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More Freedom, Less Terror?

Liberalization and Political Violence in the Arab World

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Summary

Many policymakers and analysts across the political spectrum consider democracy promotion an important element of a counterterrorism strategy. Yet others have argued that democracy can do little to stop terrorism and may even make the situation worse, particularly in unstable regions such as the Middle East. But neither side of this debate has moved far beyond unexamined assumptions and unsupported assertions; scant empirical evidence links democracy to terrorism, positively or negatively. This study examines whether such links exist by exploring cases from the Arab world—the region that inspired this debate in the first place.

This study examines how the process of political reform influences calculations regarding political violence in six Arab states. It is not a study of the relationship between fully functioning democracies and terrorism, because democracy and, arguably, genuine democratization are still absent in the Arab world today. This is also not a study about the causes of terrorism or how to end terrorism, as we recognize that the sources of terrorism are complex and multifaceted, and no one antidote is likely to address entirely its root causes.

Rather, our goal is to assess whether and how political liberalization and related civil liberties (or their absence) have affected the resort to and/or support for terrorism. Has the introduction of political reforms into the Arab Middle East alleviated terrorism and violent extremism? If so, in what ways and under what conditions? If not, why? Can the reversal of reforms and a return to repressive policies increase the risk of terrorism over time? In short, what are the *effects* of liberalization processes on political violence—immediate and delayed—in this critical area of the world?

Tackling the Democracy-Terrorism Question: The Study's Approach

Even if democracy, or its absence, cannot on its own explain levels of terrorism, we must recognize that a significant number of terrorist incidents around the globe—at least since the U.S. invasion of Iraq in 2003—occur and stem from largely undemocratic regions (specifically the Middle East and North Africa), as Figures S.1 and S. 2 illustrate.

At the very least, these data suggest the need to explore how reform processes are functioning in the Arab World and their possible effects on levels of violence. Consequently, this study examines the effects of liberalization processes in the Middle East and North Africa over 15 years, asking whether such processes influenced the choices of domestic actors to engage in or support acts of terrorism or other forms of political violence. To do so, we delineated the causal logics usually assumed, but often not articulated, that are, in theory, supposed to link democratic practices to more pacific behavior (applying such logics to the more limited reform processes that exist in regions such as the Middle East). This analysis led us to identify three main processes by

Figure S.1
Terrorism Incidents, by Region, from the End of Combat Operations in Iraq (May 1, 2003) to December 31, 2006

Africa	
East and Central Asia	
Eastern Europe	
Latin America	
Middle East and North Africa	
North America	
South Asia	
Southeast Asia and Oceania	
Western Europe	
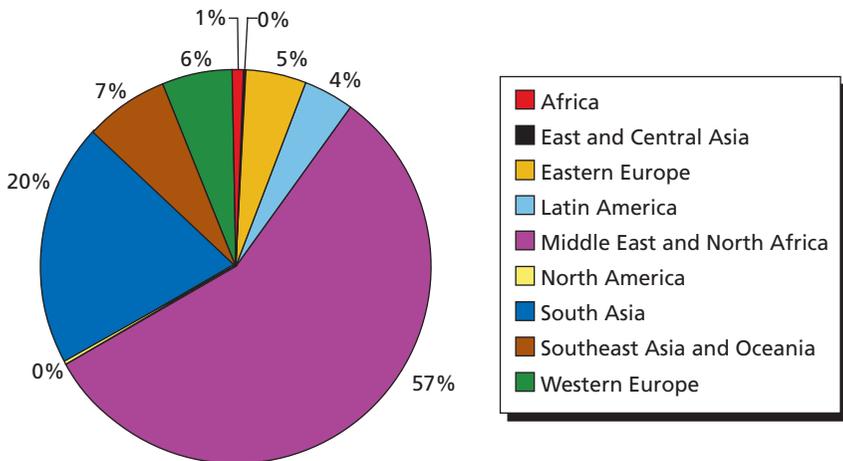
Figure S.2
Percentage of Claimed Terrorist Incidents by Regional Base of Operations,
May 1, 2003, to December 31, 2006

Legend:
- Africa
- East and Central Asia
- Eastern Europe
- Latin America
- Middle East and North Africa
- North America
- South Asia
- Southeast Asia and Oceania
- Western Europe

Values shown on pie chart: 1%, 0%, 7%, 5%, 7%, 3%, 42%, 38%, 1%
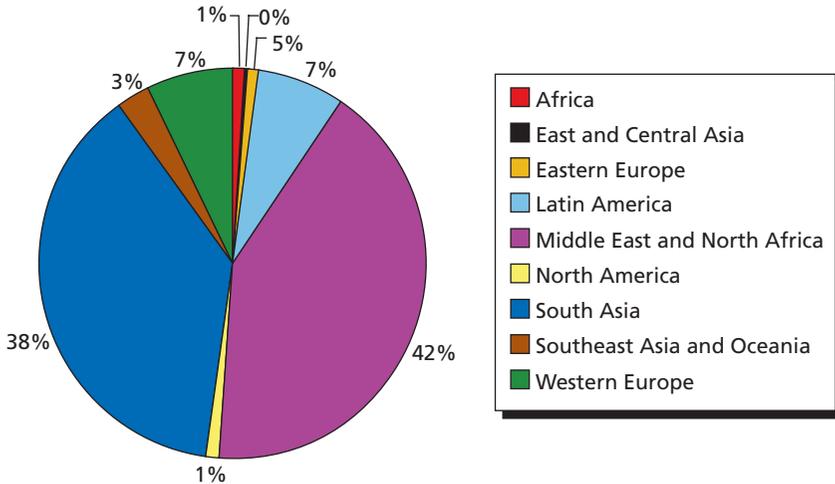
which democracy proponents expect democracy to undercut terrorism: *espousing norms of tolerance, creating functioning and inclusive institutional structures, and increasing the legitimacy of the political system*. We also considered arguments suggesting that the *destabilizing nature of transitional states* may make them more inclined toward war (and we applied such logic to the terrorism arena).

We explored the above hypotheses in Arab cases, in large part because the extremism that produced 9/11 and most directly influenced this policy debate came from this part of the Muslim world. In terms of the case selection within the Arab world, we developed several criteria. First, we wanted our cases to reflect variation both on levels of liberalization and levels of terrorism. As Figures S.3 and S.4 illustrate, our cases provided such variation over the 15-year time period we cover (1991 to 2006).

We also selected cases from different subregions within the Arab world (the Levant, the Maghreb, and the Gulf) where at least one of the subject countries is viewed as a major regional player. Finally, we did not choose cases that are complicated by ongoing or recent hot wars

Figure S.3
Total Number of Terrorist Incidents for Case Study Countries, 1990–2006
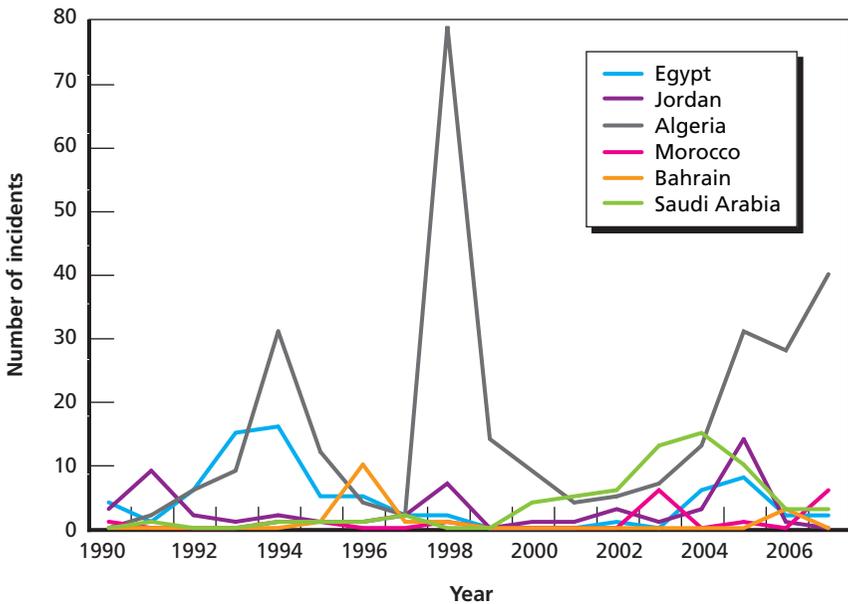
and foreign occupation (e.g., Palestine, Lebanon, or Iraq), as it would be more difficult in such cases to discern the effects of liberalization measures as opposed to other factors that could be fostering extremism. Despite the destabilizing regional context of Arab-Israeli violence and the Iraq war, the cases we explore illustrate dynamics more independent of these conflicts and allow a better exploration of how the introduction of various levels of reform affected extremism and political violence over time.

The cases rely on extensive fieldwork in each country. Collectively, we interviewed over 130 regional experts (analysts, officials, journalists, military personnel, academics, and activists). Some authors also observed election rallies, political debates, and other civic forums. We also drew on secondary literature and primary source materials, including Arabic sources.

Figure S.4
Freedom House Scores for Case Study Countries, 1989/1990–2006
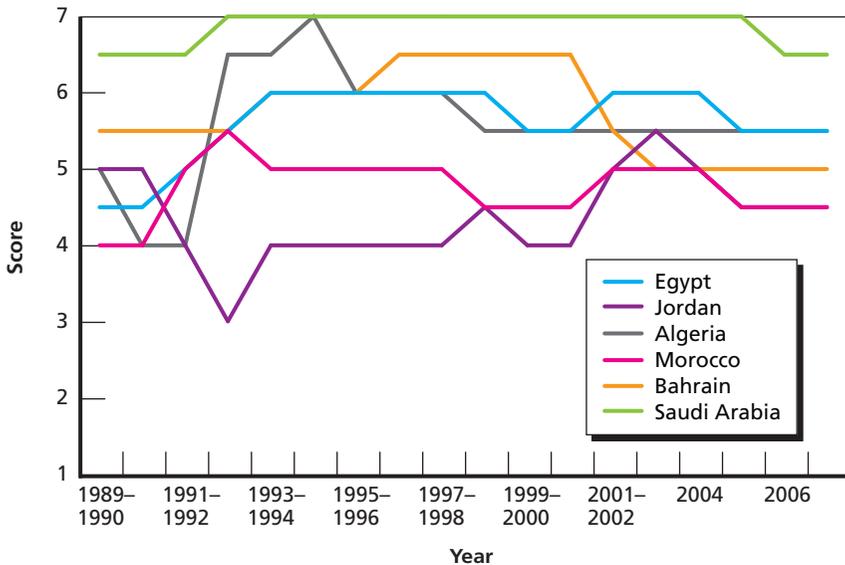
NOTE: A score of 1 indicates the highest degree of freedom, and 7 the least.

Liberalization in the Arab World Can Both Contain and Exacerbate Political Violence

The study's six empirical cases—Egypt, Jordan, Bahrain, Saudi Arabia, Algeria, and Morocco—suggest that the way political reform operates in practice is significantly different from the abstract theoretical assumptions made on either side of the debate. Because democracy and, arguably, genuine democratization are not apparent in these cases, and in all cases we see significant backtracking, the effects of liberalization are mixed and may be delayed. Rather than fostering norms of tolerance, pluralism, and institutional inclusion, government-led reform processes in the Arab world often bring about intolerance and exclusionary political systems, contributing to, rather than undermining, support for political violence. And yet, controlled state processes and effective security institutions, including repression, have contained levels of political violence in many instances. That said, the destabiliz-

ing effects of transitional systems might be more apparent over the long run, when state policies of control and repression run their course.

Of all the assertions linking democracy to terrorism, the legitimacy argument seems to have the most significant impact. The enhanced legitimacy of the system produced through political openings can undercut extremist actors. But more ominously, the decline of a regime's legitimacy when reforms are not viewed as genuine or if significant reforms have been reversed can threaten long-term stability.

Despite significant differences across cases (particularly in terms of the varied conditions and receptivity to political reforms), one of the most critical commonalities is the finding that, even if limited reform measures can have some moderating effects on domestic actors, backtracking on reform and a widespread perception that the political process lacks legitimacy can prove destabilizing. The most negative aspects of political reform processes in the Arab world (e.g., exclusionary political systems, intolerance, and sectarian, tribal, and ethnic divisions) are the result of their limited and incomplete nature, not their mere existence. The following findings elaborate on this key point.

Political openings can co-opt and moderate opposition forces and marginalize hard-liners, but not indefinitely if reforms fail to produce tangible results. Allowing mass-appeal opposition movements, including Islamists, to participate legally in the political process has in some cases fostered moderation and prevented more violent tactics of confrontation against the state. In the case of Morocco, for instance, the government has permitted the political participation of moderate Islamist parties, leading them toward accommodation with the government instead of confrontation. Similarly, Jordan's inclusion of the Islamist opposition into the political process has had a moderating effect, undercutting support for more radical elements within and outside the party. However, growing confrontation between the government and the Islamist opposition is providing ammunition for more hard-line elements, who question the benefits of participating in a political process that is viewed as corrupt and illegitimate. A similar dynamic is at play in Bahrain, where the November 2006 parliamentary election bolstered the ranks of the pro-participation party, al-Wifaq, while siphoning support from the militant al-Haq movement.

But al-Wifaq's inability to produce tangible results from its parliamentary tenure and the resulting rise in frustration are pushing more Shi'a back to al-Haq.

Political reforms have had little effect in promoting norms of tolerance; if anything, they often exacerbate existing societal cleavages. Although reform processes have in some cases had a moderating effect on the opposition, their limited and controlled nature—and the fractured context in which they are operating in the Arab world—have resulted in a distinct absence of norms of tolerance and pluralism across all cases. Fear of growing Islamic power among governments and secular opposition movements is increasing intolerance of opposing groups and leading to crackdowns on freedom of expression. Egypt, for example, still suffers from significant tension and violence between its Muslim and Coptic communities, and Copts are generally opposed to any changes that would give Islamist groups further power, as they are unsure about whether political liberalization would actually lead to further protection of minority rights. The holding of elections in Bahrain in 2006—particularly in the context of sectarian strife in Iraq, Hizballah's war with Israel, and the disclosure of the "Bandar Report" (an alleged government plan to co-opt Sunnis in order to marginalize the Shi'a in Bahrain)—exacerbated sectarian tensions and intolerance of other groups.

Political institutions in the Arab world are controlled and exclusionary. Opening up the process to allow for new institutional mechanisms, such as political parties and elected parliaments, has had some moderating effects on opposition forces in several cases, preventing the formation and support of more radical groups. For instance, one Shi'a opposition party, although continually viewed with suspicion by Bahraini Sunnis, has largely abandoned its radical agenda since the 1990s and has participated in elections and pushed for political reform via peaceful channels. But institutional openings are often tightly controlled and limited.

In the Jordanian case, election laws are structured to systematically exclude and marginalize the Islamist opposition. In Algeria, institutional mechanisms, such as the official ban on Islamist parties from elections and political life, have forced the Islamic movement

to the sidelines. Similarly, Islamic opposition groups have been consistently excluded from political participation in Egypt. In the Gulf cases, democratic structures are viewed as "institutionalized sectarianism." Nowhere is this more apparent than in Bahrain, where the king unilaterally revised the 1973 constitution, subordinating the elected parliament to an appointed upper house and depriving it of any ability to formally introduce new legislation or exert financial oversight over government ministries. The effective neutering of this body, along with electoral gerrymandering designed to ensure Sunni dominance, spurred a widespread Shi'a and leftist boycott of the 2002 parliamentary and municipal elections. The result was a National Assembly that was disproportionately dominated by Sunni Muslim groups.

Cosmetic reforms and backtracking erode regime legitimacy and contribute to political violence. While liberalization measures may not have a direct effect on existing radical terrorist groups, even limited reforms can help "pull the rug out" from under the extremists if opposition groups and the broader public believe the system is legitimately addressing their concerns and interests. In some of the study's cases, for example, political reform has helped generate societal support for counterterrorism measures against extremist groups. However, perceptions of legitimacy can suffer when regimes fail to deliver on promised reforms. Indeed, regional polling suggests that publics desire democratic governance but are consistently disappointed with their leadership's failure to deliver. The growing public sphere and new sources for information may only be exacerbating the gap between rising expectations for democracy and the disappointing reality of its absence.

In Morocco, even though the monarchy's legitimacy remains largely intact, the continued corruption and lack of rule of law (in addition to massive economic disparities) are major irritants for Islamists. The most dramatic example of democratic reversal leading to violence is the Algerian case, where the nullification of elections in 1992 (in which the Islamic Salvation Front was poised to win) led to the explosion of a civil war that engulfed the country in violence for nearly a decade. In the Gulf, the anemic power of elected bodies also erodes regime legitimacy and contributes to violence. Parliaments are viewed

as surreptitious channels for Islamist domination, resulting in a web of bylaws and rules that prevent them from exercising any real power. This invariably has led to cynicism and charges of hypocrisy, damaging whatever legitimacy the initial holding of elections might have conferred on the regime.

Limited reforms are not always destabilizing in the short term. If liberalization in the Arab world has had a poor record in terms of producing real political inclusion, tolerance, and legitimacy, in many instances it has still not proved as destabilizing as we might expect. This is particularly the case given that reform processes are often pursued as part of a larger regime strategy of accommodation and repression. In Bahrain, Jordan, and Saudi Arabia, for example, the competency of the regimes' security services played a major role in either curtailing or preventing terrorism and violence. While co-option and other techniques of accommodation and repression can mitigate the destabilizing effects of stalled reform processes, such tactics do not address long-term, underlying challenges. Strategies of repression may eliminate terrorist threats for a time, but they also may be pushing back the problem. For example, the success of the Egyptian government in using repression to quell terrorism within its borders by the end of the 1990s may have inadvertently sent the extremists elsewhere.

Rule of law and human rights are particularly critical factors in influencing calculations regarding political violence. Although all aspects of reform in the Middle East have been limited, some elements provoke more resentment than others. This is particularly true of those aspects related to rule of law and human rights. For example, close observers of Egyptian politics and the state's struggle with violent groups view the protection of human rights and the rule of law as key elements of democracy, and as particularly important elements in boosting the legitimacy of the regime. In Bahrain, one of the most important, tangible initiatives that bolstered the credibility of the new emir when he came to power in 1999 appears to have been reforms in the judiciary, particularly the removal of the despised British chief of Bahraini security and increased freedom of the press. Author interviews revealed that prison reform, rule of law, human rights, freedom of expression, and a general improvement in the judiciary system are perceived as criti-

cal early steps to legitimizing a genuine democratic process. The nexus between legitimacy and judicial reform appears to be borne out even in the Saudi case (the most authoritarian case examined in this study), where writings of Saudi jihadis themselves routinely attack the harshness and human rights abuses of the penitentiary system.

There are many reasons for a rise or decline in radicalism and terrorism that are unrelated to political reform. This study recognizes that a rise or decline in terrorism is not only related to political reform processes. This is one of the reasons why quantitative assessments of this subject often fall short, including the limited quantitative data produced for this study. Correlations between levels of democracy and levels of violence are often indeterminate. Aggregate data at the national level (such as that employed by Freedom House (FH) and the RAND-MIPT [Memorial Institute for the Prevention of Terrorism] terrorism database) also miss regional variations that may account for political violence that are largely unrelated to political processes occurring at the national level.

The cases in this study also highlight a number of other factors affecting levels of violence, or public opposition to violent extremists, that are unrelated to internal reform processes. For example, the decline of Iranian-backed terrorism in Bahrain in the late 1990s was probably more rooted in Bahrain's external rapprochement with Iran and policy shifts inside Iran than internal reform measures. Similarly, the spike in violence that arose in mid-2003 inside Saudi Arabia likely resulted from regional developments, such as the return of Saudi veterans from the Afghan front and the Iraq war, rather than the nominal internal reform process. In Morocco, the 2003 bombings in Casablanca are believed to be a response to Morocco's relationship with the United States and the West in the aftermath of the Iraq war as much as they are a protest against domestic conditions. Other factors that affected levels of terrorism in various cases (positively and negatively) include the effectiveness of state security services, the nature of jihadi cells within the country and their prior experience, the cohesiveness of opposition forces, other negative regional developments (e.g., the Iraq war, violence in the West Bank and Gaza, and the Lebanon conflict), negative public reactions

to terrorist tactics, and broader socioeconomic conditions within the country.

Pursue Realistic Democracy Promotion Rather Than a Return to Realism

Destabilizing regional developments since the Iraq war—as well as growing concerns about rising Iranian power and influence—have led to a backlash against democracy promotion in U.S. policy circles. Shoring up support from undemocratic Sunni Arab regimes to help stabilize Iraq and counter Iran appears to be a greater priority for U.S. policymakers than democracy. The strong showing of Islamist movements in elections across the region, and particularly the HAMAS victory in the Palestinian elections, has only contributed to this trend. The growing consensus in Washington is that democracy is dangerous in this part of the world. In other words, U.S. policy is largely returning to a pre-9/11 "realist" posture.

However, our study suggests that a return to realism would be shortsighted. Yes, there are dangers and risks inherent in reform processes in regions such as the Middle East, and our cases provide ample evidence to this effect. But there are also dangers in trying to stymie such processes. Indeed, one of the most dangerous triggers for radicalization and a resort to political violence is the backtracking on reform apparent across the region. This suggests that pressing ahead with genuine democratization, not just limited reforms, may stem extremism over time by bolstering the legitimacy of weak and vulnerable regimes.

That said, our suggestion that the United States maintain democracy promotion as a key foreign policy priority does not mean that we recommend a transformational policy of regime change or the imposition of democracy by force. Political reform in the Arab world, and indeed across the broader region, is a varied and internal process that requires sensitivity and recognition of the limits of what external actors can affect. But serious attention to liberalization measures in this region, particularly in the areas of human rights and rule of law, can serve U.S. interests over the long term. In short, rather than a return to

realism, U.S. policy should pursue realistic democracy promotion. This means focusing on the key areas that matter consistently and forcefully while recognizing that democracy is no panacea for countering terrorism. Democracy promotion is one critical way to diminish motives and support for violent acts, but counterterrorism policy must rely on multiple tools to effectively address this complex and multifaceted challenge. Our study suggests that democracy promotion, if carried out carefully, should remain in the toolbox.

This report concludes by offering the following policy recommendations:

Apply sustained pressure, scrutinize, and limit applause. U.S. attention to reform measures and sustained pressure can serve as a critical impetus for continued efforts among key allies. This does not mean pressuring important allies such as Egypt, Jordan, and Bahrain to pursue policies that would threaten their survival. The focus should be on strengthening democratic institutions and practices, including election laws, so that reforms that have been initiated are followed through and substantiated. The problem for many regional democracy activists is the perceived absence of sustained U.S. commitment and the belief that the United States is often deceived by the façade of democratization that, in practice, is not genuinely allowing alternative voices to be heard or adhering to basic civil liberties. What is needed is a more disciplined U.S. policy metric for measuring reform, as well as more-careful attention to the manner in which approval, endorsement, or criticism is publicly conveyed.

Emphasize judicial reform and rule of law, human rights, and transparency. In many cases, the legitimizing effects of political reforms are hindered by a lack of progress on rule of law and judicial reform. Torture, political imprisonment, anti-assembly laws, arbitrary arrests, censorship, and abusive security services continue to erode regime legitimacy across the region, and by extension, U.S. legitimacy, given American support for these regimes. Indeed, American post-9/11 actions (Abu Ghraib, Guantanamo, rendition policies) have themselves eroded the U.S. image as supportive of human rights and rule of law. In addition, many interviews for this study suggested that another critical area of reform was financial oversight of government affairs,

the lack of which continues to hamper the building of popular trust with the regime. U.S. policymakers should be more attuned to measuring progress in these areas before lauding reform solely on the basis of elections.

Avoid taking sides. Across the region, accusations of U.S. meddling in electoral processes are widespread, particularly in the aftermath of the U.S. rejection of the HAMAS victory in the Palestinian elections. In the Gulf, the United States is viewed as fueling sectarian strife; in Bahrain, Mulsim Brotherhood (MB) candidates routinely point to Shi'a meetings with U.S. embassy personnel as proof of a larger electoral conspiracy. While a degree of paranoia will always exist, overt signals of U.S. partisanship, particularly for liberals, should be avoided—they damage the legitimizing effects of reform by injecting a foreign-patronage dimension into indigenous institutions. Moreover, they antagonize potential and future partners. For example, in the 2006 parliamentary elections in Bahrain, liberal candidates supported by the United States faired poorly in the election; post-election commentary blamed their defeat on America's vocal and overt patronage.

Safeguard security while respecting the rule of law. Arab publics do not want the Iraq experience replicated throughout region, and their concerns for security and stability lead to considerable tolerance for government crackdowns on extremist groups. But such efforts must be balanced with the need to maintain legitimacy by respecting the rule of law and avoiding excesses. U.S. policymakers must convey these priorities to regional partners and adhere to such principles in America's own actions in the region, particularly in Iraq and Afghanistan, where U.S. forces are concentrated.

Engage Islamist parties while leveling the playing field for other types of political opposition. Accepting and engaging Islamist parties (at least those that adhere to nonviolent practices) may not be ideal, given that many hold positions contrary to U.S. interests. But the dominance of Islamist movements in the region, if only because authoritarian governments have not allowed any other alternatives to develop, is a reality that U.S. policy cannot wish away. Over time, Islamist popularity may erode if they fail to deliver and respond to basic needs in society, but at the moment, such movements fill a gap not pro-

vided by existing leaderships. To enhance the legitimacy of reform processes in the region, the United States must recognize the role Islamists play and engage such actors. U.S. embassy officials should continue to reach out to representatives of such groups even if, at times, they will refuse to meet. U.S. policymakers should also encourage allies to continue or adopt co-option and accommodation strategies that are more likely to encourage moderation and marginalize radicals. At the same time, the United States can try to foster (but not overtly support) more secular or even Islamist alternatives that are less socially conservative, while recognizing that such alternatives will take time to develop because they currently do not have broad appeal.

Recognize political motivations behind pro- and antidemocratization stances. Stances on the democracy-terrorism question often mask ulterior political motivations and positions. For example, the Egyptian government often argues against reforms by evoking fears about Islamist takeovers that will lead to massive violence and unrest, but it uses such fears as a cover to crackdown on *all* political opposition, including secular parties. The MB, on the other hand, argues in favor of democratization ostensibly because it favors pluralism and free and fair elections, but in reality it too seeks to maneuver the political system to its liking, which in practice may not tolerate minority views. The Saudis at times express opposition to Bahraini political reform (because of concerns regarding Iranian influence), opposition that has been exaggerated by the ruling al-Khalifa in Bahrain as a useful pretext for avoiding real reforms. Western policymakers need to understand such motivations in order to pursue appropriate democracy promotion and counterterrorism strategies.