular support</i>
<b>Lack of control over territory</b>	Can establish factories, training facilities, storehouses, communication hubs Can evade counterterrorism efforts	Allows organized recruitment activities
<b>Porous borders</b>	Facilitate trafficking in and transshipment of weapons, people, narcotics, dirty money, other contraband	Allow passage of recruits into and out of the country
<b>Lack of effective regulation/weak rule of law</b>	Have easy access to falsified documents Can raise and transfer funds Can establish front businesses, charities, and so on to generate/transfer funds	Perception of injustice leading to increased recruitment or passive support Few or no conflict resolution mechanisms (small claims courts) Unregulated madrassas/mosques/charities can radicalize population
<b>Inadequate social welfare</b>	Widespread passive support for violent extremism complicates counterterrorism operations	Inadequate social welfare creates vacuum, which can be filled by radical NGOs Dissatisfaction with government creates grievances, passive support, or recruitment Government lacks legitimacy
<b>Poverty (for example, unemployment)</b>	State lacks adequate tax base for counterterrorism	Cost of recruitment drops, as legitimate sources of income decrease
<b>Corruption</b>	Officials vulnerable to bribery (falsification of documents)	Perception of injustice/lack of government legitimacy can increase recruitment or passive support
<b>Lack of democratic governance</b>		Lack of voice/accountability reinforces perception of violent extremism as only solution, as individuals increasingly turn to illegitimate modes of expression
<b>History of violence/conflict</b>	Conflict-besieged government is prone to striking Faustian bargain with violent extremists Can operate more freely in fog of war	Culture of violence renders individuals more prone to recruitment Lack of security renders citizens more vulnerable to violent extremists that offer them protection

a. See Ray Takeyh and Nikolas Gvosdev, "Do Terrorist Networks Need a Home?" *Washington Quarterly* 25 (Summer 2002): 97–108.

extremist ideologies and attacks and can help guide development policy. As table 3-2 indicates, weak states meet the needs of violent extremist groups as a base of operations, as well as a source of manpower and popular support. But does this apply throughout the developing world? Which weak states are of particular concern, and why?

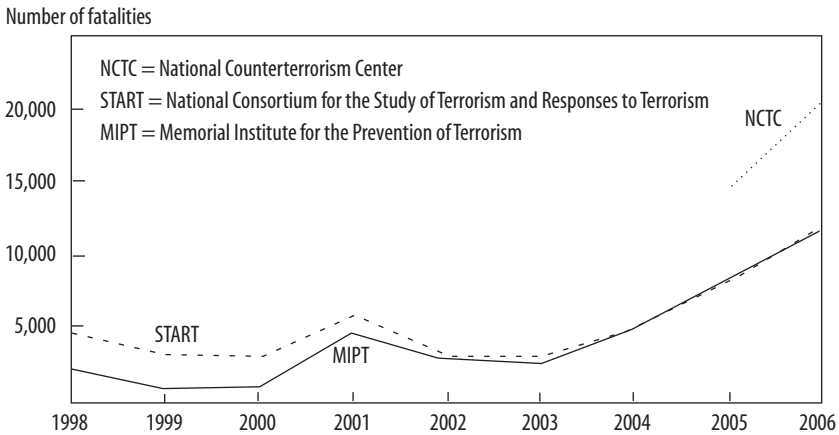
## VIOLENT EXTREMISM IN THE DEVELOPING WORLD

Events in Yemen suggest that eight years after 9/11, there is no room for complacency in poor, Muslim countries where U.S. interests may be directly at stake. Although the number and lethality of attacks worldwide declined in 2008, most databases show a steady increase in attacks since 2003, and most agree with data from the National Counterterrorism Center suggesting as much as a threefold increase since 2004 (figure 3-1). If the rise since the U.S. invasion of Iraq is factored out, however—attacks in Iraq accounted for 79 percent of total global fatalities from terrorist attacks in 2006—the global average shows a slight decline.<sup>65</sup> Reports focusing exclusively on al Qaeda terrorist activity confirm that violent extremism—except in Iraq—may be decreasing. By one estimate, attacks around the world declined by 65 percent from the high point in 2004, while the resulting fatalities dropped by more than 90 percent.<sup>66</sup> Lack of popular support for terrorist tactics and al Qaeda in key Muslim countries may help explain why global violent extremism is losing steam, as may recent successes in foiling attacks.<sup>67</sup>

These trends lead some observers to argue that the danger of terrorist attacks has been wildly exaggerated since 9/11. It is true that the aggregate number of casualties from terrorist attacks is low in comparison with other life-threatening global dangers, particularly in poor countries. In 2008 a person had about a 1 in 1 million chance of dying in a terrorist attack. The odds of dying from such an attack were slightly higher than the chance of being struck by lightning. According to critics of the Bush administration's "war on terrorism," other global threats—including the proliferation of weapons of mass destruction, global climate change, and the spread of infectious disease—should outrank terrorism on the global agenda. In their view, counterterrorism is essentially a narrow concern of the developed world.

It is certainly useful to keep the threat of terrorist attacks in perspective and not let it overshadow other serious global challenges. As other chapters in this book argue, climate change, disease, and civil conflict pose enormous risks to people in poor countries, and to international security. Even so, the threat of terrorist attacks does continue to worry Americans, particularly in the developing world. So far, the threat is concentrated in a handful of countries, but violent extremists may well seek refuge in increasingly poor, weak countries in the face of counterterrorism campaigns in places like Indonesia and the Philippines. Moreover,

**FIGURE 3-1. Global Fatalities from Terrorist Attacks, 1998–2006**



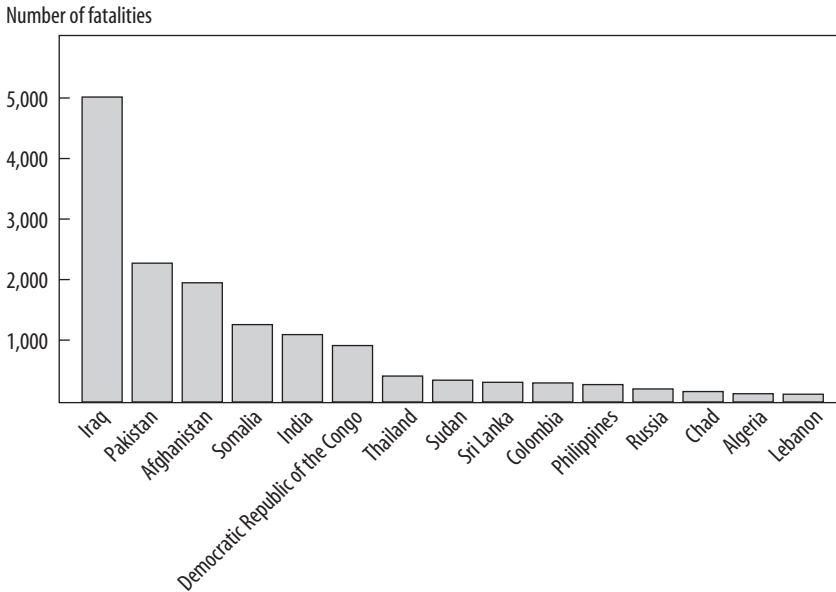
Source: Human Security Center, *Human Security Report 2007* ([www.humansecurityreport.info/](http://www.humansecurityreport.info/)).

developing countries have more to lose from violent extremism than do their wealthier counterparts.

The most tragic and dramatic attacks of 2008 occurred in Mumbai, India, and were on a scale similar to the 1998 attacks on the U.S. embassies in Kenya and Tanzania, which killed 235 civilians. Other large-scale attacks have occurred in Bali, Indonesia (2002); Madrid, Spain (2004); Amman, Jordan (2005); and the London underground (July 2005). Several potentially large-scale attacks appear to have been foiled, including an attack on JFK airport and on the Fort Dix Army base in New Jersey, as well as on underground transit links in New Jersey in 2006. Aside from these high-profile and foiled attacks, many in Western capitals, the vast majority of incidents tend to be smaller and heavily concentrated in just a few countries that are mired either in conflict or poverty, or both.

There were approximately 11,800 terrorist attacks in the world in 2008, resulting in more than 54,000 deaths, injuries, and kidnappings.<sup>68</sup> Since 2004 twenty-five countries have experienced a high-fatality attack by Sunni extremists, the groups that most concern U.S. officials (figure 3-4). The overwhelming majority were concentrated in about seven countries. Iraq topped the list, followed by Pakistan, Afghanistan, Somalia, and India (figure 3-2). Somalia reported 442 incidents in 2008, with a staggering 1,278 deaths, which included international peacekeepers. Yemen had 71 attacks and 201 deaths. Many of the states on this list



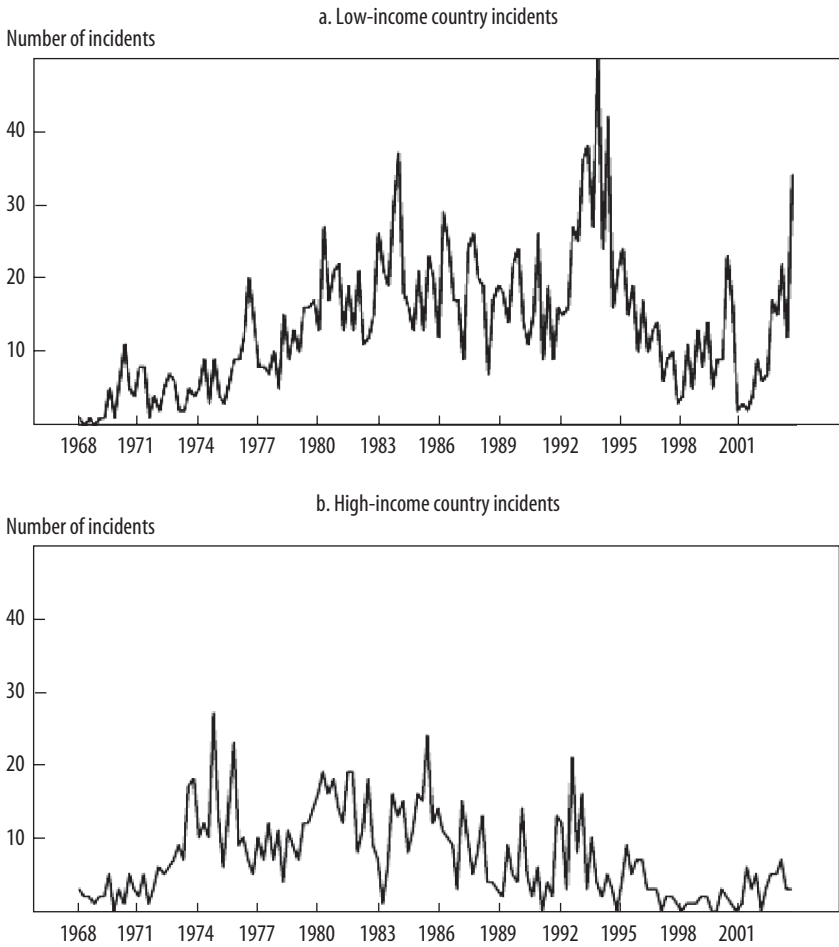
**FIGURE 3-2. Countries with Most Terrorism Fatalities**

Source: National Counterterrorism Center, *2008 Terrorism Report*.

were in conflict in 2008, and most were either low-income or lower-middle-income countries.<sup>69</sup> By contrast, high-income states of the Organization for Economic Cooperation and Development (OECD) had far fewer attacks on their soil that year: there were several dozen attacks in France, Greece, and Spain, with only a handful in Germany, Italy, and the United States. This variation in the number of attacks across countries merits far more attention.

Far from focusing narrowly on U.S. targets or those just in rich countries, terrorist attacks kill primarily in developing countries around the world. Since 9/11, low-income countries as classified by the World Bank have seen the steepest rise in casualty-causing terrorist attacks, when compared with wealthier countries (figure 3-3).<sup>70</sup> Furthermore, the occurrence of suicide attacks, reported in only a handful of countries before 9/11, is now more common across a broad spectrum of developing countries ranging from Afghanistan, Uzbekistan, and Pakistan to Somalia and Yemen.<sup>71</sup> Policymakers and experts are deeply concerned

**FIGURE 3-3. Casualty-Causing Terrorist Attacks by Income Group, 1968–2001**

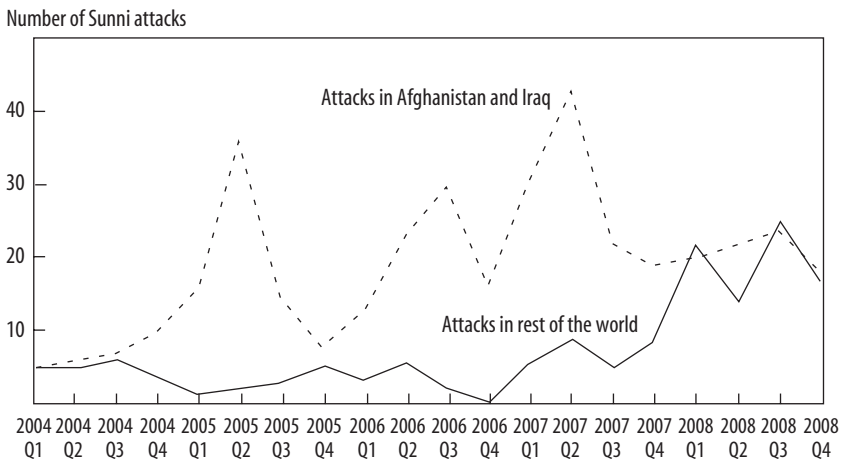


Source: Walter Enders and Todd Sandler, "Distribution of Transnational Terrorism among Countries by Income Class and Geography after 9/11," *International Studies Quarterly* 50, no. 2 (2006): 367–93.

about the rise and spread of suicide attacks, as these tend to be particularly lethal and destructive.

Policymakers in the United States in particular should care about the occurrence of attacks in developing countries because many of the targets are Americans (figure 3-5), and violent extremist groups in key

**FIGURE 3-4. Rise of High-Fatality Sunni Attacks in Afghanistan and Iraq Compared with the Rest of the World, 2004–08**

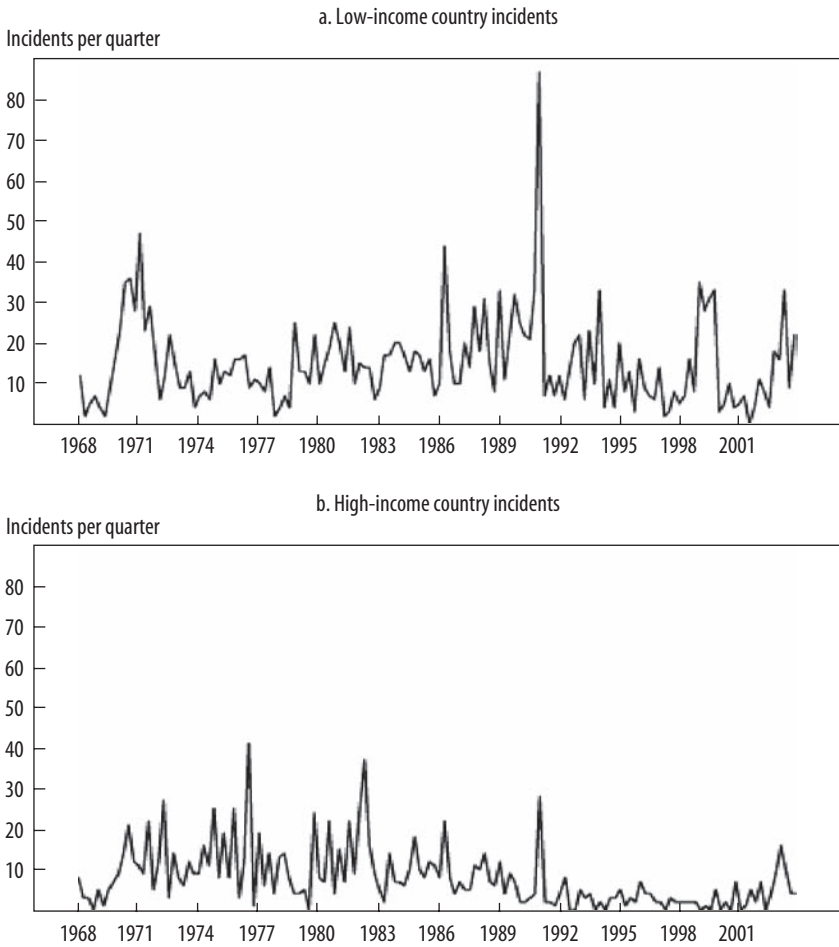


Source: National Counterterrorism Center, *2008 Terrorism Report*.

countries around the world pose a threat to the U.S. homeland. Indeed, “there was a greater concentration of deadly post-9/11 incidents involving a U.S. target” in low-income countries than in any other category of countries.<sup>72</sup> The rise of extremism in the Muslim world is a recent phenomenon arising in the late 1970s. Since then the number of religion-based extremist groups has increased as a share of all types of terrorists.<sup>73</sup> New evidence shows that “the rise of fundamentalism is associated with a large and statistically significant increase in transnational terrorism attacks” in low-income states, and fundamentalism has had “virtually all of its impact” in these countries, not in wealthier countries.<sup>74</sup>

The threat of a terrorist attack involving a weapon of mass destruction (WMD) may also be enhanced in the developing world. As a recent British government report on political instability explains, “Leakage of WMD technology, trafficking and further proliferation [are] facilitated by systemic corruption, the presence of organized criminals and terrorists, poor governance, lack of territorial control and state failure, all of which are associated with instability.”<sup>75</sup> Thirteen of the seventeen states with current or suspended WMD programs in 2006 (beyond the permanent five of the UN Security Council) were at risk of instability.<sup>76</sup> Weak states are even more likely to serve as the source, transit, and destination

**FIGURE 3-5. Terrorist Attacks with a U.S. Target, by Income Group, 1968–2001**



Source: Enders and Sandler, "Distribution of Transnational Terrorism among Countries by Income Class and Geography after 9/11."

of conventional weapons in the illegal arms trade.<sup>77</sup> Because weak states lack the capacity to control the flow of weapons, it is easier to obtain small arms for illicit purposes, including terrorism.

The most serious terrorist threat to U.S. national security today comes from a handful of countries in the developing world, most notably the remote border area between Pakistan and Afghanistan, over which

Pakistan exercises limited control.<sup>78</sup> In July 2007 the U.S. intelligence community released a special report warning that al Qaeda “has protected or regenerated key elements of its Homeland attack capability”<sup>79</sup> operating from a safe haven in the Pakistan Federally Administered Tribal Areas, and possibly building capabilities in Iraq in order to recruit and plan for attacks elsewhere, including perhaps the United States, although “al-Qa’ida today is less capable and effective than it was a year ago.”<sup>80</sup> Other high-risk areas include Iraq, Indonesia, the Sahel, Yemen, and East Africa. The 2009 assessment mentions wealthier countries in Europe, as well as Saudi Arabia and “home-grown” extremist groups in the United States, but hastens to warn that developing countries are involved even there. For instance, cells in Europe and the United States benefit from al Qaeda affiliates returning from Pakistan. Key terrorist leaders in the Gulf region have sought refuge in Yemen, thereby posing a threat to Saudi Arabia. Other reports on terrorist havens confirm this list of developing country hot spots, adding places like the Philippines (Mindanao), Somalia, and the Caucasus.<sup>81</sup>

Confronting the threat of violent extremism in the developing world must be a high priority precisely because poor countries that have the least capacity to prevent or respond to terrorist attacks can easily become locked in a doom spiral. Attacks can stretch their already limited resources and capacity, which in turn can make these countries more vulnerable to future attacks. There is strong evidence to suggest that terrorism campaigns such as the one currently under way in Yemen make economic growth even more elusive in such countries.

As is now well known, violent extremists, including al Qaeda, aim not just to take lives but also to strike at the engines of economic growth. The attacks of 9/11 succeeded in wreaking massive economic devastation, causing between \$80 billion and \$90 billion in lost wages, workers’ compensation, and reduced commerce.<sup>82</sup> The per capita cost of such an attack on poor countries whose governments are unable to cushion the blow would be far greater. Following the attacks of September 11, the U.S. Federal Reserve reacted to a surge in liquidity demand by cutting the Federal Funds rate, keeping funds available for investment. The U.S. Congress approved a \$40 billion supplemental appropriation for emergency spending on search and rescue efforts at the crash sites, tighter security at airports and other public venues, and disaster relief.<sup>83</sup> The increase in government spending acted as a powerful stimulus to consumer demand. Economists believe the economic cost of the attacks

could have been much higher and of longer duration if the government had been unable to implement monetary and fiscal policies in response.

Because most poor countries lack these capabilities, they are much more likely to suffer long-term economic consequences such as higher unemployment or a recession. Following the attacks on the U.S.S. *Cole* and the French supertanker *Limburg*, to cite one example, maritime insurance jumped 300 percent and put Yemen's shipping industry in jeopardy as ships were diverted away from the port of Sana to neighboring ports in Djibouti and Oman.<sup>84</sup> Economists have shown that the countries least able to cope with the economic impact of a terrorist attack are small, poor countries exposed to protracted terrorism campaigns. Somalia and Yemen are two prime examples, but with slightly different policy challenges.

The challenge in Yemen, a country edging toward collapse but still having a modicum of control over parts of its territory, is to help promote development and strengthen capacity in key areas despite widespread public corruption. In Somalia, perhaps the world's only fully collapsed state, it is essential to find a political solution to the conflict and to strengthen the weak transitional government, particularly at the subnational level. In each case, it is critical that U.S. assistance bolster the legitimacy of the state.

## YEMEN

Yemen faces perhaps the most difficult challenges of any developing country in which al Qaeda-inspired extremists maintain a presence. While the official poverty rate has declined slightly over the past decade, experts warn that the number of people living below the poverty line is increasing and could reach 55 percent of the population in the wake of the global food crisis.<sup>85</sup> Thirty-five percent of the population was undernourished in 2003–05, and the food shortages are more serious than they are in Angola, Chad, and Rwanda.<sup>86</sup> The 2007 food crisis and ensuing massive food riots could easily recur. Entwined with these economic woes is steep population growth, which now requires Yemen to import over 90 percent of its domestic wheat and rice consumption. Because much of the income used to finance these imports stems from oil revenues, as is the case in many other oil-dependent Muslim countries, Yemen's troubles are now compounded by the decline in crude prices. With oil production dwindling, it is estimated that oil will no longer

provide sufficient revenue to pay government workers in a matter of five years or less.<sup>87</sup> Furthermore, Yemen, an extremely arid country located at the southern tip of the Arabian Desert, is running out of water. At current rates of consumption, the groundwater source that supplies the capital city of Sana—with approximately 2 million inhabitants—will be exhausted within twenty years.<sup>88</sup>

Economic trends of this nature intensify the risk of violent extremism. As table 3-3 shows, one of Yemen's main vulnerabilities in this regard is the lack of public financing to enforce border controls and exercise authority over remote parts of the country. As General Anthony Zinni, former commander in chief of the U.S. Central Command, has pointed out, Yemen's "coast is porous. It's a sieve, as are their land borders."<sup>89</sup> Yemen's 1,000-mile border with Saudi Arabia and its shorelines are notoriously dangerous, allowing smugglers to clandestinely transfer people and contraband goods. Throughout the hinterlands, the military's reach is limited, and the government relies mainly on tribesmen who are more committed to meeting the needs of regional tribes than to maintaining national peace and security.<sup>90</sup> What manpower the government does have at its disposal is of limited use, given the shortages of equipment, training, and good intelligence.<sup>91</sup> Where the Saudis can spend \$200 million on communications equipment for security if they need to, says Yemeni president Ali Abdullah Saleh, "if we need to spend \$1 million, we have to squeeze and save."<sup>92</sup> In the north and northeast, local tribal leaders exercise control largely independently of the central government. The central government's presence over much of Yemen's territory is further hampered by its mountainous and desert terrain.

Porous borders and lack of counterterrorism capacity are precisely the problems that the United States has thus far sought to address in its post-9/11 approach to Yemen. However, the U.S. approach has focused too narrowly on tactical counterterrorism initiatives, largely ignoring the many other significant gaps in state capacity that render Yemen vulnerable to terrorist activity. What little U.S. foreign aid has been provided over and above security assistance (figure 3-6) has been delivered mainly through "carrots-and-sticks" funding to entice the Yemeni government to cooperate in fighting terrorist activity. The investments of other donor countries increasingly dwarf U.S. foreign assistance, diminishing U.S. influence over Yemeni policy.

U.S. foreign assistance spending amounted to just under \$20 million in 2008.<sup>93</sup> By contrast, the British government has committed to

**TABLE 3-3. Yemen’s Vulnerability to Violent Extremism<sup>a</sup>**

<i>Weakness</i>	<i>Operational needs of violent extremists in Yemen</i>	
	<i>Territory/base of operations</i>	<i>Recruits/popular support</i>
<b>Lack of control over territory</b>	Al Qaeda terrorist training camps Difficulty intercepting terrorism suspects in north Al Qaeda communications hubs	
<b>Porous borders</b>	Availability of weapons	Recruits flow in and out of the country, evading border controls and joining the jihad in other countries
<b>Lack of effective regulation/weak rule of law</b>	Falsified documents available Al Qaeda established front businesses to channel profits and weapons	Few or no conflict resolution mechanisms (small claims courts) Unregulated madrassas and mosques have been used to recruit
<b>Inadequate social welfare</b>	Local tribal leaders, lacking support from central government, ally with al Qaeda and extremists	Interviews reveal Yemenis do not trust their government, which lacks legitimacy
<b>Poverty (for example, unemployment)</b>		Recruits cite lack of jobs as reason for joining violent extremists
<b>Corruption</b>	Shadow employees prevalent in Yemen Bribery widespread; de facto, government relinquishes oversight over funding	Recruits also cite injustices in the way government addresses needs of its citizens
<b>Lack of democratic governance</b>		
<b>History of violence/conflict</b>	Saleh regime relies heavily on jihadi fighters to tamp down al-Houthi revolt in north	Between 5,000 and 40,000 Yemenis joined jihad in Afghanistan, with many returning to Yemen after Soviet withdrawal An estimated 17 percent of foreign fighters in Iraq were from Yemen, and many have returned

a. This table merely illustrates Yemen’s vulnerabilities to al Qaeda terrorism and should not be considered an exhaustive list.

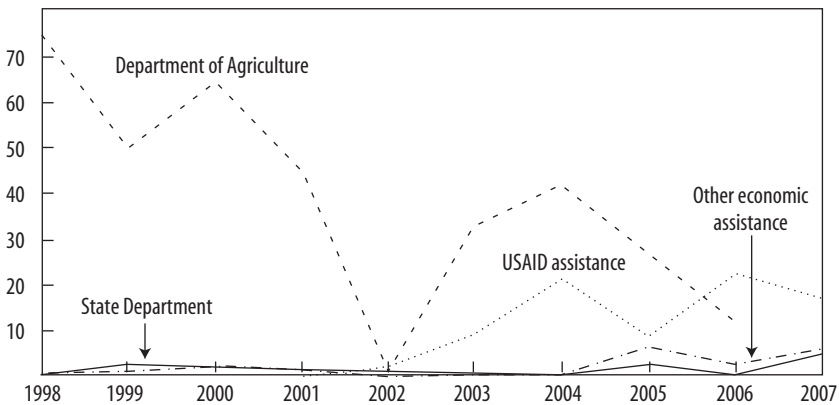
increasing assistance by 400 percent between 2006 and 2011, which amounts to more than \$220 million through 2011. As a result, the U.S. government yields very little leverage over Yemen, and “it is no surprise that the Saleh government will not make painful compromises to secure fairly minor U.S. rewards.”<sup>94</sup>

U.S. policy in Yemen would be more effective if it were grounded in a better understanding of the entire range of the state’s capacity deficits and constraints—including ongoing conflict. In addition to porous



**FIGURE 3-6. U.S. Bilateral Economic Assistance to Yemen, 1998–2007**

Millions of constant 2007 US\$



Source: USAID ([http://qesdb.usaid.gov/cgi-bin/broker.exe?\\_service=default&unit=R&cocode=3YEM+&\\_program=gbk progs.report\\_country\\_plot.sas&x=20&y=7](http://qesdb.usaid.gov/cgi-bin/broker.exe?_service=default&unit=R&cocode=3YEM+&_program=gbk progs.report_country_plot.sas&x=20&y=7)).

borders and lack of territorial control, these conditions include the absence of local government capacity, especially in the areas of health and education, lack of employment opportunities, and an ongoing rebellion, as well as domestic unrest (table 3-3).

### *Absence of Local Government Capacity*

Basic public services, especially in the areas of health and education, are virtually nonexistent in Yemen. Aside from roadblocks and military checkpoints along major roadways that lead to oil fields and pipelines, the central government's presence in rural Yemen is hardly perceptible.

Between 2003 and 2006, the latest year for which data are available, public spending on health and education services declined from 8.6 percent of GDP to 7 percent. Health spending is only about 2 percent of GDP. That works out to a meager \$11 per person, meaning Yemen ranks almost last in the world in terms of spending on health as a proportion of total expenditures.<sup>95</sup> By contrast, the U.S. government spent about 15.2 percent of its GDP on health care in 2007, or about \$6,966 per capita, while Canada spent \$3,173 per head and the United Kingdom, \$2,560.<sup>96</sup> It is estimated that only 25 percent of Yemen's rural population has access to basic health services and that 30 percent has no access to clean water.<sup>97</sup>

Doctors' salaries are so low that many leave to practice in neighboring countries, such as the United Arab Emirates. Yemen has only 3 doctors per 10,000 people and only 6.1 hospital beds per 10,000 people.<sup>98</sup>

The health and education vacuum in Yemen is often filled by nongovernmental organizations that are difficult to regulate. The country has at least 4,000 underground religious schools serving 330,000 children without any government oversight.<sup>99</sup> The increase in unlicensed religious schools is a concern because some appear to promote a militant ideology.<sup>100</sup> Many of the schools—along with a variety of Islamic welfare institutions such as orphanages, vocational training centers, mosques, charitable societies, hospitals and clinics—are funded by wealthy Saudi patrons and Saudi-based charities. Since the oil boom of the 1970s, Saudi Arabia has spent more than 4 percent of its GDP on overseas aid each year, with two-thirds of that amount going toward “Islamic activities”—essentially, to Saudi proselytizing.<sup>101</sup> Unable to address the needs of their citizens, low-income states like Yemen—as well as Sudan, Mauritania, Nigeria, Somalia, Bosnia, Bangladesh, and Afghanistan—have become the targets of Saudi largesse across the Muslim world.

The role of Islamic—mainly Saudi—charities in spreading radicalism and fueling attacks, especially through madrassas, remains somewhat unclear.<sup>102</sup> A 2002 report of the Council on Foreign Relations stated that charities based in Saudi Arabia have been the most important source of funds for al Qaeda.<sup>103</sup> However, the projects typically funded by these institutions in some of the poorest and most neglected parts of the developing world have had a substantially positive impact on the health and education sectors and advance worthy causes. Their potential to fuel attacks and extremism should not be overplayed. This is certainly true in poverty-stricken Yemen, which has cracked down on extremist schools by establishing a government-mandated curriculum and closing many of the institutions that deviated from this curriculum.<sup>104</sup> The Islah Charitable Society provides humanitarian assistance in every governorate of Yemen and has allocated funding to almost half a million orphans and poor families over the past decade.<sup>105</sup>

Yet the historical record shows that in the prelude to 9/11, extremist charities and schools did funnel resources and people toward al Qaeda, in some cases directly to individuals planning attacks. Some charities were used as safe houses. According to a 2002 report to the United Nations Security Council, Saudi charities and patrons channeled

between \$300 million and \$500 million into al Qaeda and other jihadi outfits.<sup>106</sup> An example of what went on in the schools is provided by John Walker Lindh, the American student who was captured during the U.S.-led invasion of Afghanistan in 2001. Lindh had traveled to Yemen in the 1990s to learn Arabic and become familiar with Islamic culture. While studying at a hard-line Salafi school there, he came into contact with jihadis and was recruited to fight alongside the Taliban in Afghanistan.

Although the main function of unregulated charities may not be to provide direct support or recruits for violent extremists, these institutions help to fill a social vacuum and thus are a constant reminder to Yemenis that their government is failing them: “We don’t hate our country. We hate our government. It doesn’t take care of us,” explains one tribal leader.<sup>107</sup> These attitudes create a hospitable environment for extremist groups in the country. Government officials acknowledge their incapacity to provide for the people: “There is a shortage in Yemenis’ lives. . . . The state is really not capable of meeting those needs,” explains Yemeni former interior minister Ali Mohammed Othrop.<sup>108</sup> As a result, tribal leaders and Yemeni citizens living in remote areas may be less likely to cooperate with the government on counterterrorism. This represents a significant obstacle to effective intelligence collection and other counterterrorism operations in that the government “needs the co-operation of the local tribes” to intercept terrorist operatives, “but the tribes do not much care for their own government.”<sup>109</sup> As a result, “there are many . . . who side with the terrorist organization not so much because they share its goals but because they see it as an ally against an authoritarian and unresponsive regime,” explains one Middle East expert.<sup>110</sup>

### *Lack of Employment Opportunities*

When the lack of employment is factored into this equation, the risk becomes even clearer. Because the oil sector dominates Yemen’s economy, as it does elsewhere in the developing world, oil-based growth does not generate many local employment opportunities and leaves most of the poor behind.<sup>111</sup> This dynamic will only worsen if oil prices decline again and Yemen’s supply of oil dwindles. With employment opportunities scarce, unemployment reached 35 percent in 2003.<sup>112</sup> The oil sector itself makes matters worse by bringing laborers in from neighboring countries, which breeds resentment in the local population.

Several high-profile incidents attest to the link between unemployment and al Qaeda. Salim Hamdan, a Yemeni citizen captured during

the invasion of Afghanistan and found guilty by a U.S. military tribunal in 2008 of providing material support to al Qaeda, was recruited for jihad in a Sana mosque, described as a “gathering place for the dispossessed,” and thus “exerted an especially strong pull on the country’s poor.”<sup>113</sup> Hamdan eventually signed on to become bin Laden’s driver because “working as a driver and mechanic in bin Laden’s motor pool paid better than driving a dabab [minibus] in Sana.”<sup>114</sup> As the former spokesman for Yemen’s Islamic party explains, “Unless they are the sons of sheiks or political leaders, the young people have no way to use their energies. The one option that is in front of anyone who wants to achieve anything is jihad.”

### *Civil Conflict*

The risk of terrorist attacks is also heightened by the outbreaks of civil war dotting Yemen’s recent history: a civil conflict in North Yemen between 1962 and 1968 (with 200,000 dead); sectarian violence in South Yemen in 1986 (10,000 dead); another civil war in 1994, this one pitting the recently unified north against the south (7,000 dead); and an ethnic insurgency against the central government that erupted in the north in 2004 and continues to simmer (thousands of deaths).<sup>115</sup> The latest conflict began when a contingent from the largely Sunni government of Saleh tried to arrest the Shia leader of a long-neglected sect based in northern Yemen, and his followers began clashing with government forces. Such clashes make clear the government’s inability to hold this diverse country together.

President Saleh fears the conflict poses a threat to the sovereignty and perhaps the very survival of his regime. In an effort to maintain authority, he has formed alliances with and recruited soldiers from various tribal leaders and Sunni groups with a view to expanding his army. Saleh is also said to have turned to former jihadists to bolster the ranks of his security forces. Thus, one journalist observes, Yemen “not only welcomed back its own fighters, it opened its borders to jihadis from other Arab countries as well.”<sup>116</sup> Poverty and conflict, added to Yemen’s incapacity to provide services to its citizens at the local and regional level and to promote growth and create jobs, act as a powerful fuel for extremism.

The United States could help the government build capacity in the areas of health and education and create jobs through social investments, such as the World Bank Social Fund for Development is making. The United States currently provides some funding through multilateral

and bilateral channels, but other agencies—including the British Department for International Development—are doing much more. The World Bank’s fund, established over a decade ago, supports three main types of programs: community development, government and NGO capacity building to improve service delivery, and microfinance. With impressive early results, the fund has been hailed as a model of effective development in weak states.<sup>117</sup> By 2004–05 these initial accomplishments included:

- New loans to 25,588 active borrowers and savings accounts to 24,617 active clients

- The creation of 9.4 million man-days of employment through community subprojects

- Increased gross enrollment in basic education from 62.9 percent to 67.6 percent, and additional classes in public schools, rising from 116,788 to 123,322

- Increased access to primary health care for 1.1 million Yemenis, and training to about 730 health care workers and local health committees

- Increased access to water services in 312 communities through projects implemented directly by the communities

- Improved access to rural areas through new roads and other projects that have reduced journey costs and travel times by 40 percent and reduced the price of imported goods

- Training for 593,000 people at all levels of government and in communities through capacity-building interventions, with results including a National Strategy for Childhood and Youth, the development of school design standards, and manuals on rural road interventions.<sup>118</sup>

While it is too early to tell whether this type of program will have sustainable security benefits in Yemen, one thing is certain: reducing unemployment, increasing social service delivery (especially in rural areas), increasing the effectiveness of government, and removing some of the risk factors for conflict should reduce Yemen’s vulnerability to terrorist activity in the short term. At the very least, promoting such concrete improvements in the day-to-day lives of ordinary Yemenis would send a clear message to a Yemeni citizenry skeptical of U.S. and Western interests and policy in the country and the region.

## SOMALIA

As in Yemen, the incidence of terrorist attacks in Somalia has risen sharply in recent years. The number registered by the U.S. National

Counterterrorism Center jumped from 25 in 2005 to 442 in 2008, with 278 in the first six months of 2009. The rise of violent extremism is difficult to disentangle from the country's ongoing insurgency but is certainly being impelled by other forces as well in what has become the world's most emblematic failed state.

Somalia, located on the Horn of Africa, has a population of between 9 million and 10 million and has been without a central government since 1991. Somalia's capacity to govern through public institutions effectively ceased to exist nearly two decades ago. In the words of Sheik Sharif Ahmed, president of Somalia's Western-backed Transitional Federal Government (TGF) since January 2009, "The economy is non-existent. State institutions are non-existent. Essential services are non-existent."<sup>119</sup> Since the fall of strongman Siad Barre in 1991, Somalia has remained in chaos, although some clan-based, religious, and private institutions do provide much-needed governance and social services. Rivaling militias jostling for power have clashed violently over the course of the past two decades. Ironically, Somalia's deepening fragmentation has had a moderating effect on the intensity of armed conflicts. The violence has become more local and less lethal than the wars of the 1990s.<sup>120</sup> Yet violent anarchy still reigns over much of south and central Somalia. *New York Times* correspondent Jeffrey Gettleman graphically captures the living conditions in the capital city of Mogadishu:

Death comes more frequently and randomly than ever before. I met one man . . . who was chatting with his wife on her cell-phone when she was cut in half by a stray mortar shell. Another man I spoke to went out for a walk, got shot in the leg during a crossfire, and had to spend seven days eating grass before the fighting ended and he could crawl away."<sup>121</sup>

When a state collapses and conflict simmers, the most tragic and immediate consequence is often humanitarian crisis. Somalia was the epicenter of the world's most severe humanitarian catastrophe in 2008 in terms of number of lives at risk and people dependent on emergency assistance. Over the years, 1 million refugees have fled the fighting.<sup>122</sup> Decades of war, internal displacement, and drought have caused widespread famine, with one out of every four Somalis malnourished. Malnutrition exceeds the level defined by the United Nations as the threshold for a humanitarian emergency. The country ranks lowest by almost every measure of development. About 73 percent live on less than \$2.00 a day.

More than one out of every five children die before the age of five, and of those who survive, most will never be enrolled in any formal education program.

According to some intelligence analysts, there have been few risks to international security in Somalia, which has presented mainly a moral challenge of preventing further loss of life and improving the quality of life. Correspondence documenting al Qaeda's early operations in the Horn of Africa in the 1990s suggested that the environment there presented significant obstacles to the organization: "Foreign terror suspects operating in Somalia are prone to extortion and betrayal; can get caught up in clan conflicts; are easily visible in a context of few foreign visitors; and face difficulties of communication, transportation, disease and access to clean water."<sup>123</sup> As a result, Somalia appeared to be an unfavorable place "for foreign terrorists to operate in or from."<sup>124</sup> Argues Somalia expert Ken Menkhaus, terrorist cells prefer weak states over collapsed states.<sup>125</sup>

That was then. By 2009 al Qaeda-affiliated extremists had built a growing presence in the country. While the threat of violent extremism in Somalia should not be exaggerated, and viewing conditions in Somalia through a narrow counterterrorism lens has proved disastrous for U.S. foreign policy, the threat is real. The main risk in Somalia currently stems from a radical militant force called the al Shabaab, or youth movement. The group emerged in 2005 as a hard-line military force associated with the broader and generally more moderate Islamic Courts Union (ICU), a grass-roots movement that has formed the core of the Islamist insurgency in Somalia. More recently, al Shabaab has been blamed for suicide bombings and killings, as well as for hiding al Qaeda suspects involved in the 1998 bombings of the U.S. embassies in Kenya and Tanzania.<sup>126</sup> The State Department's *Country Reports on Terrorism 2006* states that al Shabaab consists of radicalized young men in their twenties and thirties, some having trained with al Qaeda in Afghanistan. Starting in 2006, a steady flow of foreign jihadi volunteers entered Somalia to join al Shabaab, now suspected of including several hundred foreigners. Suicide attacks have been on the rise, targeting UN facilities, government buildings, peacekeepers, and civilians. In its 2009 annual threat assessment, the U.S. intelligence community concluded that al Qaeda will continue to plot operations against U.S., Western, and other targets in the country, and that popular support for al Shabaab will likely grow.<sup>127</sup> Terrorism experts are particularly concerned, given the role of Somalia-based cells

in helping to carry out the 1998 U.S. embassy bombings, the bombing of a Mombasa, Kenya, hotel in 2003, and an attempted attack on the U.S. embassy in Nairobi in 2003.<sup>128</sup>

Another transnational threat stemming from Somalia's anarchy that has grabbed world attention is the growing epidemic of Somali-based piracy attacks, now occurring almost daily off the country's long coast. In April 2009 Somali pirates captured the U.S. captain of the container ship *Maersk Alabama*, who was later rescued by Navy SEALs. In 2008 alone, Somali pirates hijacked forty-two vessels, earning \$100 million in ransom and threatening international shipping lanes in one of the world's most heavily traveled waterways.<sup>129</sup> By June 2009, these attacks had already reached 114, surpassing the 111 attempted attacks in 2008. For some, Somalia's pirates are "just the current iteration of the country's infamous warlords, making millions off the chaos around them and spreading some of the wealth to the grunts beneath them."<sup>130</sup>

To be sure, most Somalis have little appetite for salafi ideology and jihad, yet violent extremism persists in their midst for a variety of reasons (see table 3-4)—one being anti-American and anti-Western sentiment, which terrorist leaders exploit in motivating recruits to launch attacks. Long-standing political repression is another factor, which makes terrorist attacks difficult to disentangle from local, clan-based violence and insurgency. Still, poverty and state collapse have played a critical role in transforming Somalia into an attractive haven.

### ***Absence of Rule of Law***

Lacking a national system of rule of law, Somalia has given regional al Qaeda cells a secure location "practically opaque to Western and regional security forces," as well as to criminal justice systems and counterterrorism initiatives. The al Qaeda cells that carried out attacks in East Africa were based in and operated from Somalia.<sup>131</sup> From this safe haven, they marshaled funding, facilitated planning, provided expertise to attackers, and procured weapons for the attacks.

### ***Persistence of Conflict, Absence of Public Services and Unemployment***

Equally important, the war zone that has ravaged many parts of Somalia provides a refuge to renegades hiding from the law. On several occasions, U.S. drone attacks have missed their intended targets in part because the conflict zone is difficult to penetrate. Al Qaeda operatives



TABLE 3 - 4. Somalia's Vulnerability to Violent Extremism<sup>a</sup>

<i>Weakness</i>	<i>Operational needs of violent extremist groups in Somalia</i>	
	<i>Territory/base of operations</i>	<i>Recruits/popular support</i>
<b>Lack of control over territory</b>	Potential training ground for Saudi recruits to extremist violence Training camps based around Mogadishu Difficult for United States to intercept terrorist suspects	Al Qaeda operatives move freely in and out of Somalia Influx of foreign jihadi volunteers
<b>Porous borders</b>	Transfer weapons, which can be obtained at lowest international market price Channel funds across border	Al Qaeda operatives move freely in and out of Somalia Influx of foreign jihadi volunteers
<b>Lack of effective regulation/weak rule of law</b>	Violence extremists evade government authority	
<b>Inadequate social welfare</b>	Private charities have channeled funds to al Qaeda	Provision of social welfare buys the allegiance of citizens
<b>Poverty (for example, unemployment)</b>	No state apparatus and no financing for counterterrorism	No legitimate means of employment
<b>Corruption</b>	Loyalty can be bought by just about anyone with the means	
<b>Lack of democratic governance</b>		
<b>History of violence/conflict</b>	Territory is opaque to external security forces	Insurgency against Western-backed government serves as international rallying cry Provision of security increases popular support

a. This table merely illustrates Somalia's vulnerabilities to Islamist terrorism and should not be considered exhaustive.

have been able to move freely around Somalia “with little or no visibility by external security and intelligence agencies.”<sup>132</sup>

In addition, the persistent insecurity plaguing south and central Somalia has rendered ordinary Somalis more likely to support and join radical groups like al Shabaab. The Islamic Courts Union, initially a moderate clan-based movement that has recently been radicalized, gained broad popular appeal after bringing an element of peace and security to Mogadishu and its surroundings. Much as the Taliban had done in Afghanistan a decade earlier, the ICU garnered the loyalty of the population and seized hold over the country in 2006 largely by providing health care, education, and security. Most visitors to Mogadishu in this period were struck by the ICU's accomplishments: “Road-blocks were removed

and even the ubiquitous piles of rubbish that had blighted the city for a decade or more were cleared. The main Mogadishu airport and seaport were reopened and rehabilitated for the first time in a decade. Squatters were made to vacate government buildings, illegal land grabs were halted, and special courts were opened to deal with the myriad claims for the restitution of property.”<sup>133</sup>

Although most nongovernmental service providers operating in Somalia and substituting for the government have benevolent intentions, some have channeled and raised funds for al Qaeda.<sup>134</sup> Owing to religious and cultural differences, many ordinary Somalis are wary of radical groups like al Shabaab. Yet many young, unemployed men have few options other than to join the extremists. One al Shabaab recruit acknowledged he joined because the group’s leaders promised him an income of \$300 a month.<sup>135</sup>

What can be done in Somalia to help turn the situation around? Clearly, addressing the above vulnerabilities is a tall order since public institutions must be built from the ground up. Despite nearly two decades of engagement in the country, donors have made few inroads. Since the 1993 Black Hawk Down incident and death of eighteen American soldiers, Western military engagement has become politically unsealable and is highly unlikely. The recent surge in anti-Americanism only serves to complicate matters.

As in Yemen, U.S. policy toward Somalia has been off balance, focusing primarily on a short-term, tactical counterterrorism strategy that has not yielded results and, if anything, appears to have been counterproductive. The U.S.-sanctioned 2006 Ethiopian military incursion into the country “succeeded in ousting an increasingly radical Islamist movement, the Islamic Courts Union, but provoked a brutal cycle of insurgency and counterinsurgency that plunged the country into new depths of misery.”<sup>136</sup> U.S. airstrikes against al Qaeda regional leaders have failed to hit many of their designated targets and only served to radicalize the population. The U.S. policy of supporting corrupt, violent Mogadishu-based warlords in 2005 is widely believed to have fueled the rise of al Shabaab and helped the ICU garner broadly based support and win the state.<sup>137</sup> U.S. and Western support of successive transitional governments that have relied on harsh tactics and that focus on narrow clan politics merely helps build support for radical Islamists.<sup>138</sup> Likewise, other countries have dealt with the surge in piracy largely through naval operations, including international armed convoys and rescue missions

off the shores of Somalia. Such security-based approaches tend to ignore the underlying problems that invite terrorism, piracy, and other kinds of criminality. The resulting challenges are daunting—but must be met.

The ultimate goal in Somalia must include an effort to build and strengthen a viable central government that can begin to provide adequate security and welfare to its people. Because central and southern Somalia are in the midst of a hot conflict, however, the process must consist of two steps, the first focusing on stabilization and the second on conflict-sensitive development and state-building activities.

Somalia specialist Ken Menkhaus and others find it difficult to see how progress can be made on the stabilization front without the presence of a robust international peacekeeping force.<sup>139</sup> The African Union Mission to Somalia (AMISOM), a regional peacekeeping force of 4,300 soldiers approved by the UN Security Council in 2006, is mandated to support the Transitional Federal Government and to assist in providing security for humanitarian assistance. But in a country of 9 million people, this puny force can barely step out beyond Mogadishu. As a result, aid agencies on the ground have been unable to distribute much aid. Not surprisingly, a recent report on U.S. strategy in Somalia found that despite receiving \$242 million in American food aid between 2001 and 2007, “the country’s acute malnutrition rates, which remain above the emergency threshold in some parts of the country,” have not dropped.<sup>140</sup>

Beyond bolstering the international force, other important steps to improve security on the ground should include a strategy to draw neighboring countries involved in the conflict into the process of political reconciliation; significantly better analysis of conditions on the ground, and of the country’s social, political, and cultural dynamics; a diplomatic effort to promote peace that takes in all influential domestic groups; a focus on human rights and accountability in the transitional government; and less reliance on covert U.S. military intervention, which is decimating America’s standing in the country.

When the level of violence begins to drop, the United States and other donors should continue to provide humanitarian assistance, especially conflict-sensitive aid. From the outset, the aim should be to help build sustainable security and to reduce the incentives for individuals to support and join violent extremist groups. Among the lessons the World Bank and other donors have learned about this type of assistance, a primary one is the importance of identifying the aid recipients who are the potential winners and losers.<sup>141</sup> Priority should also be given to aid

programs that avoid strengthening one clan at the expense of another. Small-scale projects tend to be less susceptible to lineage-based competition and division. Programs that help to manage natural resources and resource revenues in a transparent and fair manner would also help.

Once the violence subsides, much can be done to begin rebuilding Somalia's institutions, even before an effective government is restored in Mogadishu. As in Yemen, community-driven projects and initiatives should be emphasized from day one to help restore trust in the government's capacity to deliver desperately needed services to its citizens. But the trick will be to deliver aid without further polarizing different factions. The silver lining is that during the two-decade conflict, Somali communities have "been forced to employ a range of strategies to cope in a situation of extremely limited support from outside the lineage (that is, from government or domestic and international organizations)."<sup>142</sup> As a result, community-driven development is not only likely to be an effective way to circumvent the lack of capacity at the national level, but it is particularly well suited to local institutions and practices in this deeply fragmented country.

## CONCLUSION

Despite much commentary to the contrary, there is little convincing evidence to suggest that poverty does not affect the incidence of terrorist attacks. The body of scholarly research thus far has failed to establish this, let alone explain how to measure terrorism. Hence the quantitative data and ensuing research disputing such a relationship remain a poor guide for policy.

More convincing is the mounting evidence confirming that poor, weak states are vulnerable to violent extremists. It helps explain why deadly attacks seem to occur mainly in the developing world, and why anti-American terrorist activity is concentrated in countries and regions that face daunting development challenges. Yemen and Somalia illustrate the difficulty of sustaining counterterrorism efforts in countries plagued by economic decline or dire poverty. Not only is the threat of attacks in these countries unlikely to disappear without some attempt to address poverty and weakness, but further poverty and violence are also in store for them unless donors help to break this vicious cycle. This does not mean that developed countries are not vulnerable, but simply that extremist violence is more likely to arise wherever governments are

unable to provide for their citizens. Given the global reach of extremist groups today, the risk of terrorist activity even in distant countries has important implications for U.S. interests. Building consensus on this point is an important first step toward solving the operational question of what it will take to reduce support for and participation in violent extremism in poor, weak states.

In part what it will take is a more refined long-term approach to the threat of violent extremism, which can only be achieved through more in-depth analysis of terrorist activity and its parameters in weak states. Policymakers have had sound instincts on this subject for over a decade, with many officials warning especially since the attacks of 9/11 that weak and failed states represent a danger to security in the twenty-first century. Data show that attacks are particularly lethal, prevalent, and likely to target Americans in the developing world. Yet how and why such states increase the risk of transnational attacks and pose a risk to neighboring countries remains poorly understood. The factors that make poor states vulnerable to extremists need to be fleshed out to better inform preventive policies.

It also needs to be recognized that the fight against terrorist activity as conducted under previous administrations, particularly the Bush administration, is not serving the nation well, as illustrated in Yemen and Somalia. Targeted assassinations, precision strikes against so-called high-value targets, and other tactical measures may have removed some of al Qaeda's leadership in key developing countries, but in the absence of a wider strategy, such tactical measures will not produce sustainable progress. These countries are a concrete reminder that the United States needs to craft a long-term plan to dissuade the next generation of violent extremists from taking up arms. In this vein, President Barack Obama has refashioned the U.S. approach to Afghanistan and Pakistan, placing more emphasis than his predecessor on a military strategy for stabilizing Afghanistan and providing more economic assistance to Pakistan with a view to jump-starting that country's economy.

By and large, U.S. policy since 9/11 has focused primarily on providing counterterrorism support to poor countries of strategic concern. Far too little thinking has gone into how to use U.S. foreign assistance policy and development to help prevent and diminish the appeal of violent extremism, and to help increase the legitimacy of key Muslim-majority states. Likewise, too few U.S. aid dollars are being invested in people

and development in these countries.<sup>143</sup> For instance, 60 percent of the \$10 billion spent on U.S. aid to Pakistan since 2001 has gone toward reimbursing U.S. partners for their assistance in counterterrorism operations, not to assistance programs.<sup>144</sup> And most of the \$50 billion in U.S. aid invested in Egypt since 1979 has gone toward military assistance, while economic assistance to that country has not targeted Egypt's flailing economy and lack of opportunities.

Admittedly, many of the majority-Muslim states in which poverty intersects with violent extremism are "difficult partnership countries." The challenge of providing effective aid in such areas should not be underestimated (see chapter 7). Despite their considerable natural wealth, many countries in the Arab world have experienced limited economic and social progress, largely because democratic governance and political freedoms are unknown.<sup>145</sup> Poor countries there and throughout the developing world have suffered deep divisions and conflict. A lack of democracy and a history of conflict are precisely the conditions under which traditional aid is least effective, primarily because they preclude effective mechanisms for managing and absorbing aid. Investing in rule of law programs, including measures to provide or build police capacity, is one way to reestablish security and improve the effective delivery of aid.

Development agencies such as the World Bank, the British Department for International Development, and the U.S. Agency for International Development have tackled the challenge of aid to fragile states head on, and their work has yielded valuable lessons for U.S. policy. Donors must heed these lessons by committing the resources and policies necessary to address the threat of terrorist attacks in poor, weak states. One means to this end would be community-based development, which is particularly well-adapted to countries with very weak or nonexistent central institutions since grass-roots service providers often emerge spontaneously to fill the void in war zones. It will be important, however, to resist the temptation to exclude and alienate all Muslim charities and social welfare providers and to prevent further divisions in strife-ridden societies. Most of these are moderate institutions and play a critical role in the absence of state institutions. In poor regions where violent extremists have maintained a foothold, there are simply no good alternatives. A striking example is Afghanistan's program of National Solidarity, a joint effort by the international community and the Afghan government to reach the country's rural communities directly through a participatory

approach to development. Community programs implemented at the village level have already reached 13 million rural people and have benefited from critical services, including access to an improved water source, new roads, and numerous other small infrastructure projects, which draw nearly 80 percent of their staff from local communities.<sup>146</sup>

The effectiveness of such programs has yet to be proved, given their novelty. As the Yemen case and initial evaluations by the World Bank suggest, however, these endeavors show promise. They not only address the vulnerabilities cited in this chapter but also help build international support for the United States, even in places where U.S. standing remains abysmally low. The surge of goodwill toward the United States in response to U.S. aid for the 2004 tsunami victims is but one reminder of this potential. Assistance in poor Muslim countries could go a long way toward showing U.S. commitment to the needs of people in these states, and could help rally more international partners to the cause of counterterrorism. Attacks are growing more numerous and deadly in the developing world, where security controls tend to be more lax; preventing terrorist attacks would save lives first and foremost in developing countries. In addition to protecting U.S. national security, incorporating development assistance into an international counterterrorism strategy is a long-overdue global solution to a global problem.

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# Confronting Poverty



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WEAK STATES AND U.S. NATIONAL SECURITY

SUSAN E. RICE  
CORINNE GRAFF  
CARLOS PASCUAL  
*editors*

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