Does Terrorism Work?

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Abstract

This paper examines whether terrorism is an effective tool to achieve political goals. By exploiting variation in terror attacks over time and across locations in Israel from 1988 to 2006, we show that local terror attacks cause Israelis to be: (i) more willing to grant territorial concessions to the Palestinians; (ii) more willing to accept a Palestinian state; (iii) and less likely to identify oneself as being right-wing. These effects are especially pronounced within demographic groups that are traditionally right-wing in their political views. However, terror attacks beyond a certain threshold are less effective, and may reach levels which cause Israelis to adopt a less-accommodating position. In addition, we show that terror induces Israelis to vote increasingly for right-wing parties, as the right-wing parties move to the left in response to terror. Hence, terrorism appears to be an effective strategy in terms of shifting the entire Israeli political landscape to the left. These findings may shed light on the causes underlying the spread of global terrorism in the last few decades.