CHAPTER-2

TERRORISM: MEANING, TYPES, CAUSES AND EFFECTS

2. Terrorism: An Introduction

For the last thirty years, the threat of terrorism has been multiplied manifold. The terrorist acts have become more dangerous with the advancement of technology. Only the little part of the world remained untouched and unharmed by the contemporary beckon of terrorism.¹

Terrorism involves violence against public, with a political or religious desire. Terrorist acts are organized so as to attract large attention. Terrorists use acts of violence for frightening the group of peoples or pressuring the Government to do or not do something. Many Countries give aid and dangerous weapons to the terrorist groups in order to weaken the other country. In most cases, terrorism is a bludgeon of small groups, fighting against governments that are more well-known and better-armed.²

Terrorism is now an international phenomenon. Now the world is facing so many groups of terrorists. The main reason of emergence of terrorism has been exploitation of weaker and poor section of the society by the rich and powerful. Their peaceful attempt to non-violent protest was unsuccessful to give any result. Hence, they opted to use violence to yield the results. Such acts of violence are also called terrorist activities. There are many other reasons for terrorism like religion, language or to set up a new pattern of government.³

Terrorism is not new and this term is being used for the centuries but it can be relatively hard to define. Terrorism has been defined, variously, as a tactic and

¹ Available at http://www.towson.edu/polsci/ppp/sp97/terror/intro.html (Last visited on Jan. 15 2016).
strategy, a crime and a holy duty, as a justified reaction to oppression and exploitation of weaker section of society. As an uneven form of conflict, to suppress the terrorism, States use coercive powers including military action. In some cases, terrorism has been used as a means to carry on a conflict without showing to oppose the nature of the threat. They mistakenly take terrorism as normal criminal activity. Because of these characteristics, terrorism has become increasingly common among those pursuing extreme goals throughout the world. But despite its popularity, terrorism can be a nebulous concept.³

2.1 Meaning and Origin of Term

Terrorism drives from the French word “terrisme”⁵, which is initially referred to State terrorism as implemented by the Government of France, at the time of “region of terror” during the period of the years of 1793-1794. The French word “terrisme”,⁶ is taken from the Latin verb “terreo” which means "I frighten". The terror cimbicus was a panic and state of emergency in Rome, in response to the approach of warriors of the Cimbr tribe in 105 BC. The Jacobins cited this as example while imposing a “region of terror” at the time of French Revolution.⁷ When Jacobins lost power, the term "terrorist" started to be use as a term of defame or abuse. Although, the term “terrorism” originally, alludes to violent actions done by government but at present, it generally, mentioned for the assassination of general public for political, social and economic reasons in order to come in the eyes of media. This meaning of terrorism can be related to “Sergey Nachayev”, who narrated himself as a terrorist.⁸ He created a terrorist group "People's Retribution" in Russia, in 1869.⁹

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2.1.1 Meaning

Terrorism is a violent and criminal act which not only affects the victim but public at large also. The plan of terrorists by violence is to attract the concentration of the local resident, government and world for the publicity of their cause. The successfulness of the terrorist act does not only rely upon the degree of violence only but depends upon the reaction of public and government. Take example, in 1972, at the Munich Olympics, the terrorist group “Black September Organization” attacked and murdered 11 Israelis. Although, the Israelis players were the instant victims but the original target of this terrorist attack was the public at large who were watching the game on television and to create fear to them which was their ultimate goal. The fear of terrorism act can be caused by the threat of physical harm or death, loss to property.

In November 2004, a United Nations Secretary General report described terrorism as “any act intended to cause death or serious bodily harm to civilians or non-combatants with the purpose of intimidating a population or compelling a government or an international organization to do or abstain from doing any act”.

In the international community, there is no criminal law definition of terrorism which is legally recognized. The Common definitions of terrorism mentions only to those violent acts targeted the civilians for the purpose of causing fear for achieving the religious, political, or ideological goal. Some definitions now include acts of violence and war. The use of similar strategies by criminal organizations for protection of their illegal acts usually not labeled as terrorism, though these same acts may be labeled terrorism when done by a politically motivated group. The use of the term has also been criticized for undue matching it with Islamism or Jihadism, while ignoring non Islamic organizations or individuals.

It is very difficult to define the terrorism, precisely. There are more than 100 definitions of terrorism as per its Studies. In some cases, a organization may be

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10 Suchatita Basu, History and Civics Class 8, (Frank Brothers & Company, Noida, 2011)
mentioned as terrorist group by its opponent or the same may be described as freedom fighters by its followers.\textsuperscript{12}

The concept of terrorism may be controversial as it is often used by state authorities and individuals with access to state support to delegitimize political or other opponents, and potentially legitimize the state's own use of armed force against opponents (such use of force may be described as "terror" by opponents of the state). At the same time, the reverse may also take place when states perpetrate or are accused of perpetrating state terrorism. The usage of the term has a controversial history, with individuals such as ANC leader Nelson Mandela at one point also branded a terrorist.\textsuperscript{13}

Terrorism has been used by many political organizations to achieve their aims. It has been used by religious groups, revolutionaries, ruling governments and both right-wing and left-wing political parties. The characteristic of terrorism is use of violence against innocent peoples for the purpose of gaining publicity for their group and objectives. The violent acts of terrorism can exploit human fear to gain these goals.

\subsection*{2.2 Definitions}

\subsection*{2.2.1 Introduction}

The definition of terrorism has found to be controversial. The different legal systems and government draw divergent definitions of terrorism. The international community has not formed an agreed and binding definition of terrorism to the world. These difficulties came up, as the word terrorism, relates to emotions of public at large and politically motivated also. In this regard, Angus Martyn, briefing the Australian Parliament has stated: \textit{“The international community has never succeeded in developing an accepted comprehensive definition of terrorism. During the 1970s and 1980s, the United Nations attempts to define the term floundered mainly due to...”}


\textsuperscript{13} Available at http://www.huffingtonpost.com/2013/12/05/nelson-mandela-terrorist_n_4394392.html (Last visited on Jan. 15 2016).
differences of opinion between various members about the use of violence in the context of conflicts over national liberation and self-determination.”

These polarities in definition of terrorism have made it difficult for the United Nations to make a Comprehensive Convention on International Terrorism which mentions a comprehensive legally binding criminal law definition of terrorism. The international community has adopted a series of conventions that described and criminalized various types of terrorist acts.

2.2.2 Definitions

In 1994, the United nations General Assembly has continually condemned terrorist acts using the following political depiction of terrorism:

“Criminal acts intended or calculated to provoke a state of terror in the general public, a group of persons or particular persons for political purposes are in any circumstance unjustifiable, whatever the considerations of a political, philosophical, ideological, racial, ethnic, religious or any other nature that may be invoked to justify them”.

Bruce Hoffman, a scholar, has stated: “It is not only individual agencies within the same governmental apparatus that cannot agree on a single definition of terrorism. Experts and other long-established scholars in the field are equally incapable of reaching a consensus. In the first edition of his magisterial survey on Political Terrorism, A Research Guide, Alex Schmid devoted more than a hundred pages to examining more than a hundred different definitions of terrorism in an effort to discover a broadly acceptable, reasonably comprehensive explication of the word. Four years and a second edition later, Schmid was no closer to the goal of his quest, conceding in the first sentence of the revised volume that the "search for an adequate definition is still on". Walter Laqueur despaired of defining terrorism in both editions of his monumental work on the subject, maintaining that it is neither possible to do so nor worthwhile to make the attempt”.

Hoffman also stated that ‘it is possible to identify some key elements of terrorism, By distinguishing terrorists from other types of criminals and terrorism from other forms of crime, we come to realize that terrorism is:

- ineluctably political in aims and motives
- violent – or, equally important, threatens violence
- designed to have far-reaching psychological repercussions beyond the immediate victim or target
- conducted by an organization with an identifiable chain of command or conspiratorial cell structure (whose members wear no uniform or identifying insignia) and
- Perpetrated by a sub national group or non-state entity.’

A definition proposed by Carsten Bockstette at the George C. Marshall center for European Security Studies, underlines the psychological and tactical aspects of terrorism:

“Terrorism is defined as political violence in an asymmetrical conflict that is designed to induce terror and psychic fear (sometimes indiscriminate) through the violent victimization and destruction of noncombatant targets (sometimes iconic symbols). Such acts are meant to send a message from an illicit clandestine organization. The purpose of terrorism is to exploit the media in order to achieve maximum attainable publicity as an amplifying force multiplier in order to influence the targeted audience(s) in order to reach short- and midterm political goals and/or desired long-term end states.”

The European Union in 2002, includes definition of terrorism as “aim of destabilising or destroying the fundamental political, constitutional, economic or social structures of a country."

Terrorism is defined in the U.S. by the Code of Federal Bureau of Investigation as: "the unlawful use of force and violence against persons or property to intimidate or
coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives."

The FBI further mentions that terrorism may be domestic or international which depends upon the origin, base, and objectives of the terrorists.\textsuperscript{18}

\section*{2.3 Type of Terrorism}
\subsection*{2.3.1 Introduction}

Terrorism has been defined, differently, by scholars, lawmakers and security professionals. The scholars of USA, started to differentiate the types of terrorism in the year 1970. After a decade, many international and domestic terrorist groups bloomed. At that time, the modern terrorist groups started to utilize different ways of terrorist acts like bombing, hijacking, assassination and diplomatic kidnapping to fulfill their goals and for the first time, they were noticed as real threats to Western Countries, in the eyes of researchers, politicians, laws enforcement authorities and law makers. They started to differentiate the types of terrorism in to counter it.\textsuperscript{19}

\subsection*{2.3.1.1 Bioterrorism}

1. In this type of terrorism, the biological toxins are used to hurt and frighten innocent citizens, in the name of a political or other cause. The U.S. Center for Disease Control has categorized the viruses, bacteria and toxins that could be used in an attack. They are:

- Anthrax (Bacillus anthracis)
- Botulism (Clostridium botulinum toxin)
- The Plague (Yersinia pestis)
- Smallpox (Variola major)
- Tularemia (Francisellatularensis)

\begin{thebibliography}{99}
\bibitem{18} \textit{Ibid}
Hemorrahagic fever, due to Ebola Virus or Marburg Virus

2.3.1.2 Cyber terrorism:

In this type of terrorism, the terrorists utilize information technology to affect public at large and get attention to their aim. This may mean that they use information technology, like telecommunications, computers and internet, as a tool to organize a conventional attack. In cyber terrorism, by using information technology would radically interrupt the services which are connected with internet. For example, cyber terrorists can hack into networks housing for getting critical financial information or disable networked emergency systems. Cyber terrorism is a use of internet for terrorist activities like, large-scale disruption of computer networks, especially computers attached to the Internet, by the means of computer viruses.

2.3.1.3 Eco terrorism:

Eco terrorism is new type of terrorism, using violence for interest of environment. For example, the environmental extremists damage property of industries to save the animals and natural environment. These industries include logging companies, fur companies and animal research laboratories.20

The FBI defines eco-terrorism as "the use or threatened use of violence of a criminal nature against innocent victims or property by an environmentally-oriented, sub national group for environmental-political reasons, or aimed at an audience beyond the target, often of a symbolic nature."

The term eco-terrorism is controversial and political. The accusation of eco-terrorism against environmentalists who are mainly non-violent has been used by companies and others who are the reasons of environmentalists' charges.

20 Ibid
The environmentalist groups minimally, make use of violence against the civilians, as tactic, to spread fear, rather they prefer property harm or destruction. According to media watchdog Source watch, "since 1990 there have been numerous attempts made by industry front groups, PR firms and conservative think-tanks to associate environmental activism with terrorism."

2.3.1.4 Nuclear terrorism:

Nuclear terrorism means different type of use of nuclear material by the terrorists. It includes attacking nuclear facilities, preparing nuclear weapons or purchasing nuclear weapons, or finding ways to scatter radioactive materials.

A terrorist assault on a nuclear research centre or nuclear power plant can be cause of the release of nuclear material. The consequences of an attack on a nuclear research centre or nuclear power plant could equal or exceed the effects of the 1986 Chernobyl disaster in USSR, which led to 30 deaths from radiation sickness, 1800 cases of childhood thyroid cancer, the evacuation of one Lakh persons and the radioactive contamination of huge area of land in numerous countries.

Additionally, as explained in the British Medical Journal\(^2^1\), in 2002, an attack on stores of spent nuclear fuels poses as much, if not more, of an attack risk.

A second way terrorists can exploit radioactive materials would be by creating a “dirty bomb”\(^2^2\) by planting a conventional bomb with radioactive materials. It would scatter when the bomb exploded. Terrorists also can purchase existing nuclear weapons in the black market.

Terrorist groups can also be able to create improvised nuclear devices (IND) as mentioned in a report issued by British think tank Chatham House in February 2007.\(^2^3\)

The Improvised Nuclear Device (IND) could also be formed using bigger quantities of lower grade, less enriched U-235 and this device

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\(^2^1\) Available at www.bmj.com/content/324/7333/356.full#art (Last visited on Jan. 20 2016).

\(^2^2\) Available at http://terrorism.about.com/od/tacticsandweapons/g/DirtyBomb.htm (Last visited on Jan. 22 5, 2016).

\(^2^3\) Available at http://dkvbrf.tripod.com/nuclear.html (Last visited on Jan. 20, 2016).
can burn its entire mass, instantly and efficiently. It is possible that a terrorist group can build a nuclear weapon or can purchase the same.

2.3.1.5 Narco-terrorism:

It means using of violence by drug traffickers to prevent the Government to stop the drug trade. In the last decade, the drug traffickers used violence for assisting the other terrorist acts.

2.3.1.6 Political terrorism:

Political terrorism means use of violence in order to create fear in the civilians for political purpose. The terrorist groups usually use violence to overthrow or destabilize the government but in some cases, the dictatorial governments also use terror to maintain their power or to suppress their opponents.

“Since the 11th September attacks on the United States 2001, which resulted in the destruction of the World Trade Center in New York City and severe damage to the Pentagon in Washington, D.C., the United States has changed its priorities to focus upon eradicating terrorism in the world. Terrorism involves the systematic use of terror or violence to achieve political goals. The targets of terrorism include government officials, identified individuals or groups, and innocent by standers. In most cases terrorist seek to overthrow or destabilize an existing political regime, but totalitarian and dictatorial governments also use terror to maintain their power”.

2.3.1.7 Limited political terrorism:

The limited political terrorism relates to terrorism activities which are committed for political or ideological aims but the purpose of it is not to capture the nation.

2.3.1.8 Official or state terrorism:

It refers to Countries whose rules are rest upon terror and tyranny which is similar to terrorism. It may also be referred to as Structural Terrorism referred as terrorist acts executed or supported by governments for their political objectives or as their foreign policy.

2.3.1.9 Right-wing terrorism:

This type of terrorism is inspired by ideologies and beliefs like communism, fascism, Nazism, Racism, chauvinism and opposition to immigration. The contemporary right-wing terrorism first came into sight in Europe after the division of the Soviet Union, in the year 1980.\footnote{Available at http://en.wikipedia.org/wiki/Terrorism, (Last visited on Jan. 22, 2016).}

The aim of Right wing terrorists to overthrow government and to establish a nationalist or fascist government. The persons include in this type of terrorism are fascist skinheads, hooligans, youth sympathizers and intellectuals who deem that the government must send foreigners, out of country, for protecting its original citizens.

In this type of terrorism, the terrorists fight with the liberal government in order to preserve their tradition. Right Wing terrorists are racially motivated and they aim to suppress minorities within the country. The right wing terrorist groups are Klu Klux Klan and Neo-Fascists. There are so many groups of this type are present in U.S.A, India, Germany, Russia, and other countries.

2.3.1.10 Left-wing terrorism (also called Marxist-Leninist terrorism or revolutionary terrorism):

In this type of terrorism, the terrorists want to remove the capitalist government and to establish communist or socialist based government. Left-wing extremists, universally known as Maoists and Naxalites. They want to attack the established system in order to remove class distinction. These types of terrorists are still in existence, in some countries but now they are not as effective as they were during the Cold War.
The Revolutionary People’s Liberation Party-Front in Turkey, The Revolutionary Armed Forces of Columbia (FARC) Communist Party of India (Maoist) in India, Communist Party of Nepal (Maoist) in Nepal, Japanese Red Army in Japan, and Liberation Tigers of Tamil Eelam (LTTE) are the examples of left wing terrorist groups.

2.3.1.11 Special interest terrorism, also called single-issue terrorism:

This type of terrorism is special subject oriented, also called single-issue terrorism. This type of terrorism differs from above mentioned left wing terrorism and Right wing terrorism. The ideology of this type of the terrorist groups to resolve explicit issues, rather than to extensive political change. This type of terrorists use violence to compel the public, to change their thinking about the issues, considered important to their causes. These groups fight for animal rights, environment issue, anti nuclear and other social movements.

2.3.1.12 State sponsored terrorism:

In this type of terrorism, the government supports army which is engaged in violence activities.

2.3.1.13 State terrorism:

In this type of terrorism, the act of violence is being conducted by Nation against the other nation or against its own citizens. This type of terrorism is different from state sponsored terrorism, in which nation sponsors terrorist groups who holding power in a country. The state terrorism is the systematic use of terror by a government in order to control its citizens.

The 1793 French Revolution, in which thousands of peoples had executed, is usually mentioned as the first illustration of state terrorism. In history, every dictator has utilized this type of terrorism in order to control his population. The more contemporary example is, use of violence against the Kurds by Saddam Hussein or the suppression of democratic protestors in Syria.
2.3.1.14 Religious terrorism:

In this type of terrorism, the terrorist groups perform terrorist activities, on the basis of faith oriented tenets. From centuries, the terrorist acts have been performed on religious basis with a view to spread or enforce a system of belief, or opinion of their religion on others. In this type of terrorism, does not necessarily define a specific religious view, but, usually defines the view of groups of people or interpretation of teachings that belief.\textsuperscript{26}

2.3.1.15 Intimate terrorism:

Intimate terrorism means the control by one partner over the other. This type of terrorism also involves emotional and psychological abuse. This type terrorism is likely to increase over the time. Intimate terrorism is of two types: Generally violent antisocial and dysphoric borderline. The first type includes person with psychopathic and violent tendencies. In second type, peoples are emotionally reliant upon the relationship. The acts of violence by a person against his or her intimate partner is usually made as a method for controlling his or her partner. This type of violence is not frequent.

2.3.1.16 Pathological Terrorism:

In this type of terrorism, the individuals use violence strategies for their enjoyment by terrorizing others. This type of persons usually function alone instead of in groups. These types of persons are not true terrorists as they not have any well defined political aim.

2.3.1.17 Separatist Terrorism:

In this type of terrorism, the terrorist groups want to divide the country for establishing a new nation. This kind of terrorism is basically of minorities, within a nation that desire their own state, generally, due to discrimination from the majority of citizens or government. The most famous examples are the Tamil Tigers in Sri Lanka, ETA Basque separatists in Spain, the Kurdish PKK in Turkey, the Chechen terrorists in Chechnya, and the Quebec Liberation Front in Canada.

\textsuperscript{26} \textit{Ibid}
2.4 Causes of Terrorism

People are not born terrorists. Therefore, it is an significant point that the terrorism is a long process and a political strategy selected from among a range of other options to achieve their goals.\textsuperscript{27} The process of terrorism has an historical background, which involves people who think that the political system is treating them harshly.

Terrorists may belong to any culture or country. Terrorism is a very rigid problem and its genesis are different, as Franks says, \textit{“the study of terrorism has become preoccupied with the constant debate that revolves around explaining what actually constitutes terrorism and how to counter it. Instead of perhaps concentrating on why it actually occurs.”}\textsuperscript{28}

Many reasons have been specified for the causes of terrorism. The researchers and other experts have devoted the vast time and efforts for explaining terrorist conduct. They give many reasons for the cause of terrorism, like political history, modern politics government policies, ideological reasons, cultural tensions and economic trends etc.

2.4.1 Ethno-nationalism:

The desire of group of persons in the society to separate from the existing government and to formation of their new nation can cause the creation of terrorist organizations. In the 20\textsuperscript{th} century, many nations gained freedom from colonial era masters through violence. However, as Bruce Hoffman points out in “Inside Terrorism”, that this type of terrorism was in existence even before the First World War. But the most of these famous groups, created before and after World War 2\textsuperscript{nd} and encouraged by the deteriorating of imperial powers.

\textsuperscript{27} Carsten Bockstette, \textit{Jihadist Terrorist Use of Strategic Communication Management Techniques}, 125 (DIANE Publishing, 2010)

\textsuperscript{28} FRANKS, J., Rethinking the Roots of Terrorism: Orthodox Terrorism Theory and Beyond, 2007, \textit{Available at} http://www.bisa.ac.uk/2006/pps/franks.pdf, (Last visited on Jan. 22, 2016).
At present, Hamas is one of the most dangerous ethno-nationalist groups involving in different types of terrorist activities like suicide bombings for attacking against Israel with the objective of creating a separate state i.e. Palestinian. Chechen terrorist organizations are also ethno-nationalists, as they attacks against the citizens and government of Russia in order to establish their own nation. In India also there are numerous terrorist groups, who want to create separate nations like in J & K and in Eastern States of India.

Around the world, there are many terrorist groups exist, who wants independence from their original state. So, ethno-nationalism is a main cause of terrorism. It be controlled with peacefully and politically by listening and solving the grievances of terrorist groups.

2.4.2 Terrorism due to Alienation or Discrimination:

Many groups of peoples came from their home land to other countries for employment or education and ultimately settled there. Many times, they face discrimination from the original citizens of the countries where they shifted. These groups may become jaded towards the society and feel excluded. Due to sentiments of discrimination and isolation, these groups become more conservative and start terrorist acts against the original citizens and government.

The 9/11 terrorist attacks, in USA is the best example of this type of terrorism. The persons involved in this attack were migrant Muslims, who went to Germany, from their native nation, for their education. They felt discriminated in Europe and they created a terrorist group with other conservative Muslims and attacked in USA on 11-09-2001. Due to discrimination, they became more jaded with the society. Robert Leiken also discusses this type of terrorism in his paper, “Europe’s Angry Muslims”. Leiken discussed about both the outsiders Muslims who immigrated for education, employment or seek asylum, and the second or third generation of inside Muslims in Europe. These groups are subjected to discriminatory social and political

30 Ibid
policies, for example the headscarf law in France, that then cause them to feel discriminated.

2.4.3 Religion:

Religion is treated to be a significant cause of terrorism. Although, religion is not the major cause for terrorism but it plays an important role in terrorism, in entire world. As Hoffman gave example of religious terrorism in his book “Inside Terrorism” that Thugs of ancient India killed the innocent peoples to terrorize in the name of the God Kali and Jewish Zealots cut the throats of Romans in public to combat their occupation of Israel. Religion has long been a factor of terrorism.

Today, religion has been mainly attributed to Islamic fundamentalism as a part of terrorism. As Sageman describes: “The global Salafi jihad is a worldwide religious revivalist movement with the goal of re-establishing past Muslim glory in a great Islamist state stretching from Morocco to the Philippines, eliminating present national boundaries.”

The terrorist attacks based upon religion are more dangerous in nature than other types of terrorism. The religious head entices the young people by saying that they would be reward, after death by God and make them ready for suicide bombing which are harder to defend.

In India also, religion is main reason of terrorism. The maximum number of terrorist incidents and deaths of innocent civilians have occurred due to religious terrorism. In Punjab, some Sikh groups chose terrorism to create an independent state called Khalistan based on Sikh religion. In J&K, Muslims belonging to different organisations chose to terrorism for creation of independent Muslim nation and for this purpose, they attack on innocent public.
2.4.4 Socio-Economic Status:

Terrorism may also be caused due to difference of economic standards of different countries. Due to economic differences between the rich countries and poor countries lead to humiliations frustrations and victimizations in groups of persons belonging to poor countries and they make comparison about their economic conditions with the citizens of rich countries. The modern media and internet also play a vital role to create awareness about the opportunities and resources available in other countries. For example, by comparing the economic differences between themselves and the Western countries, enraged the Muslims youths of underdeveloped countries which increased tension and frustration. This permitted the terrorist organizations to get attention and entry to their countries and associate with them for the purpose of terrorist activities. The simple mean to check this type of terrorism is through economic development of the underdeveloped countries. Thus, this driver is hard to defend as globalization facilitates more mediums of comparison between different global socio-economic levels. \(^{32}\)

2.4.5 Political Grievances:

The grievances against a certain political policy or lack of political participation in states may be of reason to join or form terrorist groups. The Left and right wing terrorists are the example of this type of terrorism. It is akin to ethno-nationalist terrorism, but in this, the demand is not to create new state but to change the political policy within the nation.

2.4.6 Poverty and Economic Problems due to Globalisation\(^ {33}\):

The more important factor of terrorism is disparity in the distribution of resources. This is a main cause of terrorism. Approximately, 15% of the world population utilizes 85% of the total resources. UN statistics show that the situation is more deteriorate in the developing countries as compare to last 30 years ago. In underdeveloped countries, a small group of peoples have enriched themselves. So it is

\(^{32}\) Ibid

\(^{33}\) Available at http://www2.hci.edu.sg/y08hci0118/DtoD/terrorism.causes/index.html (Last visited on Jan. 23, 2016).
also one of the reasons that the wealthier countries are constantly exposed to terrorist attacks by a small group representing people from the underdeveloped countries. In India, Andhra Pradesh, Madhya Pradesh, Orissa and Bihar are prime examples of terrorism due to economic causes. Where unemployment, exploitation of landless by land owners and absence of land reforms, etc., are main causes of terrorism. These economic grievances and gross social injustice have given rise to ideological terrorist groups such as the various Marxist/Maoist groups operating under different names.

2.4.7 Anti Democracy:

The democratic government represents the people and provides political means to voice against grievances, where terrorism should not have place but Some Scholars and experts say that the democracy is facilitator or instigator for terrorism because of its openness. Few experts treat this openness is a big flaw of the system which is also reason of terrorism. They think that due to this openness, terrorists get publicity of their cause in the absence of strong censorship.

2.4.8 The Accidental Guerrilla

Lastly, a theory “accidental guerrilla” put forth by David Kilcullen. Kilcullen describes it as “A terrorist organization moves into an area with poor government or that is conflict ridden (he uses Al Qaeda specifically), then uses this safe haven to spread their ideologies to other areas and as a base to carry out violent acts.”

2.5 Effects of Terrorism

Schmidt and A. Jongman had given 109 different definitions of terrorism, which are taken into consideration in a survey of main scholastic in the field. In all these definitions the following words appear most often: violence and force, political, fear,
emphasis on terror, threats, psychological effects and anticipated reactions, discrepancy between the targets and the victims, intentional, planned, systematic, organized action, methods of combat, strategy, tactics appeared many times with different percentage'.

The Swiss reinsurance company defines terrorism: ‘Terrorism means an act or threat of violence or an act harmful to human life, tangible or intangible property or infrastructure with the intention or effect to impudence any government or to put the public or any segment of the public in fear’.

2.5.1 Psychological Effects

The principle and most quick impacts of fear based oppression are mental. Fear based oppressor brutality can be mentally influence a sizeable part of the number of inhabitants in a focused society, either specifically, by hurting a man or their family, or in a roundabout way, or through the broad media scope of psychological oppressor assaults.

The more prominent the quantity of assaults and the more deadly those assaults are, the more individuals that will be mentally influenced by them. Fear based oppression is a type of mental fighting against a general public. It is the best approach to strike fear into the core of the focused society. Suicide fear based oppression can be especially powerful in startling individuals since it anticipates an air of devotion, which influences the danger of future attacks to appear to be more probable.

The dread of psychological warfare is both level headed and unreasonable; sane in that sense there is an ever-show risk of a fear monger assault being rehashed, yet silly in the likelihood relegated to that potential occasion. Since individuals tend to overestimate their odds of being a casualty to psychological oppression, the dread of fear based oppression is across the board in a general public. It doesn't, be that as it may, influence everybody to an equivalent degree. Research has demonstrated that there is a pessimistic relationship between's a man's training and their dread of being a casualty of fear based oppression. This proposes the more taught a man is, the more
improbable they are to capitulate to the nonsensical dread evoked by fear based oppression.

The fear based oppression can mentally influence individuals who have no immediate association with a psychological oppressor assault. A man who is harmed in a fear based oppressor assault is not any more liable to experience the ill effects of mental issue than a man whose lone association with the assault was seeing it on TV. The broad media scope of fear monger assaults can in this manner truly hurt individuals' mental prosperity.

The individuals who witness psychological oppressor assaults yet are not straightforwardly hurt are for the most part the last to be cleared from the scene of the assault, since doctors normally concentrate their consideration on the setbacks. These individuals normally replay the scenes of slaughter unendingly in their heads, and many winds up with hypertension, quickened heartbeat, disassociation, and a want to escape from the smallest clamour. In the wake of fear based oppressor assaults, individuals can wind up plainly unequipped for focusing on their run of the mill every day errands. For instance, following the 9/11 assaults, 52% of Americans said that they couldn't focus on their work because of those assaults. The fear based oppressor assault has hazardous effect particularly on young people. It influences their examinations and a few adolescents begin appreciating fear based oppressor exercises. Psychological warfare, in this way, significantly affects individuals' regular daily existences, regardless of whether they are straightforwardly presented to it.

The mental effects of psychological warfare are at this point very much perceived. What is less evident, in any case, is the mental effect of rehashed psychological militant assaults. Accomplish more fear based oppressor assaults result in more mental harm to general society or does their mental effect lessen over the time? One may feel that a progression of suicide attacks will have progressively negative mental effect on the focused on populace. The rehashed presentation to horrendous mishaps will make the influenced open more dreadful and more inclined to stretch related issue.
The clarification for this lies in what is known as the settlement effects. The settlement impact implies that the measure of stress made by repeating horrendous accidents really diminishes. Thus, as fear mongering turns into a consistent event, a procedure of habituation and de-sharpening may happen, and individuals end up noticeably ready to keep up a similarity of an ordinary life. This proposes individuals can figure out how to live with fear and mentally adapt to it.

### 2.5.2 Economic Effects

The terrorism effect’s the economy in two ways, associated with the destruction caused by an act of terrorism, and its indirect costs, which affect nearly every aspect of a targeted state’s economy. The most direct economic effect of a terrorist attack is the damage caused to life and property at the site of the attack. The indirect impact of terrorist attacks on economy, are more dangerous than direct impact. The indirect economic effects of terrorism are many and different and are very difficult to accurately count. Terrorism can affect an economy in numerous ways. A long-running terrorist campaign can definitely impact a state’s GDP, as happened to Israel during the second Intifada.\(^\text{37}\) Israel’s GDP growth dropped sharply following the outbreak of the second Intifada. A terrorist campaign can make an economy more volatile, which in turn increases risk in the economy. With a higher risk and the same or slightly lower potential return, foreign direct investment in the targeted country’s economy can decline. Since foreign investors have a large choice of countries to invest in, any kind of uncertainty, even one resulting from minor terrorist acts, can lead to a drop in the inflow of foreign funds. Finally, the risk of future terrorist attacks can lower confidence in the economy, which in turn affects consumer spending, an integral part of an economy.\(^\text{38}\)

The terrorism effects significantly on the tourism industry of a country since tourist destinations can be easily substituted and terrorist affected areas usually become instantly unattractive to foreign tourists. Even a small risk of terrorism leads potential

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38 Ibid.
tourists to travel elsewhere. Thus, the more reliant a country’s economy is on tourism, the more it will be affected by terrorism.

Ultimately, the economic effects of terrorism depend upon many factors. Significant economic costs are unlikely to be incurred as a result of a single terrorist attack, but a prolonged campaign of terrorism can negatively impact a country’s GDP, especially in the case of a small country in which tourism is a large sector of the national economy.\textsuperscript{39} Of course, relatively wealthy countries are more able to absorb the economist costs of terrorism than poorer countries, where any loss of national income can have immediate repercussions on the population’s living standards. In Israel’s case, while terrorism definitely hurt the Israeli economy during the second Intifada, it soon recovered and Israel’s economic development continued.

**Effects of terrorism on Indian Economy:**

Many believe that terrorism cannot affect the economic activity as it only destroys a small part of capital of a country. However, a broader look at the political and economical scenario can easily erode this misconception. India is facing the terrorism since 1970. Terrorism in India is primarily due to Islamic, Naxalite and various other radical movements. At least, 232 districts of India are affected by terrorism. Over a period of time, terrorism has severely affected Indian economy.

Following are the major causes which damaged the Indian economic growth:

Frequent attacks on commercial and Government institutions shatter the confidence of the investors. One example of the same is the terrorist attack in India Parliament in 2001, which caused insecurity and discouraged the foreign investors which obstructed the economic growth of India. A heavy impact of this can be observed at the stock market that keep going down after every major terrorist attack in India.

The Jaipur serial blasts, J&K terrorism and Mumbai 26/11 attacks have negative impact on a number of industries in India, most notably, airlines, aerospace, travel, tourism, insurance, restaurants, recreation and related activities. Before 26/11 attack

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in Mumbai, the gross earnings from foreign tourist was around 1% of GDP but after the attack, estimates suggest that nationally hotels have seen about 60% booking cancellations. Hotel occupancy in Western India is down 25% and its rates were also down. These industries suffered huge economic and job loss. Post 26/11 attacks, Taj & Trident hotels incurred heavy loss as operations were carried on for 3-4 months. After this attack, Pak cricket team had to cancel its Mumbai tour due to which BCCI has incurred a loss of Rs. 120 crore. The structural damages post 26/11 attacks was amounting to Rs. 500 crores, which burdened on Insurance Industry.

Jammu and Kashmir was the greatest tourism venue in the world but terrorism has damaged it badly. Tourist arrivals have gone down from 12,000 to 250 per day and hotel occupancy is around 3 per cent. Many film crews have cancelled shooting or shifted the location to Ladakh or nearby states.  

2.5.3 Social Effects:

The Social Impact of terrorism means how people suffer due to Terrorism. The social impact of terrorism is very dangerous and far reaching, influencing many different aspects of a society. The impact of terrorism on a society is the effect upon people’s beliefs and attitudes. Major events influence people’s beliefs and attitudes. Shavrit et al. explain that: “terror attacks are negative, threatening events. The psychological studies shows that negative information tends to be more closely attended, better remembered, and have a stronger impact on evaluations and judgments than positive information. Thus, since terrorist attacks are events of a highly negative nature, they can lead to changes in people’s beliefs and attitudes. One such belief concerns how people view other societies, especially the society which the terrorists belong to. In a situation of inter-group conflict, terrorist attacks increase negative beliefs about and hostile attitudes toward the opposing group the terrorists claim to represent”.

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41 Keren Sharvit et al., Jewish-Israeli attitudes regarding peace in the aftermath of terror attacks: the moderating role of political worldview and context, ( Israeli Sociological Society, Tel-Hai, Israel, 2005).
A sense of victimhood is common to a society experiencing terrorism. Civilians are not expected to be victims of political violence hence, the public feels victimized when it is the target of political violence i.e. when it experiences terrorist attacks. The more the civilian population is targeted, the more this sense of victimhood increases. This sense of victimization in turn leads to a de-legitimization of the terrorists and the people they claim to represent.

The threat of terrorism increases the stereotypes, leading to more negative stereotyping by members of the targeted society. There have been numerous instances of this such as the rise of “Islamophobia” in the United States following the 9/11 attacks, and the increase in anti-Arab sentiments in Spain in the wake of the 2004 Madrid train bombings. Likewise, in Israel during the second Intifada, Israelis held extremely negative stereotypes of Palestinians, viewing them as dishonest, violent, and having little regard for human life. Same is the case of India-Pakistan, Indians held negative stereotypes of Pakistan, who is responsible for cross-border terrorism.

After 9/11 attack in USA, there was numerous incidents of harassment and hate crimes were reported against Muslims in USA. Mosques and other religious buildings were attacked in USA. Muslims basically started facing a lot of problems after the 9/11 attacks.

Another major social effect of terrorism is a rise in ethnocentrism and xenophobia as groups of citizens of affected nation increases its solidarity in the face of violence. This was apparent in Russia in the wake of terrorist attacks carried out by Chechen militants, when ethnic Russian identity became more salient, while xenophobia rose.

This also took place in the United States in the aftermath of 9/11 attacks, when there was a wave of patriotic sentiment, for instance, the numerous American flags that adorned windows in New York City, a place where such overt displays of American patriotism are generally less common than elsewhere in the country. In the same way,

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in Israel, during the second Intifada repeated Palestinian terrorist attacks led to a renewed sense of national unity among Israeli Jews.

Just as Muslims in the United States and Europe have complained about suffering from intolerance, harassment, and discrimination in the aftermath of terrorist attacks (most notably 9/11), Arabs in Israel during the second Intifada made similar complaints.

2.5.4 Political Effects

The social effects of terrorism mentioned above have also political implications. The unifying effect that terrorism had upon Israeli-Jewish society during the second Intifada is typical of what is known as the “rally around the flag” syndrome, which is common to societies experiencing terrorism. The “rally around the flag” syndrome generally leads to a silent the public criticism of the government and its policies. This public reaction to terrorism is also in line with system justification theory, according to which threats increase social conservatism. The role that terrorism can play in strengthening conservatism was shown in a study that compared Spanish attitudes before and after the Madrid train bombings, which found that the bombings increased adherence to conservative values.

In some cases, the political effects of terrorism are clear and pronounced, but often they can be difficult to accurately assess because specific political outcomes cannot be casually linked to terrorism due to the multiplicity of potential causes. A government’s policy or a particular political decision may be the result of any number of factors, and can therefore rarely be definitively attributed only to a terrorist attack or series of attacks. Take the case of the Sharon government’s adoption of the policy of disengagement, which brought about the complete withdrawal of Israeli settlers and soldiers from the Gaza Strip in September 2005. Was this policy the result of Palestinian terrorist attacks, as many Palestinians at the time believed?44

Even if Palestinian terrorism was a factor, it was certainly only one of a number of reasons behind the Sharon’s government decision to unilaterally withdraw from Gaza. While the political impact of terrorism is often hard to pinpoint, nevertheless it can hardly be doubted that terrorism has political effects and influences the political policies, at least in democratic nations. The most significant way in which terrorism can influence the political process is by bringing about changes in public opinion, which governments then tend to take into account when formulating their policies. It can be very hard for governments to resist the pressure from public opinion for a strong reaction in the wake of a terrorist attack. For an elected policymaker, the political costs of under-reacting to a terrorist attack are always higher than the political costs of overreacting. The failure to prevent future attacks due to inaction can be fatal to a politician’s career, while failing to prevent them after having taken strong measures can be justified as having done everything possible.

The impact of terrorism on public opinion, however, is not straightforward and predictable. There is no uniform public response to a terrorist attack. Numerous factors affect how a public responds to a terrorist attack, such as the nature and scale of the terrorist attack, and the context in which it occurs. Moreover, different groups within the general public respond in different ways to a terrorist attack. People with different political aim are likely to have different responses since existing political orientations serve as a mechanism through which new information is received and processed.

Nor do terrorist attacks necessarily change people’s political opinions. The greater a person’s confidence in their views, the less likely they are to change as a result of a major event, like a terrorist attack. Finally, people’s views are more likely to be

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influenced by a terrorist attack when it receives a lot of media coverage since this serves to increase its perceived importance.  

**Political effects in India of terrorism**

The killing of Ex Prime Ministers of India, Mrs. Indira Gandhi and Mr. Rajiv Gandhi, by terrorists, effected Indian politics and economy at large. They were very strong politicians which otherwise would have taken Indian politics, business and Industry on higher side. Due to 26/11 Mumbai attack, Home Minister Mr. Shivraj Patil, Chief Minister Vilasrao Deshmukh and Home Minister R.R. Patil had to resign. This unstabilized the Indian industry. The political instability has also harmed the Foreign Direct Investment.

### 2.5.5 Effects of Terrorism on Financial Market

The financial markets have been directly and indirectly the victims of terrorist attacks. Striking at the core of the world’s main financial center, the terrorist attacks of September 11 aimed at undermining the stability of the U.S. and international financial system. In the aftermath of the attacks, the financial markets were not only confronted with major activity disruptions caused by the massive damage to property and communication systems, but also with rising levels of uncertainty and market volatility.

Numerous key business activities in or around the World Trade Center were destroyed in the attacks, causing a widespread closure of the New York financial markets. Above all, the financial industry suffered a huge loss of human life, accounting for over 74% of the total civilian casualties in the World Trade Center attacks. The biggest loss to the trading infrastructure was caused by damage of the communications system of the world’s largest bank i.e. the Bank of New York. Both Bank of New York and J.P. Morgan Chase, the two main clearing banks for

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49 Ibid
government securities, had to relocate to backup sites as their main centers of operations were located near the World Trade Center.

Manual processing of securities and payment transactions resulted in significant delays in clearing and settlement, raising uncertainty about the completion of trades and demand for liquidity.

The government securities market was severely affected by the loss of the largest interdealer broker, Cantor Fitzgerald, and other smaller brokers whose offices were located in the World Trade Center.

On the repo market, the initial incapacity to trade caused by damage to trading infrastructure, combined with the growing reluctance of market participants to lend out securities, resulted in a lack of supply that demanded immediate intervention by the authorities. Also, several federal funds brokers were disabled in the attacks, some ATM networks crashed entirely, and the facilities of the New York Board of Trade were destroyed. Because of widespread disruption in the payment systems, many market participants became unable or unwilling to execute payments, causing a growing liquidity shortage. A number of alarming signals prompted an immediate response by the Federal Reserve as discussed in the following section. First, the large buildup of Federal Reserve account balances ($120 billion - almost ten times the pre-September 11 levels) was limited to a few banks, which meant that others were running huge negative positions and were in acute need of liquidity (Ferguson, 2003). The interdealer market operates by phone and screen-based trading systems.  

Federal Reserve’s large-value electronic payment system (Fedwire) was down more than 40% and the total value was down 25%.

The insurance industry was also affected by large claims resulting from the attacks that generated losses estimated at more than $50 billion. Further evidence, however, indicates that by and large insurers have suffered less as they were able to take advantage of the heightened uncertainty by raising premiums (IMF, 2001b). In addition, some insurers were able to get exempted from paying some of the claims.

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52 Ibid
stemming from the attacks by using act-of-war clauses (Flynn, 2002). On the capital markets, because of the timing of the attacks (around 9:00 a.m. eastern daylight time), the New York Stock Exchange and the NASDAQ Stock Market never opened for trading on September 11. The U.S. securities markets resumed trading on September 17, following close consultations between the private sector and the Securities and Exchange Commission. The decision on when to reopen the markets took into consideration factors such as the safety of the personnel returning to work, and the ability of the infrastructure and communication systems.

It has been viewed that the financial markets are directly or indirectly victims of terrorist attacks. It has been seen that terrorist attacks in developed countries, effects capital markets. The human capital loss such as kidnapping of company executives are associated with larger negative stock reactions than physical loss such as bombings on buildings. If we take the example of terror attacks of 9/11, it undermined the stability of USA and other international financial system. After the terrorist attack, the financial markets were not only confronted with, major activity disruptions caused by massive damage to property and communication systems but also with rising levels of uncertainty and market volatility. Impact of terror attack is visible on the stocks of various industries of the country which has been attacked. Also, the investors confidence level is deteriorated beyond the national boundaries.

After 26/11 terrorist attack in Mumbai, it has been the worst time for India's financial hub. There was incalculable impact on investors climates, tourism and hospitality industries. The stock markets i.e. Index, Sensex almost down after a day, a big terror incident in the country took place. Due to attack, financial capital of India has been hit by 4000 crores.

After 26/11 terrorist attack in Mumbai, the Stock Market reopened for trading on Nov 27, and Sensex opened at 137 points down. Taj Mahal Hotel saw a sharp dip of nearly 17% in share price to Rs. 40.20 marking a new 52 week low. East India Hotels, after opening weakly, share price dipped to a low of Rs.83 before recovery to close at Rs. 97.75. Jet Airways was down as Rs. 129 against earlier closing of Rs. 138. Kingfisher airlines came down to Rs. 27.50.
There are many types of terrorism as with the development of the technology and failure of old techniques used by terrorists for attacks, they use new tactics. Reasons for committing this heinous crime include psychological, political, social and religious factors; the list is not exhaustive one. Ideologies and the brain drain are among the one of the important thing to keep in mind as causes of this crime. Terrorist attacks leave deterrent effects on society, political instability for the government and loss to the economy, in shape of loss of national and international business. Terrorism is very dangerous as it not only kills the human life but also the infrastructure, industry, ultimately damages its overall growth.