

AFTERWORD

The Future of Terrorism, or The Dark Side of Freedom

Terrorism, the war of small groups against states, is on the rise since the end of the cold war and the collapse of communism. The new war is not anymore mostly between states, but mostly against states. This is not surprising at a time when the role and power of nation-states is challenged on all fronts by privatization, tax-cutting, decentralization and devolution, secession and fragmentation. And the changing fortunes of states is part of a general trend toward the weakening of all hierarchies, public and private, as market transactions replace hierarchical organizations, whether business firms or public bureaucracies.

Because the wave of terrorism is worldwide, it must have common causes. The current rise of competitive violence is a consequence of the erosion of the monopoly of violence, the main business and the “raison d’être” of states. The retreat of the state leaves room for the growth of competitive markets and more freedom but also allows for a larger supply of competitive violence which partly jeopardizes the newly gained individual liberties. The cold war combination of civil

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peace—whether democratic or totalitarian—and external conflict is thus replaced by external peace and civil insecurity.

To understand how to win the war on terrorism we must first understand what makes terrorists tick. Unfortunately, since 9/11, but also before, most explanations have had to do with specific acts of terrorism. Commentators have tried to explain each terrorist campaign in terms of past wrongs, present errors, alleged injustices or abject poverty generating desperate rebellions. In this psychological approach, terrorism is seen as revenge.

The trouble is, these same motives were also present in the past, at a time when terrorism was less prevalent than today. So what is needed is a wide scheme that generally explains a current revival of predominantly non-state—that is decentralized—violence, variously motivated by regional and secessionist, ethnic or religious, and ordinary urban crime objectives, often mixed in changing combinations.

The plain fact is that small organizations specialized in violence seek to impose their will on more or less homogeneous populations by force and blackmail. The goal is to accelerate the retreat of the state and take control of some part of the population for extracting revenues. They wage new forms of guerilla warfare on larger states, demanding ransom in exchange for sparing the lives of civilians and soldiers in these states. What has made this offensive so daunting is that the competitive advantage of these small organizations has recently been increasing. The general retreat of state power since the 1970s, an otherwise healthy development, has enabled these organizations to prosper and challenge governments and their armed forces.

Large states reached their zenith in the middle decades of the past century, but have been declining since the mid-'70s. The basic reason for this is that large hierarchies, firms as well as states, thrive on economizing information while smaller production units have to transact mainly through markets where the use of information is intensive. Thus large hierarchies are more efficient when information is

costly but smaller hierarchies and larger markets are more efficient when information is cheap.

With the revolution of information in the '60s and '70s, the cost of storing, processing, and communicating information has plummeted. It followed that large hierarchies such as conglomerate firms and huge, heterogeneous states, lost their comparative advantage and disintegrated everywhere in the world, trying to downsize or being replaced by smaller units, while markets expanded rapidly.

This revolution of organization is also at work in the "war business." Contracting states, both in terms of reduced share of taxes as a percentage of GDP and receding borders (through secession and fragmentation, devolution being a less extreme form of disintegration), are not looking for new territories to control, especially with curtailed military budgets. Thus traditional wars of conquest between rival and often adjacent states, tend to disappear. At the same time, this retreat has left the field open at the margins for rival organizations that produce violence, whether organized crime, regional political groups trying to establish their own state to control resources on a smaller territory, or whatever group can carve out a clientele in the old state population.

This helps explain why smaller interest groups and communitarism is the new rage in the politics of wealthy countries. Today, unlike previously, smaller is more efficient in matters of political pressure and military action, as larger monopolizers of violence—the traditional states—contract their activity and presence.

Terrorism is the form of violence that is best adapted to the small-group advantage. A small group willing to seize power from the state cannot finance a regular army with an airforce, a navy and large ground forces. It has to resort to guerrilla tactics and violence against isolated buildings, a few military targets and, preferably, civilians. Weakened traditional states have been proved vulnerable to guerrilla tactics in several postcolonial wars, and more recently in Vietnam as well as in Afghanistan. Terrorism amounts to going one step further

in that direction. The diversity of the small, competitive, and violent groups and their nonterritoriality make them difficult to identify and to control. As a consequence, terrorism is here to stay for as long as the disintegration of large state hierarchies continues to be determined by the information revolution.

In this new form of war, which replaces the world duopoly of the cold war, the position of the United States, however more powerful than that of other states, is nevertheless weakened. Far from being a “hyperpower” able to control the whole world, as French diplomacy pretends, it has to rely on allies and alliances to fight even a smaller contender such as Iraq. But the call of many Europeans for world governance and an international rule of law administered by the UN is fundamentally mistaken. The international rule of law is breaking down precisely because of the atomization of the world population of states and the weakening of the power of each one of them. Absent such a superpower as the United States was during the cold war, there is no conceivable international rule of law, UN or no UN. The increasingly decentralized terrorist violence has to be faced by decentralized forces and by occasional, and changing, alliances between a few most concerned states. The decentralized terrorist challenge has replaced the monopolistic Soviet challenge. And it is here to stay.