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Non-State Actors and Political Conflict

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In the vast majority of international relations literature, states are assumed to have a monopoly on the use of force throughout their territory. However, states are increasingly facing considerable security challenges from militant non-state actors. In the vast majority of these cases, state/non-state actor conflict is terminated through violent conflict, often with devastating consequences. Given this empirical pattern, a disturbing trend is the internationalization of conflicts between states and non-state actors. Increasingly, non-state actors move their base of operations to foreign host states in order to increase the target’s cost of retaliation. This behavior holds the potential to escalate conflicts from civil war to interstate or regional wars. Due to the devastation associated with such conflicts, this project examines the possibilities for the peaceful conflict resolution of state/non-state political violence. Specifically, this project attempts to identify the conditions under which peaceful conflict resolution can succeed as an alternative to the use of force. This project addresses three puzzles. First, at what point do states and non-state actors agree to negotiate? Second, what factors promote successful negotiation to conflicts involving a target state and non-state actors? Finally, what are the consequences of failing to achieve negotiated settlements? This project addresses each of these questions by constructing game theoretic models. The models examine the strategic interaction between non-state actors, host states, and targets of non-state violence. The models are empirically tested using several data sources, including the International Terrorism: Attributes of Terrorist Events, State Failure data, and source date from the RAND corporation.
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Chapter 1:

Introduction
"We meet at a remarkable moment – when more of the world’s people enjoy prosperity, freedom, and democracy than ever before...Today, there are fewer wars between nations, but more wars within nations. Internal wars often driven by ethnic and religious differences - took five million lives in the 1990s, the vast majority innocent victims. This trend presents us with a stark, collective challenge.”

-U.S. President Bill Clinton at the UN Millenium Summit September 2000

At the beginning of the twenty first century, states in the international system had good reason for optimism. The superpower competition and threat of nuclear war eroded with the collapse of the Soviet Union. In the late 1980s and early 1990s, countries that were once closed autocracies transformed into new democracies. Globalization was driving states to closer economic and political interdependence. More and more states were joining international institutions and choosing to participate as members of the global community. And yet, despite all of the reason for optimism, the world was not less violent. Throughout the 1990s, the world experienced horrible cases of war and genocide in the former Yugoslavia, the Palestinian territories, Rwanda, Kashmir, and Chechnya. During each of these conflicts, the primary security threat came not from other states, but from militant non-state actors seeking to challenge the status quo. While states were growing more cooperative toward each other, the persistence of non-state violence continued as an acute security threat to global stability.

Political violence perpetuated by non-state actors typically begins as a form of domestic insurgency. A group of activists mobilizes other individuals to engage in political violence against a state government. Typically, rebellions from non-state actors are suppressed by the state with relative ease. However, if the state is unable to put down the rebellion, the state’s authority will come into question. Once the state’s subjects lose
the belief that their government is in control of its sovereign territory, the conflict may evolve into a civil war.

A civil war in one state poses a threat for regional stability. Under the norms of the Westphalian system, the responsibility of civil wars falls to the affected governments. The affected state enjoys a monopoly on the legitimate use of force within its sovereign territory, and is therefore free to use whatever means necessary to stop the rebellion. Outside powers must avoid interference within the affairs of the target government. Yet, civil wars rarely remain purely domestic phenomenon. Throughout history, insurgent groups seem to have developed an understanding of the Westphalian rules and how to use such rules to their advantage.

In the territory of their target government, non-state insurgencies recognize that they are vulnerable to repression from their target government. To avoid such repression, insurgent movements frequently create bases within foreign host states. Once the insurgents cross the border, the insurgents dramatically raise the price to the target government for putting down the rebellion. While the target is free to repress within its borders, it does not have the right to use force outside its sovereign territory unless it is attacked. If the insurgents base in a foreign host, the insurgents develop a safe haven from where they can continue the rebellion. Even if the target is completely successful in repressing within its territory, the insurgency still remains active from abroad. If the foreign host were to attack the target, the target would have a right to self defense. However, self defense in the form of war is a very costly and difficult endeavor. In some cases, the target might not know which host the insurgents act from. In other cases, the insurgents may operate from abroad without the approval or the knowledge of the host
government. Due to the high level of uncertainty in locating the insurgents and
determining the complicity of host governments, it is difficult to determine if and when
targets have the right to self defense. In this sense, though the Westphalian rules are
biased against them, non-state actors have learned to use the Westphalian system against
states.

If insurgencies spread abroad, what was once a domestic issue transforms into an
international issue. Instead of the military contest involving only the target government
and the insurgents, the contest now involves the target, the insurgents, and a foreign host.
In some cases, the insurgents will use several foreign hosts, making the conflict a
regional issue. By using foreign hosts, non-state actors raise the possibility that a civil
war can easily transform into an interstate war. To illustrate this point, consider the
following example. In the spring of 1911, a group of Serbian individuals formed an
organization known as the Black Hand. The goal of the Black Hand was to pursue the
ideal of a greater Serbian nation, free from control of the Austrian empire. Specifically,
the Black Hand devoted itself to compelling Austria-Hungary to yield the territory of
Bosnia-Herzegovina to the new nation of Serbia through the use of violence. By 1914,
membership in the Black Hand swelled from ten original members to 2,500 active
combatants. Although membership in the Black Hand continued to grow, the Austrian
leadership perceived the organization as a nuisance instead of a legitimate security threat.
While Austria made intermittent demands to Serbia to control the group, the group
seemingly posed no real challenge to the Austrian state. Austria remained so relaxed that
in June 1914, Archduke Franz Ferdinand staged an official visit to the Bosnian town of
Sarajevo. Ferdinand was the official heir to the throne of the Hapsburg monarchy.
Upon his arrival in Sarajevo, the Archduke’s convoy came under attack from members of the Black Hand. A bomb was hurled at Ferdinand’s vehicle on one of the main streets of the city. While the bomb missed its target, the Archduke’s convoy quickly fell under further attack. During the confusion, an assassin fired a pistol, hitting Ferdinand in the throat. The heir to the throne of Austria and his wife were killed in a matter of minutes. Within days, the government of Austria claimed to have evidence of the Black Hand’s participation in the assassination of its leader. Not only did Austria implicate the insurgents, Austria claimed that the government of Serbia was complicit in allowing the Black Hand to operate from Serbian territory. On July 23, 1914, Austria issued an ultimatum to Serbia demanding that the Serbian government allow Austria to enter Serbian territory. If Serbia failed to comply, Austria committed itself to using force to achieve its aims. Within days, the attack on Archduke Ferdinand resulted in the largest and most destructive war Europe had experience to date. The catalyst for the start of World War I came from a transnational insurgency.

The pattern of escalation from transnational insurgency to interstate war continued into the Cold War. From the beginning of the U.S. involvement in Vietnam, Vietminh guerrillas staged attacks against American forces and subsequently retreated into Cambodia, Laos, or North Vietnam. Through Laos and Cambodia, the Vietminh built an intricate system of transportation known as the Ho Chi Minh trail. The supply line from the trail is credited for sustaining the Vietminh’s effort against the technologically superior forces of the American army. Within South Vietnam, the Vietminh were vulnerable to power of the American military. Once they crossed to border, however, the U.S. military was forbidden to pursue. However, in 1969, as the South Vietnamese
government began to crumble, U.S. President Richard Nixon ordered the bombing of Vietminh sanctuaries in Cambodia. This was followed by a U.S. toppling of the Cambodian government and installation of an American backed regime. Following this move, the government of North Vietnam began fueling insurgency against the new pro-American government by supplying aid to the genocidal Khmer Rouge. The war had spread beyond Vietnam into Cambodia and Laos. The resulting consequences of the spread were an additional hundreds of thousands dead from the fighting, starvation, and disease.

Like the United States, the Soviet Union would also fight its own transnational insurgency. Throughout 1979, the Alliance of Islamic fighters began a campaign to overthrow the Communist government of Afghanistan. Based in Pakistan, the insurgents severely disrupted the ability of the government to function. Analysts stated that in October 1979, the insurgents gained control over all of the country except for the capital of Kabul and four major cities. The Soviets stated that unless Pakistan ended its support for the insurgents, the Soviet Union would be forced to enter the war directly. On December 29, 1979, the Soviet Union invaded Afghanistan. Within days, the powerful Soviet army seized control of the capitol of Kabul and other Afghan cities. However, like in the case of Vietnam, the insurgents would stage attacks against the Soviets and subsequently flee into Pakistan. The insurgents further obtained assistance from the U.S. Central Intelligence Agency to supply arms. Nine years and thousands of fatalities later, the Soviet Union exited Afghanistan in defeat.

In the present day, transnational insurgency continues to threaten to escalate into interstate conflict. Following the 1994 civil war in Rwanda, sub-Saharan Africa
experienced its own “World War I.” The pursuit of Hutu insurgents in the Democratic Republic of the Congo by Rwanda forces triggered a conflict involving Angola, Zimbabwe, Namibia, and Burundi. The war in the Congo resulted in almost 2.5 million deaths, mostly from disease and starvation. While a peace agreement has been signed, the threat of Hutu militias remains and maintains the fear that war might reoccur. On the Indian subcontinent, the security threat to India from Kashmiri militants holds the possibility for a nuclear conflict between India and Pakistan. In the Middle East, the fear of the Palestinian intifada provoking a general war looms over the region.

According to a study from the Uppsala conflict database, 87% of all conflicts fought from 1946-2001 involved a non-state actor (Gleditsch et al 2002). From this figure, we are able to see that states are very willing to resort to force to deal with threats from non-state actors. From history, we are able to see that if the insurgents are transnational, states might be willing to take the fight into the foreign host. Each transnational insurgency holds the potential to erupt into a wider war, and the danger is increasing. With advances in transportation and communication, the cost of using foreign bases has dropped precipitously for potential insurgent groups. According to a study by the RAND Corporation, 73% of the insurgencies from 1990-2001 used foreign bases or obtained foreign support (Byman et al 2001). Given that insurgents are now using foreign bases more often than not, the potential for the escalation from transnational insurgency to interstate war is growing. This has led to the observation that in today’s world, “no civil war today is ever wholly internal.”

In the growing age of interdependence, the problems of transnational insurgency and civil war are quickly becoming global problems. A civil war can no longer be

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1 King 1997
considered a security challenge for only the target government. Instead, conflicts with non-state actors are now regional, if not global, security challenges. In referring to civil wars, British Prime Minister Tony Blair argues, “today, more than ever, ‘their’ problem becomes ‘our’ problem. Instability is contagious.” Given the propensity for insurgencies to spread across borders, a civil war in one state may challenge the security of all states in the region. Though civil wars in one country are often seen as purely an internal politics, civil wars may quickly evolve into global crises.

The evolution from civil war to global crisis was never more apparent to the United States than after the terrorist attacks on September 11, 2001. Following the withdrawal of the Soviet Union from Afghanistan, no steps were taken to implement a permanent resolution to the conflict. Soon after, civil war erupted between the dominant Taliban government and a second Islamic opposition group known as the Northern Alliance. The civil war in Afghanistan rendered the country incapable of building strong institutions and cementing control over the territory. Taking advantage of the weak state of Afghanistan, insurgent organizations and warlords began to develop bases to engage in hostile campaigns against their target governments.

Among these groups was the Al Qaeda organization. Headed by Saudi millionaire Osama Bin Laden, Al Qaeda grew out of U.S. supported insurgents fighting the Soviet Union. Following the introduction of American troops to Saudi Arabia during the first Gulf War, Al Qaeda opened a violent campaign against the U.S. The goal of the campaign was to compel the United States to abandon its support for the Saudi monarchy, the Israeli government, and to force a removal of U.S. forces from the Middle East. On September 11, 2001, the campaign culminated in the deadliest attack on
American soil since Pearl Harbor. After hijacking several domestic airliners, Al Qaeda operatives staged kamikaze attacks into both towers of the World Trade Center and the Pentagon. Over 3,000 people from all nations were killed in the attacks.

The attacks served as a clear warning to the rest of the world that violence between states and non-state actors had the potential to affect all states. The international community neglected the problems of Afghanistan and the wars between non-state actors following the Soviet withdrawal. From that chaos, Afghanistan became a hub for Al Qaeda to spread insurgency into several Middle Eastern states, particularly Saudi Arabia and other U.S. allies. Eventually, Al Qaeda moved its campaign of violence beyond the Middle East to the United States itself. Indeed, it was never more apparent that problems of insurgency, if left unchecked, could spread and escalate. While the cost of war in terms of lives and property is a feature in all insurgencies, transnational insurgencies are particularly dangerous due to the specter of international war. In addition to the costs born by the insurgency, the possibility exists that the transnational insurgents will provoke an interstate conflict between the target and the host state. In this sense, transnational insurgencies represent a catalyst for the diffusion and the expansion of conflict. This factor makes transnational insurgencies a severe threat to regional and in some instances global stability. In discussing the conflict between Serbia and the Albanian based Kosovo Liberation Army (KLA), U.S. President Bill Clinton described the situation as a, “powderkeg at the heart of Europe that has exploded twice before with disastrous results” (1999). Clinton further stated that, “If there’s one lesson we’ve learned in this century, it’s that that kind of poison will spread if not stopped.” (1999).
Clinton’s statement is supported by the historical record. The list of wars resulting from civil conflict includes World War I, the Balkans war, the Central African war, and the War on Terrorism. Each conflict served as a reminder of the potential dangers of a transnational insurgency left alone by the international community. Given that these conflicts have brought death and destruction to thousands, the international community has a vested interest in understanding how to ameliorate the problems of transnational insurgency. Specifically, the goals of the international community focus on efforts to prevent conflict from reaching the catastrophic levels of major, regional war.

In particular, in terms of both scholarly and policy-making, two major questions emerge regarding transnational insurgencies. First, what are the conditions under which transnational insurgencies may be resolved through peaceful methods of conflict resolution? Are there conditions under which the destruction of insurgencies may be terminated through negotiation instead of the pursuit of total military victory? If the international community has an interest in preventing international crises from erupting, an understanding of what factors promote peaceful management and resolution of such conflicts is needed.

The second question of interest is: when do transnational insurgencies escalate to interstate conflict? What are the conditions under which target states choose to employ military force against the host and the insurgents within the host’s territory? What possible steps can be taken to prevent the escalation to interstate war? Again, the international community has a direct interest in addressing this question due to the potential security threat to each of the states in the system. Transnational insurgencies are currently occurring within every region of the world. Assuming each state has a stake in
regional stability, each state has an interest in understanding how such conflicts can be contained and what actions can be taken to prevent escalation.

This project seeks to develop a several theoretical models to explain both the question of conflict resolution and the question of conflict escalation. Specifically, this project examines the conditions under which transnational insurgencies can be resolved through peaceful means. The project seeks to explain both the difficulties in resolving transnational insurgencies as well as the opportunities for conflict resolution. Second, the project addresses the question of conflict escalation. What are the conditions under which transnational insurgencies escalate to conflict between states? The goal of the project is to offer both an explanation of the conflict process as well as practical policy advice on how to manage, resolve, and contain transnational insurgent conflict.

Methodology

To develop a theoretical explanation of transnational insurgencies, I employ three game theoretic models to capture the strategic interaction between states and non-state actors. The first and second models address the question of when do states and opposing insurgent movements resolve their differences through peaceful resolution and form peace agreements. The third model addresses the question of why transnational insurgencies escalate and spread into interstate war.

I adopt the game theoretic approach for several reasons. At the heart of the question of state/non-state conflict is how the actors will behave given the constraints they face and the strategies employed by their opponents. Game theory provides an excellent method to model strategic interaction by analyzing interdependent decision-making under such structural constraints. The use of game theory allows for the
derivation of logically consistent, specific hypotheses that may be subjected to empirical
testing. Empirical tests of game theoretic models have led to some of the most fruitful
findings in the literature on international conflict (Morrow 2000; Lake and Powell 1999;
Bueno de Mesquita and Lalman 1992). The use of game theoretic models to study
conflicts involving non-state actors holds equal promise.

Following the presentation of the games and their derivations, I evaluate the
explanatory power of the theory by testing the models' predictions. The models provide
specific hypotheses concerning both conflict resolution and the escalation of transnational
insurgencies. Using data on political terrorism and international crises, I test to see how
well the model predicts events in the empirical world. These tests serve to evaluate the
ability of the models to explain the conflict processes behind transnational insurgencies.
The tests further serve to evaluate how much confidence both scholars and policymakers
might have in the policy prescriptions derived from the set of theoretical models.

Outline

The organization of this project will proceed as follows. In the second chapter, I
will discuss the relevant literature related to the study of insurgency. The previous
literature identifies several empirical patterns in examining civil wars. Using this
literature, I begin the study here on how the move from a purely civil war to a
transnational conflict affects the prospects for both peaceful resolution and conflict
escalation. Following the discussion of the current literature, Chapter 3 offers a first look
at the consequences of internationalization of insurgency. Specifically, the model seeks to
explain how internationalization affects the prospects for the opening of negotiation.
Does internationalization make peace more likely, less likely, or does it have no effect?
The model allows for an explanation of how the internationalization of conflict affects the prospects for peaceful resolution. The first step to peaceful resolution is for both sides to recognize the value of a negotiated settlement. Chapter 3 offers an explanation of how the internationalization of conflict affects the willingness of both sides to begin negotiations.

Once the two sides agree to negotiate, both sides require some guarantee that their opponent is a faithful bargaining partner. Chapter 4 develops a model to explain how both the state and the insurgents in conflict overcome problems of credible commitment. The second model seeks to explain the conditions under which both states and transnational insurgents may form peace settlements and subsequently fulfill their respective obligations. In particular, the model addresses how the internationalization of insurgency affects the ability of both the state and the insurgents to form credible commitments. The models develop specific predictions as the conditions under which insurgencies may be resolved through peaceful negotiation. Using these predictions, I evaluate the strength of the explanation by subjecting the hypotheses to empirical tests using data on terrorist campaigns in the period 1968-1991.

While Chapters 3 and 4 focus on the effects of internationalization on the prospects for peaceful negotiation, Chapter 5 discusses the consequences should negotiation fail. Specifically, Chapter 5 develops a model to identify the conditions under which transnational insurgencies escalate to interstate war. When does a transnational insurgency erupt into an interstate war such as World War I or the War on Terrorism? What are the potential firewalls to prevent such an outcome? The model identifies the conditions under which states and hosts of transnational insurgents enter military
conflicts and the conditions under which the two sides may avoid war. The predictions of Model 3 are subsequently tested using international crisis data.

The concluding chapter discusses the policy implications of the project's findings. In particular, I discuss strategies that states might use to cope with transnational insurgencies and the utility of certain approaches versus others. I further discuss several steps that the international community might take to contain transnational insurgencies and prevent such conflicts from escalation. The conclusion also discusses future directions for this research program.
Chapter 2:

Conflict Between States and

Non-State Actors
Studies in the civil war literature point to several stark observations concerning wars between states and non-state actors. During the post war period, approximately 16.2 million people died as a result of conflict between states and non-state groups (Fearon and Laitin 2003). Reliable figures are impossible to obtain for the countless number of others wounded or displaced as a result of the fighting. Compared to interstate conflict, conflict involving non-state actors often lasts longer, results in genocide, and resists attempts at negotiation (Dixon 2001; Walter 1999; Licklider 1995). More often than not, civil wars end in a military victory for the government (Zartman 1995; Pillar 1983). However, once the war terminates, the government is often left so weak that war quickly erupts again (Licklider 1995; Wagner 1993). If the government is able to prevent war from reoccurring, the economic devastation associated with the conflict often prevents shattered countries from recovering (Ghobarah et al 2003). Indeed, conflict between states and militant groups continues to have devastating consequences even after fighting ceases.

The empirical record presents a very tragic picture of war between states and non-state actors. Once these conflicts begin in earnest, the consequences in terms of lives, property, and prospects for recovery are devastating. Yet, to understand how to resolve wars between states and non-state actors, it is necessary to understand why several cases of insurgent violence reach this level of severity. An examination of the theoretical literature on civil war may allow for the identification of points in the conflict process where opportunities for peaceful negotiation exist. Additionally, the literature may offer some insight as to how conflicts internationalize and what the consequences of such internationalization might be.
Why do Groups Rebel?

The logical starting point in a discussion of civil conflict is to ask: why do groups engage in political violence? The reasons for rebellion are quite numerous. One of the earliest observations in studies of civil war is that insurgents may be motivated by economic deprivation (Gurr 1970). Social frustration due to discrimination, underdevelopment, or economic shock leads disaffected groups to engage in armed rebellion against their government (Hagopian 1974). Recent empirical work supports the notion that insurgents are motivated by poor economic conditions and lack of economic opportunities (Collier and Hoeffler 2001; Hegre et al 2001). Poor economic conditions often led to ideological rebellions, such as Communist inspired insurgencies (Hoffman 1999; Herring 1996). Economic deprivation coupled with Communist guerrilla movements led to rebellions in China, Southeast Asia, Latin America, and Africa. Similarly, in response to Communist insurgencies, several anti-Communist insurgency movements flourished during the Cold War era. Groups such as the Cuban exiles, the Nicaraguan contras, and the Afghan mujahadeen all developed to combat Communist governments. Given the superpower competition, both Communist and anti-Communist groups were fueled by both the Soviet Union and the United States (O’Brien 1996).

In addition to economic deprivation, several scholars of civil war have pointed to the presence of ethnic nationalism or religious fervor as a key motivation for group rebellion (Hoffman 1999). According to Holsti (1996), the breakdown of former communist states coupled with the emergence of new religious and ethnic identities represented new motivations for conflict. For various reasons, leaders of identity-based groups organize their members to engage in hostilities against the state or other groups
within the nation state (Lake and Rothschild 1998; Fearon and Laitin 1996). Empirically, several studies establish that physical ethnic dominance often increases the likelihood of insurgency onset (Reynal-Querol 2002; Eldawabi and Sambanis 2002; Sambanis 2001; Ellingsen 2000; Bates 1999). In his analysis of newer forms of terrorism, Hoffman (1999) cites religious postmodern beliefs as a newer driving force for violence. Several groups, such as the Aum Shrinikyo organization, pursue violence as part of a cultist ideology with no specific agenda. These groups are classified as postmodern terrorist organizations (Laqueur 1996). Very often, religious or ethnically based groups may demand to secede from the target government and establish an autonomous state (Walter 2002). Given that control over sovereign territory is the defining characteristic of states (Wolf 2003; Holsti 1996, Waltz 1979), territorial disputes frequently hold the potential for conflict.

A final possible reason for rebellion is economic interests. Very often, groups fight to maintain control over valuable resources within a society. The most common example of this behavior is in Africa, where gangs of insurgents work to maintain control over diamond mines (Arquade 2002; Gates 2002). However, Africa is not the only area plagued by economically minded insurgents. In the Andes region of South America, insurgent organizations have taken over trade in illegal narcotics. Through armed conflict, organizations such as the FARC, the Medellin, and the Cali drug cartels have seized considerable territory capable of producing both cocaine and marijuana (Buscalgia 2001). Funds from the drug trade are used to bolster insurgent control over these areas, as well as provide lavish benefits to the leadership of the group.

Rebellion is motivated by several forces. Very often, individuals participating in rebellion have many issues in dispute with a government. Yet, although these issues are
certainly politically salient, none of these reasons alone is a sufficient condition for groups in society to use force against their government. Several groups in society express ethnic grievances, political grievances, or economic grievances with state governments. However, the vast majority of these groups do not try to use violence as a tool to alter the status quo (Lake and Rothschild 1998; Fearon and Laitin 1996). Instead, groups within society often go through recognized government channels to achieve change. Groups might form interest groups or devote their support to various political parties (Aldrich 1995; Schlesinger 1994). Other groups might attempt to alter the status quo through social protest (Javeline 2003). It is rare that a group will decide to resort to arms in order to force the government to alter its policies to its favor.

This observation leads to the question of why groups adopt strategies of political violence. Why are some groups willing to work within government systems while others see the need to forcibly change the system? What factors make the grievances of groups so acute that the groups resort to violence? I make the argument that the use of force between groups in society and a target government occurs as the result of bargaining failure. Problems such as information failures, problems of credible commitment, and the indivisibility of issues contribute to conditions such that both the target government and the insurgents utilize violence as a tool to accomplish their political ends. Bargaining can be defined as the process by which parties divide the joint gains from cooperation (Powell 2002; Morgan 1994). In a bargaining situation, some disagreement exists as to the distribution of a good. Substantively, we can think of such a disagreement as a dispute over the division of territory, the shape of a public policy, or the allocation of economic resources. Both sides in a dispute would prefer to shape the distribution of
goods according to their own preferences. However, doing so will encounter resistance from each of the players' respective opponents. An alternative strategy is to attempt to resolve the dispute through the negotiation of a cooperative solution.

According to Keohane (1984), cooperation is the process by which parties make policy adjustments in exchange for long term mutual benefits. For a negotiated settlement to succeed, the parties in dispute must agree to trade concessions such that both sides are made better off (Oye 1986). For example, suppose two sides must agree to the division of territory. Both sides would prefer to receive the entire piece of territory. However, achieving this goal would require both sides to pay consumption costs in terms of offensive and defensive military capabilities. If both sides were to attempt to seize the territory, the value of the territory would decrease due to the impact of the fighting. Alternatively, if both sides were to adjust their policies such that they agreed to a division of the territory, both sides could save the expenditures from military spending (Powell 2002; Goemans 2000). Both sides could also prevent the destruction of the territory's value through fighting. By mutual concessions, both sides are able to achieve greater joint gains from cooperation than through a period of fighting.

In his seminal paper, Fearon (1995) uses the logic of bargaining situations to explain the onset of conflict. Prior to the start of war, Fearon envisions two sides engaged in a bargaining situation. The two sides might disagree on the division of territory, the state of one of the regimes, or a certain policy. If the two sides are unable to reach a negotiated settlement, both sides will end up in war. However, war is a costly process. War destroys military, economic, and political resources. If both sides are able to form an agreement, both sides will save the resources that would have otherwise been lost in war.
According to Fearon, if both sides had complete information as to the outcome of war, both sides would prefer forming a negotiated settlement than going through with the fighting of war. This seems to make intuitive sense. If a party knew that at the end of the war it would receive 1-C, why would the party pay the costs of war instead of just accept 1-C prior to war onset? Since war is costly for both sides, both sides will always prefer a negotiated solution without fighting than engaging in hostilities to solve the dispute.

Theoretically, since both sides are made better off through negotiation, the question arises as to why we observe conflict at all (Gartzke 1999). Studies in the bargaining literature offer three possible explanations (Reiter 2003). The first explanation focuses on informational uncertainty. While cooperation benefits both parties, cooperation does not necessarily benefit both parties equally. Both sides have incentives to maximize their individual share of the joint gains from cooperation. Given these incentives, both parties in conflict have incentives to misrepresent what they believe the result of military conflict would be. Suppose State A and B are engaged in a bargaining situation. State A believes that if conflict were to occur, it would receive a very poor settlement. If both sides are aware of this, State A would receive few gains from joint cooperation. To increase its share of a negotiated settlement, State A might try to convince State B that it would perform very well during a military conflict. Even if conflict would ultimately result in victory for State B, State A could signal that war would be very costly for State B. If State A can convince State B that of its resolve to fight over a particular issue, State B might be willing to part with greater concessions ex ante conflict to avoid the onset of conflict. State A therefore has an incentive to misrepresent its true bargaining position and its military capabilities. State A might
attempt to demonstrate its power or resolve by demanding large shares of the gains from cooperation. State A could then claim that it would prefer war to settling for any fewer concessions. This move would signal to State B concerning State A’s resolve. However, State B also has the same incentive to misrepresent its capabilities. If both sides continuously demand greater shares of the cooperative settlement in order to misrepresent their positions, the two sides might fail to reach a negotiated settlement. War is therefore the result of uncertainty over bargaining positions and the individual incentives of the participants to misrepresent such capabilities.

The second central explanation of war onset is known as the credible commitments explanation. According to the credible commitments problem, even if a negotiated settlement exists, parties in conflict might still choose to fight if one or both of the parties could not guarantee that they would fulfill the terms of the settlement. A famous example of the inability to commit occurs within power transition theory (Organski and Kugler 1980; Organski et al 1984). According to power transition, the preponderant power in the system will often engage in global war with a challenger as the two powers converge in capability (Kugler and Lemke 1996). The preponderant power is motivated to maintain its status as dominant while the revisionist power seeks to replace it. Theoretically, both the dominant power and the rising power could reach a negotiated settlement. However, if the trend continues and the rising power continues to increase its power over the system, the dominant power may grow suspicious that the revisionist power would not make a second attempt at reorganizing the system in its favor (Morrow 1996). As a result, claims by the rising power that it will abide by its commitment are not
credible. The dominant power will not form an agreement because it fears that its opponent cannot be trusted to fulfill its obligations.

The final explanation of the bargaining theory of war is the indivisibility of issues. For a negotiated settlement to exist, both sides must be able to divide a good such that both sides gain from cooperation. However, if the "good" is indivisible, a negotiated settlement may not be possible. To illustrate, consider a state facing a separatist movement (Walter 2002). The separatist movement demands one third of the state's territory as a condition for a successful negotiated solution. If this is the case, the negotiated solution results in a net loss for the state. While the separatists are made better off, such an agreement makes the state worse off than if no agreement were formed. As a consequence, no bargaining space exists. Since the issue is indivisible, both sides choose war over peace.

**Insurgency and the Bargaining Model of War**

The three explanations of war used by the bargaining model offer great insight as to why conflict erupts between states and groups within society. According to the bargaining model, insurgency can be the result of information failure, the problem of credible commitment, or issue indivisibility. I argue that in cases of insurgency, each of these conditions coupled with an issue in dispute can dramatically increase the likelihood of political violence.

In organizing any social movement, the leaders of the group face incredible difficulties in mounting a challenge to government authority. Given that protesting is a costly activity with little chance of success, the collective action problem is often rampant in non-state actors. Additionally, the lifespan of social movements is often not long
enough to pose a serious obstacle to government policies. Given that governments are aware of the fleeting nature of social protest, governments are unlikely to respond to the demands of protestors (Davenport 2000). There is little incentive for governments to alter the status quo and make valuable concessions if the government believes that the demands for such concessions will rapidly evaporate. More importantly, it makes little sense for governments to make concessions to such groups in order to sustain them as viable challengers to government authority. Since ignoring the activities of groups is relatively costless, the majority of social protest movements gain little from their target governments and frequently collapse in short order (Chong 1991).

Leaders of protest groups are keenly aware of this problem. If a group cannot threaten meaningful consequences against the regime, the group will be unable to influence government. In normal channels, interest groups are only effective if they can pressure government officials into granting political favors. Protest movements are only effective if they threaten the normal activity of society. If non-state actors are unable to impose costs on the regime through conventional political channels, such as elections, violence becomes an attractive alternative (Aditjondro et al 2000; Gamson 1990). Violence threatens real and serious costs against the regime should the regime continue to ignore the demands of the protesters. Violence further provides the non-state organization a bargaining chip. The protesters may offer to end campaigns of violence in exchange for political concessions from the government. The greater the capacity of the insurgents to impose costs on the target government, the greater the likelihood that the government will respond to threats from the insurgents. However, the threat of violence is often not credible. It is difficult enough for non-state actors to produce enough collective action to
sustain a protest movement, much less stage a violent protest movement. According to Lichbach (1995), the rebel's dilemma is their inability to mobilize large portions of the public to engage in conflict. For this reason, even if the group threatens violence, the state has no reason to believe the group's threats.

However, the state still lacks complete information (Davenport 1995). Given the state's uncertainty, non-state actors that are willing to use violence should attempt to misrepresent their true capability. While it may be true that the non-state actors are politically weak, non-state actors should threaten drastic consequences if the government continues to ignore them. These claims increase the government's fear that if conflict is to erupt, the consequences will be severe for the regime. Facing potentially severe conflict, the government should be more willing to offer concessions immediately to avoid such costs. To illustrate this point, consider the frequent claims of Al Qaeda in their campaign against the United States. After the U.S. occupation of Iraq, Al Qaeda threatened to send hundreds of American soldiers home in bodybags. The goal of this statement on the part of Al Qaeda may very well be to increase the perception that the organization was powerful and capable of wreaking real damage on American forces. In essence, the tactic could frighten U.S. politicians into removing troops from Iraq.

To determine the true extent of a threat from a rebel organization, governments must collect intelligence and information. The ability of governments to do so is dependent on the type of government as well as the type of insurgent movement the government faces. Democracies, for example, may be institutionally constrained from infiltrating insurgent movements to determine the group's true capabilities (Hegre et al 2001). Similarly, groups that operate as independent cells might be harder to track than
groups that are structured hierarchically (Lesser et al 1999). For these reasons, the government is often uncertain as to the true strength of the insurgents. While the government is aware that the insurgents are probably weak, violent threats from insurgents to the stability of the regime are often taken seriously. In responding to such threats, the government will have an incentive to signal that it is extremely powerful relative to the insurgent groups. To do so, governments will often adopt repressive measures (Moore 1998; Lichbach 1995; Lichbach 1987; Smelser 1963). Through the curtailment of liberties, the government might undercut the ability of the group to recruit individuals. Alternatively, the government might engage in a massive sweep to quickly expose the rebel group as weak. Quick signals of resolve and regime control work to both demonstrate that the regime is powerful and expose the insurgents as politically weak. States therefore have an incentive to respond harshly to insurgent groups, particularly those that threaten violence.

In cases of strong states, violent protests often do not materialize (Benson and Kugler 1998). Given that it is common knowledge that the regime will not be severely hurt by insurgency, the protestors recognize that the regime has no reason to take threats seriously. However, if the strength of the regime is in doubt, protestors have reason to threaten violence. Threats of violence against weak regimes will have a greater effect than similar threats against strong regimes. However, since weak regimes want to avoid blackmail, weak regimes have stronger incentives to represent themselves as strong. If the perception exists that the regime will collapse, the regime has every reason to signal through repression that it is firmly in control (Francisco 2000; Ginkel and Smith 1999; Lichbach 1995). We can easily see how this spiral escalates to conflict due to information
failure. The rebels send strong signals that they are strong, the regime responds by sending signals that they are strong. Both sides will demand greater shares of a negotiated settlement, or worse, demand that their opponent unconditionally capitulate. As a result, individual incentives to keep private information push the state and the insurgents into a state of conflict and war.

**Barriers to Resolution**

In his famous work *On War*, Clausewitz (1832) argues that war represents a continuation of the bargaining process. While the two sides in combat engage in hostilities, the two sides continue to search for a negotiated settlement to end the conflict. Clausewitz referred to such wars as “real” wars, in which the goal of the combatants was to use violence as a method of extracting greater political settlements. Clausewitz contrasted real wars with absolute wars, in which the goal of the combatants is the complete annihilation of their opponents. According to Clausewitz, while absolute wars were often the declared stated objective of politicians, in reality the participants often practiced real war.

Using this insight from Clausewitz, several scholars examine the conditions for war termination using the bargaining framework. For a negotiated settlement to occur, both sides must understand what the consequences of continued fighting will be. According to Blainey (1988), parties in conflict are able to learn about the true capabilities of their opponents during the course of conflict. Using this information, the two sides are able to update as to what they will gain from the continuation of conflict. Once the two sides agree on what they will receive from continuing fighting, both sides should form that agreement immediately and forgo the continuation of conflict. Using
formal modeling, several scholars reach similar conclusions. Smith (1998) demonstrates that states in conflict update on the probable outcome of continued fighting by observing the outcome of individual battles. Similarly, Filson and Werner (2002) demonstrate that states learn about what the probable outcome of subsequent battles will be based on their performance in immediate battles. Once the losing party understands that it will continue to lose, the losing party has an incentive to sue for peace. Wagner (2000) argues that each individual battle provides information as to the eventual outcome of war. Using each battle, the two sides' beliefs as to the outcome of war converge, producing a negotiated settlement.

Based on this scholarship, we are able to understand the conditions of war termination between states and non-state actors. Once the state and the insurgents understand their true capabilities, the two sides should form a peace agreement. In the course of real war, both sides might have incentives to hold out from immediate negotiation in order to signal strength. If the state or the insurgents are able to misrepresent themselves as strong as opposed to weak, they will extract greater concessions at the bargaining table. This is particularly true if their power to hurt and power to absorb costs is high (Slantchev 2003). We should therefore expect that fighting is a tool of states and insurgents to extract greater concessions from each other. Similar to Clausewitz's description of real war, once the two sides agree on the balance of capabilities and the eventual outcome of war, the two sides should form a negotiated settlement.

However, the explanation of belief convergence is not sufficient to explain the termination of insurgencies. The empirical statistic clearly illustrates that the majority of
insurgencies more closely resemble Clausewitz's absolute rather than real war. Unlike interstate war, states and insurgents often fight until the death rather than negotiate. A counterargument might be that either the state or the insurgents collapse prior to belief convergence. However, a significant number of conflicts between states and non-state actors result in seemingly intractable stalemates. In these particular conflicts, states and insurgents continue to fight even though both sides have little hope of victory. If we observe the lengths of these conflicts, such as the Angolan civil war and the Vietnam War, it becomes obvious that both sides do in fact understand the balance of capabilities. Both sides further understand that continued fighting will result in further stalemate and destruction of resources. Yet, both the state and the insurgents keep fighting. This leads to the question of why, given belief convergence, would the state and the insurgents continue to engage in conflict?

The most fruitful explanation of this phenomenon in examining insurgencies comes from examining the problem through credible commitments (Walter 2002; Dixon 2001; Fearon 1998; Lake and Rothchild 1998; Walter and Snyder 1997; Walter 1997). During wartime, both sides face an acute security dilemma. Throughout the fighting, both sides prefer to emerge as the absolute victor. However, doing so may be extremely costly and might result in heavy costs from fighting. In such a case, both the state and the insurgents might improve their joint welfare by negotiating a peace agreement and cutting their losses. However, this does not change the preference of both the state and the insurgents to emerge as absolute victors. If one side were to lay down their arms in hopes of a peace agreement, the other combatant might take advantage of this cease-fire to break the stalemate. Both sides suffer from mutual fear that their opponent will defect.
from any peace agreement. Additionally, both sides have incentives to break the stalemate. Given that both sides prefer victory, the moment at which an opponent makes itself vulnerable is an opportune moment to strike. Since neither side trusts that opponents will negotiate in good faith and neither side has any reason to negotiate in good faith, wars between states and insurgents are prolonged due to the problem of credible commitment.

The problem of credible commitment is particularly acute in dealing with conflicts between states and non-state actors. A key reason for the inability of both sides to form credible commitments is the lack of an external enforcement mechanism that may impose costs for violation. For a commitment to be considered credible, a party must demonstrate that failure to comply will be costly (Leeds 1999). For example, consider the case of contracts in economics. Suppose A and B form an agreement in which B will pay for a good. Following the receipt of goods from A, B must decide whether to fulfill his end of the bargain. B would prefer to keep A’s good without paying for it. However, B recognizes that if a contract is signed, A has the ability to punish B by taking him to court. The threat of punishment for failure to comply allows A and B to make successful exchanges. Since A recognizes that B will be punished for reneging and vice versa, A is willing to form and subsequently fulfill agreements with B. In this particular case, the presence of the courts as an external enforcer allows both sides to form credible commitments.

Although the international system seems to operate in a state of anarchy (Waltz 1979), several mechanisms exist to impose costs on states for violating agreement. At the very least, states that form agreements with each other must be concerned about their
reputation. Since states remain remarkably durable, states must be concerned that if they break an agreement today, other states will not form agreements with them in the future. Since states are durable and the shadow of the future is long (Axelrod 1984), states must be concerned about the lasting effects of reputation. Additionally, states have several external enforcement mechanisms that may impose costs on states for violating agreements. Frequently, international institutions have taken the lead in brokering peace agreements (Axelrod and Keohane 1985). These institutions often threaten punishment on parties that choose to violate agreements. In other cases, alliance partners may threaten their clients with punishment should their clients break peace agreements with a military opponent (Lake 1999). A final source of punishment lies with the state’s domestic audiences (Leeds 1999; Fearon 1994). If the state fails to uphold its own agreements, leaders will be subject to domestic punishment for breaking their commitments and hurting “the national honor.”

These devices allow states to form credible commitments with each other in order to terminate hostilities. However, while these mechanisms are available to states, they have little influence over non-state actors. Given problems of collective action, insurgent groups have little reason to place any value on their reputation in the future. Since insurgent movements may quickly collapse, insurgents often have no incentive to make immediate sacrifices for long-term benefits. For insurgents, there may be no long term. As a result, insurgents maximize short term gains over long term gains. If this is the case, insurgents have no reason to ever cooperate. Cooperative gestures from states would be met only with defection from the insurgents that seek to maximize their immediate advantage.
Similarly, no enforcement mechanism exists to punish insurgents for violating agreements. Insurgents do not suffer domestic audience costs and are not subject to international institutions. Even in cases in which an international institution attempts to arbitrate an agreement, the institution rarely has much leverage over the insurgents. Without an enforcement mechanism to impose costs for defection, defection remains costless for the insurgent group. If this is true and the insurgents would prefer maximizing their immediate security, the insurgents have a dominant strategy to renege on any commitment. Since states are aware of the incentive structure of insurgent groups, states likewise have no reason to negotiate or offer peace deals. As a result, neither side is able to form an agreement due to the inability of the insurgents to form credible commitments. In many cases, both sides would simply prefer to continue fighting until one of the participants suffers military collapse.

Yet, despite all the barriers to civil war termination, some conflicts between states and non-state actors do end in negotiated settlements. To provide an enforcement mechanism, several scholars argue that intervention is necessary (Walter 1997; Fortna 2003). If a third party could provide both monitoring and enforcement against defectors, both sides would have reason to abide by the agreement. For example, in the Dayton Peace Accords of 1996, the international community established a military force known as KFOR to provide security guarantees to the Bosnian Serbs, Croats, and Muslims. KFOR would punish any member of any ethnic group that chose to continue the conflict against another ethnicity. The presence of KFOR allowed all sides to believe that their opponent would suffer costs for defection, and would therefore abide by the terms of the
agreement. This induced the Serbs, Croats, and Muslims to all abide by the agreement. As of the intervention in 1995, Bosnia has been at peace.

Transnational Insurgency and Peaceful Resolution

For intervention to succeed, the intervening power must have the ability to punish both parties should they choose to defect. Peace will succeed as long as both players in the conflict has the incentive to fulfill their obligations. In most models of intervention, the intervening power must be able to punish both the target government and the insurgents should they violate their security agreements. In essence, if a third party can induce the two parties to cooperate, peace will succeed. However, given that insurgencies are increasingly transnational in nature, there are often more than two parties in civil conflict. If the insurgents develop bases within a foreign host state, this alters what was a dyadic conflict between the target and the insurgents into a triadic conflict involving the target, the insurgents, and the insurgents host state. The entrance of a third party dramatically alters the strategic landscape of the conflict. According to William Zartman (1995), by moving from domestic to transnational insurgency:

“the insurgents radically change the structure of the conflict from a doubly asymmetrical dyad to a wobbly triad of great complexity. The host state to the insurgents and the home state to the conflict have their own relations independent of the conflict, and they use insurgency as a bargaining chip or a means to pressure one another. The government of the home state may have an interest in winning the rebels away from the host state or in making a deal with the host on the backs of the rebels. The host state has an interest in protecting but also in using and controlling the insurgency, and the insurgents as guests are both prisoners and occupiers of the neighbor-host. The insurgency has to be careful not to be sold out by the host acting as mediator or a host serving as sanctuary. Under the conditions of such a triad, the chances for negotiation are actually worsened, as the conflict serves the purposes of all involved.”

Zartman’s analysis indicates how complex the situation becomes once an insurgency becomes internationalized. If a conflict is purely domestic, the only barrier to
conflict resolution is the problem of credible commitment. Yet, if the conflict is international, the target must not only worry about the credibility of the insurgents, but the credibility of the host's promises to stop supporting the insurgents. Similarly, the insurgents must be assured of both the target's and the host's credibility. The insurgents must be certain that the host will not use the insurgency as a pawn to improve its own relations with the target government. On the other hand, the host must evaluate the value of an agreement with the target versus the continued use of the insurgents to impose costs on the target. If the host chooses the latter, the insurgents may have no reason to value cooperation in the first place. Similarly, if the target is a rival of the host state, the target has no reason to believe that the insurgents will ever stop fighting. The internationalization of the conflict seems to exacerbate problems of information and problems of credible commitment. Indeed, the empirical evidence supports Zartman's conclusions that internationalization dramatically decreases the likelihood of peace. Consistently, studies in the literature find evidence that domestic conflict increases the likelihood of interstate conflict (Saidman and Ayers 2000; Khosla 1999; Lake and Rothschild 1998; Cooper and Berdal 1993). Other scholars have focused specifically on ethnic war and the potential for contagion. Again, these scholars find that if ethnic repression occurs in one country, the likelihood of escalation increases if the repressed minority has an ethnic tie to a foreign power (Carment and James 2000; Moore and Davis 1998; Davis and Moore 1997; Brown 1996; Siverson and Starr 1991).

The empirical evidence seems to support the proposition that internationalization of insurgency increases the problems of information failure, credible commitment, and divisibility of issues to such an extent that the conflict cannot be resolved. Yet, it is
unclear whether or not internationalization might also offer additional avenues for peace. Most models of civil conflict are designed to capture the nuances of a pure domestic conflict. If the problem of credible commitment is overcome, the state and the insurgents can negotiate. However, few models consider the effects of transnational tactics on the prospects for peaceful conflict resolution. It is unclear whether or not the added complexity from internationalization alters the landscape and the possibilities for peaceful resolution of the insurgency. Although several empirical studies exist, few theoretical explanations exist to answer questions such as: what steps the three parties can take to avoid escalation? How is the problem of credible commitment affected by the addition of the host state as a player? How does the addition of foreign hosts add or decrease the likelihood that targets will negotiate instead of continuing to fight? How does internationalization affect insurgent incentives to negotiate? What are the consequences if the conflict is internationalized and negotiation fails?

Given the increasing use of transnational tactics by today’s insurgencies, these questions are clearly worth theoretical and empirical inquiry. Empirically, studies of insurgency support the intuition of British Prime Minister Blair that, “their” problem is now ‘our’ problem” and U.S. President Bill Clinton that insurgencies, “may spread like poison.” However, while the onset of an insurgency immediately puts all relevant countries at risk, the spread of violence can be prevented. The theoretical, empirical, and policy oriented questions left to be answered are how can states develop peaceful alternatives to avoid the spread of conflict and where can potential firewalls exist to prevent the spread of conflict. In the remainder of this work, I begin the development of a theoretical explanation of transnational insurgency to address these relevant questions.
Chapter 3:

Internationalization and

Incentives to Pursue Cooperation
“The state of Israel will continue to pursue the Palestinian terrorist organizations and their leaders until the bitter end.”

- Israeli Prime Minister Ariel Sharon\(^1\)

“We call on all military cells to act immediately and act like an earthquake to blow up the Zionist entity and tear it to pieces.”

- Hamas Statement\(^2\)

In the summer of 2003, Israel and Hamas locked into a brutal conflict within the West Bank and Gaza strip territories. Despite the mounting costs of suicide bombings and retaliatory Israeli airstrikes, neither side indicated any willingness to negotiate. Israel and Hamas would seemingly settle for nothing less than absolute victory. Exchanges such as the statements between Israeli and Hamas leaders are not uncommon in examining conflicts between states and non-state actors. While some of the statements refusing negotiation may be taken as rhetoric, this rhetoric often corresponds to reality. A stark observation in examining wars between states and non-state actors is that the two parties agreed to negotiate in only 25% of the civil wars since the postwar period (Zartman 1995; Pillar 1983). In a large portion of these conflicts, negotiation was not even attempted. Even more discouraging, if the population of cases are expanded to include instances in which conflict did not reach the stage of civil war, the number of instances of negotiation drops even further (Byman et al 2001; Schmid and Jongman 1988). Clearly, while statements refusing negotiation seem like posturing, refusing to negotiate is the norm when states and non-state actors are in conflict.

In attempting to find ways to reach peaceful conflict resolution, an obvious starting point is to attempt to understand how and why the combatants reach the

\(^1\) Chris McGreal (2003), “Total War engulfs Middle East as road map is torn to shreds.” The Guardian. 13 June 2003.
\(^2\) Ibid.
bargaining table. At what point do the state and its non-state opponent agree to consider negotiation an option? When do states and non-state actors abandon hope of total victory? While the percentage is relatively small, we do observe instances in which states and non-state actors reach a critical point in the conflict in which they are willing to negotiate. This chapter addresses the first step to peace: getting the state and the non-state actor to the bargaining table. While this chapter does not focus on what leads to the eventual signing and implementation of accords, it outlines the conditions necessary for any negotiation to take place. After outlining the conditions under which negotiation may take place, I turn to the central focus of this project: how does internationalization of conflict between states and non-state actors affect the likelihood of peaceful resolution?

When is Peace an Option?

One of the notable differences between interstate conflict and conflict between states and non-state actors is that in the latter, the state will often not recognize its opponent as a legitimate bargaining partner. In interstate war, the two sides recognize each other's status as combatants. Since both sides recognize each other as equals, it is easier for states to bargain prior to conflict as well as during the conflict to resolve their differences (Powell 2002; Fearon 1995). By contrast, in state conflicts with non-state actors, the state often denies the insurgents' status as a combatant. Instead, the state will refer to insurgents as common criminals, thugs, bandits, or terrorists (Rupesinghe and Andelini 1998; Stedman 1998). By labeling insurgents as such, the state dismisses any notion that the insurgents can be considered a legitimate bargaining partner. If the insurgents are criminals as opposed to legitimate combatants, the proper response is for the state to arrest the criminals and bring them to justice. We would not think of many
instances in which a state negotiates with criminals in order to stop crime. By labeling an insurrection as a crime wave or terrorist campaign, the state is declaring that negotiation cannot and should not be attempted. The only potential solution is therefore one of force to break the insurgency.

Why are states so unwilling to consider negotiating with insurgent groups? Studies of civil war identify two key reasons: legitimacy and asymmetry. As defined by Westphalian rules, the state is granted the monopoly on the legitimate use of violence within its sovereign territory. The ability of the state to govern is dependent on the state maintaining this monopoly over the legitimate use of force. By engaging in violence, insurgents pose a direct challenge to this monopoly. If the state were to allow violence to continue or accede to the demands of the insurgents, the state sacrifices some of its legitimacy as the monopolist of legitimate violence (King 1997; Zartman 1995; Pye 1964). Cooperating with an insurgent group signals that entities other than the state can legitimately use violence to achieve political ends. If this occurs, the monopoly on violence that defines the state loses its meaning and the state’s status as sovereign is called into question (Schock 1996; Wagner 1993; Licklider 1993; Edmonds 1972). Given that states seek to hold on to their sovereignty over all other objectives, it seems reasonable that the state will not easily agree to sacrifice some of its legitimacy by negotiating with insurgents.

This is particularly true given the asymmetric nature of conflicts between states and non-state actors. According to Zartman (1995):

“The most striking characteristic of internal conflict is its asymmetry: one side (the state) is strong while the other (the insurgents) are weak. This is true until tables are finally turned at the end (if they can be), and it is true not only in regard to the military components of power but also in regard to less tangible components such as legitimacy.”
Given that legitimacy must be protected above all else and the insurgents are militarily weak, why would the state offer to negotiate? If the state enjoys power preponderance, it is very likely that the state will seek to destroy the insurgents rather than make costly concessions in terms of legitimacy. The state is aware that in the beginning of any social movement, the movement is vulnerable to collapse (Davenport 2000). If the state can apply pressure in terms of police work and repression, the state can raise the costs to the movement of maintaining collective action (Moore 2000; Moore 1998). The pressures at the beginnings of insurgency from government actions can be so great that the movement will simply collapse before it has a chance to develop (Lichbach 1995; Chong 1995). This logic explains the empirical pattern that in the majority of cases, states do not negotiate with insurgents, and insurgents rarely survive past one episode of political violence (Schmid and Jongman 1988).

However, should the insurgency survive past government repression in its infant stages, the insurgency will grow in strength. The goal for the insurgents is not necessarily to attain military victory with each attack. Instead, the goal is simply to harm the state’s legitimacy while staying alive as a movement (Blaufarb and Tanham 1989; Mao 1986). If the insurgents can continue to challenge the state even in the face of state repression, the insurgents may convince citizens in the population of their legitimacy as a social movement. Success under repression signals to citizens that the state will be unable to put the movement down, which calls into question the state’s legitimacy (Moore 1995; Karklins and Peterson 1993). As the group continues to survive, the group may gain the support of several of the legitimate institutions in society. Gaining the support of
religious or social institutions enhances the group’s stature amongst the population (McAdam 1999).

If a group becomes politically strong, the state might conclude that it is locked into what scholars of civil war term, “a mutually hurting stalemate” (Salla 1997; Mason and Fett 1996; Zartman 1995; Modelski 1964). During this time, the state recognizes that while continuing the fight is costly, the fight is not likely to produce total victory. It is at this point that several scholars argue that a conflict becomes “ripe” for resolution (Haass 1988; Zartman 1986). The analogy is made to the harvesting of fruit (Kleiboer 1994). When first picked, fruit is often inedible. However, over a period of days, fruit ripens for consumption. Similarly, in the early stages of an insurgency, the group’s vulnerability precludes the state’s willingness to negotiate. However, after the conflict enters a stalemate, the conflict becomes ready for resolution. Recognition that total victory will not be achieved is a necessary condition for the two sides to consider peaceful conflict resolution. In the words of former ambassador Peter De Vos, “the participants are not ready to settle until they’re just too weary.”

Studies in the ripeness tradition emphasize a very intuitive explanation of why states may eventually choose to negotiate. It makes sense that once victory is not likely and violence can produce nothing but higher costs, a state should consider the possibility of a negotiated settlement. However, a key problem in the ripeness tradition is the identification of when conflict ripens for resolution. As it is described theoretically, ripeness is intended to predict the onset of negotiations. Several scholars explain the settlements of various disputes by stating that these conflicts were ripe or “ready” for

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3 Quoted from Walter (2002), p. 9
resolution (Bercovitch 2002). Yet, to identify periods of ripeness, scholars point to the onset of negotiations (Greig 2001; Haass 1988; Zartman 1986). In other words, periods of ripeness lead combatants to enter negotiations, and we know ripeness occurs because we observe negotiations.

By this logic, the argument of ripeness becomes both tautological and non-falsifiable. If we only know ripeness occurs through the observation of negotiation, then all cases that ripe lead to negotiation. We can never be sure if ripeness occurs unless we observe negotiations. At this point, the whole concept of ripeness has no predictive value. Instead, it stands as a post-hoc explanation of why the combatants reach the negotiating table. As a result, empirical studies trying to assess the effect of ripeness on conflict resolution often lead to rather predictable results. The period of ripeness is identified by observing mediation, which in turn contributes to the likelihood of a settlement. With an explanation that has no predictive value and is post-hoc, the utility of the ripeness concept must be brought into question (Kleiboer 1994).

Anecdotal evidence and theoretical work in cases of civil conflict lead to the belief that conflicts do enter periods of ripeness. The key problem is that we cannot identify when such periods begin ex ante, because we do not observe these periods until they occur after negotiation. To compensate for this, this chapter will develop a formal model of conflict to specify the conditions that are necessary for conflict resolution. The identification the conditions that are necessary for the beginning of conflict resolution allows for a formal definition of ripeness. If the necessary conditions are met, a conflict can be considered ripe for resolution. Using these conditions, the ripeness concept can be used to predict the onset of negotiation.
Once the concept of ripeness is defined explicitly, I next assess the impact of the internationalization of conflict between states and non-state actors. Specifically, I develop predictions as to whether internationalization of insurgency increases or decreases the prospects of peaceful resolution. In his studies on conflict ripeness, Zartman argues that internationalization greatly complicates the conflict between the state and the non-state actor. These complications decrease the likelihood of peaceful resolution. The majority of civil war scholars support this assessment (Brecher and Wilkenfeld 1997; Carment and James 1997; Carment and James 1995; Carment 1993). The argument against internationalization is that the presence of a foreign patron state increases the likelihood that the parties in the insurgency will refuse to negotiate Saideman 2001; Carment and James 2000; Moore and Davis 1998; Van Era 1997). Given that the patron provides material assistance or sanctuary to reduce the costs of war, the incentive of the insurgents to pursue negotiation is effectively removed (ElBadawi and Sambanis 2000; ElBadawi 1999; Khosla 1999; Lake and Rothschild 1998; Brown 1996; Cooper and Berdal 1993). In all of these instances, internationalization clearly decreases the likelihood that both sides can reach a negotiated settlement (Balch-Lindsay and Enterline 2000). However, given the theoretical problems in understanding when states and non-state actors choose to negotiate, it is possible that the effect of internationalization might be mischaracterized. While it seems perfectly reasonable that internationalization may have negative effects, is it also possible that internationalization might also have positive effects on the possibility for peaceful conflict resolution? The model of ripeness leads to the conclusion that in addition to the negative consequences of internationalization,
transnational insurgency offers possibilities for peace that may not exist in purely
domestic civil conflicts.

A Model of Insurgency

An insurgency represents a period of repeated, hostile interactions between the
state and the non-state actor. To model insurgency, I utilize a repeated prisoners’
dilemma (RPD) game presented in Figure 1.

Figure 1

<table>
<thead>
<tr>
<th>Insurgents</th>
<th>Cooperate</th>
<th>Fight</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooperate</td>
<td>(C_S, C_t)</td>
<td>(S_S, T_t)</td>
</tr>
<tr>
<td>Fight</td>
<td>(T_S, S_t)</td>
<td>(F_S, F_t)</td>
</tr>
</tbody>
</table>

Assumptions: For state, \(0 > T_S > C_S > F_S > S_S\)
For insurgents \(T_t > C_t > F_t > S_t > 0\)
For both state and insurgents: \(2C > S + T\)

In each round, the players choose to either cooperate or continue fighting. If both
sides choose to cooperate, the two sides open a period of peaceful interactions. If one side
cooperates while the other defects, the player that defects gains a temporary military
advantage over the player that cooperates. If both sides choose to fight, both sides engage
in mutual hostilities.

Throughout the conflict, I assume that the insurgents face a constant risk of
collapse. At any given round, the group may lose its ability to continue the conflict. This
can occur for several reasons, such as the death of the group’s leadership, a split amongst
the leading members, or the decision of the group’s soldiers to return home. Regardless,
any of these factors can cause the group to dissolve politically. Once the insurgents fail to
survive politically, the insurgency comes to an end and the game terminates. To capture this formally, the group survives into a subsequent round with probability \( p \) and collapses with probability \((1-p)\). The game continues until the insurgents collapse as a political entity. Both the state and the insurgents are aware that in each subsequent round of play, the game will continue with probability \( p \) and ends with probability \((1-p)\).

**Moves**

At the beginning of each round of play, both the state and the insurgents play the PD game. Both the state and the insurgents decide simultaneously whether to continue fighting or to open a period of cooperation. After this decision is made, both sides collect their payoffs. Nature then determines if the insurgents survive into the subsequent round. Two possibilities occur after each subgame:

1. \( p \): Insurgents survive, game continues.

2. \( (1-p) \): Insurgents collapse, game ends.

**Payoffs**

The goal of the insurgents is to survive for as long as possible. Long insurgencies allow the group to gain higher quantities of political, military, and economic resources. I therefore make the assumption that the longer the insurgency continues, the greater the total payoff to the insurgent group at the end of the game. Each payoff for the insurgents is assigned a positive value. For the insurgents:

\[ T_i > C_i > F_i > S_i > 0 \]

The group receives its highest payoff for suckering the state. However, even if the group is suckered by the state, the group receives a positive payoff for maintaining political survival. In the round that the group collapses, the insurgents receive a payoff of
0. Each round prior to the insurgents collapse, however, yields a positive value to the insurgent group. The longer the group survives, the higher the group’s overall payoff for the game will be.

While the insurgents benefit from prolonged conflict, the state suffers if the insurgency drags on for extended periods. At best, states will be forced to bear the costs of rebuilding after a long conflict. At worst, states that fail to put down their rebellions quickly may suffer from a crisis of legitimacy. Given the consequences of prolonged conflict, it is reasonable to believe that the state would prefer to put down the insurgency sooner rather than later. I therefore make the assumption that continued conflict leads to negative payoffs for the state. For the state:

\[ 0 > T_S > C_S > F_S > S_S \]

As long as the insurgents survive, the state receives negative payoffs. Even if the state suckers the insurgent group, the state continues to suffer so long as the group maintains political survival. While the state may take steps control the level of damage, the state will continue to receive negative payoffs as long as the insurgents remain functional. To illustrate the discrepancy, consider the hypothetical payoffs represented in Figure 2:

**Figure 2**

<table>
<thead>
<tr>
<th>Insurgents</th>
<th>Cooperate</th>
<th>Fight</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Cooperate</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-3, 3</td>
<td>-5, 5</td>
</tr>
<tr>
<td>Fight</td>
<td>-1, 1</td>
<td>-4, 2</td>
</tr>
</tbody>
</table>
For the insurgents, each round promises positive gains in utility. By contrast, each round represents additional losses to the state. If the state suckers the insurgents, the state limits the damage caused by the insurgency. Similarly, if the state and the insurgents cooperate, the state avoids the costs of mutual fighting. However, each round of insurgency brings costs to the state. The longer the insurgency goes on, the worse off the state will be. On the contrary, longer insurgencies bring higher total payoffs to the insurgent group. The group should prefer long periods of conflict while the state should prefer quick ends to insurgency.

Once the insurgency terminates, both the state and the insurgents receive payoffs of 0. At the end of the game, the payoffs to each player are the sum of the payoffs from each round of play. While the payoffs for the insurgents will be higher for longer campaigns, the payoffs to the state will be lower for longer campaigns. The payoffs for the entire game are defined by the following functions. Where $\mu = \{C, T, S, F\}$, the state's payoff for the game is:

$$U_S = \sum_{n=1}^{n} \mu_S$$

The payoffs for the insurgents are:

$$U_I = \sum_{n=1}^{n} \mu_I$$

As in all RPD games, a strategy pairing in which both sides always play (Fight; fight) is always a Nash equilibrium. Therefore, we can conclude that it is always possible for the state and the insurgents to fight forever, or at least until chance catches up with the
insurgents and they die out. This behavior seems to correspond to the empirical record. In the majority of cases of state/non-state actor conflict, the two sides never reach the bargaining table. However, under certain conditions, strategies in which both sides behave cooperatively may also form Nash equilibria. If these conditions are met, the players may either continue to fight or open a period of peace in equilibrium. Once the players have this choice of equilibrium behavior, a conflict can be considered ripe for resolution. In the following section, I will outline the conditions under which two cooperative equilibrium exist. The two strategies that form the cooperative equilibria are Grim Trigger (GT) and Tit for Tat (TFT).\textsuperscript{4}

**Solution**

When do cooperative strategies form Nash equilibria in addition to violent strategies? The most well known strategy for cooperation in a RPD setting is Tit-for-Tat (TFT). In TFT, a player begins the game by playing cooperate. Following this move, the player reciprocates every move taken by their opponent. For example, if both the state and the insurgents cooperate in a given round, both the state and the insurgents would cooperate in the following round. If both the state and the insurgents adopted TFT, it is possible to observe cooperative behavior in equilibrium. If both the state and the insurgents played cooperate in the first round and continued to reciprocate each other, we would observe cooperative behavior between the state and the insurgents, including possible peace negotiations.

Studies in the TFT literature establish that the players may have an incentive to maintain cooperation if the probability that the game will continue for long periods of time is high (Axelrod 1984; Morrow 1994). Cooperation can emerge when the value both

\textsuperscript{4} Under the folk theorem, many different combinations of strategies and behavior can be observed.
players place on future payoffs outweighs the incentive to continue fighting. In terms of the model, the discount parameter is interpreted as the probability that the insurgents will survive into a subsequent round. Consider the following equation:

\[ C_i + pC_i \geq T_i + pF_i \]

Where \( i = \{S, I\} \), the above equation compares the value each player would receive for cooperation over two rounds versus two rounds of fighting. Equation 1 assumes that both sides choose to open the game by playing cooperate. If both sides know their opponent will begin by playing cooperate, both sides know that they will be better off in the immediate term by defecting. However, defecting could result in punishment in the form of lower payoffs from fighting in subsequent rounds. The suckered player would respond by playing fight in the next round. If this behavior continues well into the future, the players would be worse off than if both had played cooperate in the first round.

However, in the insurgency game, the future is uncertain. The insurgents may collapse in any given round. If the insurgents collapse in the second round, the state would be better off playing defect in the first round. On the other hand, if the insurgents last well into the future, the state would be better off playing cooperate. The key question is therefore: how high does the probability of insurgent survival need to be in order to convince the state to play cooperate in the first round instead of fight?

\[ \frac{C_i}{1 - p} \geq \frac{T_i + pF_i}{1 - p} \]

Consider the above equation. This equation The left hand side of the equation represents the value to both players if both sides cooperate forever. The right hand side represents the value a player would receive from initially suckering their opponent,
followed by eternal fighting. If the probability that the insurgents will survive is sufficiently high, the state may consider maintaining cooperation. Similarly, if the probability of survival is high, the insurgents might believe that the state would cooperate. Using the equation, I solve for the critical survival probability that is necessary for a cooperative strategies to be a possible equilibrium.

\[ p^* = \frac{T_i - C_i}{T_i - F_i} \]  \hspace{1cm} \{1\}

If the probability of survival \( p > p^* \), we may observe mutual cooperation in equilibrium. If the probability that the insurgents will survive for extended periods is high, the threat of long periods of conflict may be sufficient to induce cooperation from both the state and the insurgents. A strategy combination in which both sides retaliate against defection by fighting forever is known as Grim Trigger. The threat of eternal fighting can compel both the state and the insurgents to play cooperate. If Equation 1 is fulfilled, Grim Trigger is an equilibrium strategy pair.

Equation 1 examines the conditions under which the threat of eternal fighting can induce both the state and the insurgents to cooperate. However, if both sides play TFT, it is possible that one of the parties can defect in one round, but return to cooperation in the next. For example, suppose the state chooses to sucker the insurgents in round \( n \). If the insurgents survive into round \( n+1 \), the insurgents will respond by playing fight. One possible response is for the state to continue to fight. On the other hand, if the state wants to return to cooperation, the state can play cooperate in round \( n+1 \). The state allows itself to be suckered in round \( n+1 \) to return to cooperation in round \( n+2 \). The payoffs of these two rounds are represented by:

\[ C_i + pC_i \geq T_i + pS_i \]
Why would the state choose to temporarily defect from cooperation? Consider the above equation. If the state were to defect, the state would receive a higher payoff for suckering the insurgents. Now, suppose the insurgents were unable to survive into the subsequent round. If the insurgents collapsed in round $n+1$, the state would receive a payoff of $T$ instead of $C$ in the final round of play. The state is able to receive a higher payoff from defecting in round $n$ if it believed that the insurgents would not survive to round $n+1$. This represents a risk on the part of the state. The state can defect in hopes that the insurgents will collapse. On the other hand, if the insurgents did survive to round $n+1$, the state would have to allow itself to be suckered to return to cooperation. Again, the key factor in determining the state’s behavior is whether the state believes that the insurgents will collapse. If the insurgents’ probability of survival is sufficiently high, the long shadow of the future might dissuade the state from temporary defection. Using the equation, we can solve for the insurgent survival probability necessary to prevent temporary defection:

$$p^* = \frac{T_i - C_i}{C_i - S_i}$$  \hspace{1cm} (2)

From these equations, we can identify the conditions under which cooperative equilibria become possible. TFT forms a Nash equilibrium with itself when for both players:

$$p > \max\left\{\frac{T_i - C_i}{T_i - R_i}, \frac{T_i - C_i}{C_i - S_i}\right\}$$  \hspace{1cm} (3)

This condition is necessary, but not sufficient, for peaceful interaction. The key factor in determining whether or not cooperation may occur is the insurgents’ probability of survival. If the insurgents are likely to collapse, the state has no reason to consider
negotiation. Instead, the state will fight until the insurgents collapse in the near term. Since the insurgents recognize the state’s strategy, weak insurgents have no choice but to continue fighting. If the state will not negotiate, the insurgents also have no reason to negotiate.

On the other hand, if the state recognizes that the insurgents will survive well into the future, the state may alter its strategy for managing the insurgency. Instead of fighting, the state might try to stem the damage of the insurgency by adopting a long-term strategy of cooperation. If the state is willing to cooperate, the insurgents can improve their welfare by responding with cooperation. While mutual cooperation improves the benefits gained by the insurgents, mutual cooperation also slows the costs of the conflict to the state. If both sides recognize that the conflict will continue well into the future, both sides may consider the adoption of cooperative strategies.

A Formal Definition of Conflict Ripeness

The model defines conflict ripeness as a period in which both cooperative and violent strategies form Nash equilibria. Ripeness is a situation in which multiple equilibria exist in which the observed behavior can either be peaceful or violent. This definition captures the main ideas of earlier ripeness arguments. Ripeness is a period in which a cooperative agreement is a possibility, but a period of ripeness does not guarantee such an agreement will materialize. According to the model, cooperation is a possibility in ripe periods, but we may also observe violent behavior in equilibrium.

To illustrate the definition of ripeness more clearly, consider a situation in which neither TFT nor GT form Nash equilibria. Without either of these potentially cooperative strategies, this particular conflict cannot be considered ripe for resolution. Now, consider
an opposite case in which all equilibria are cooperative. This situation also does not qualify as ripe for resolution. If the only equilibrium behavior is for both sides to cooperate, the conflict is not ripe for resolution, it is resolved. If only one type of behavior can occur in equilibrium, conflicts cannot be considered ripe for resolution. Conflict ripeness only occurs if both violent and cooperative strategies exist in equilibrium. In these cases, the necessary conditions for cooperation are fulfilled, but violence remains a possibility.

This definition of ripeness contradicts several arguments as to when periods of ripeness begin. According to several arguments, ripe periods begin once there is a mutually hurting stalemate. The stalemate contains the risk that if the conflict does not stop, the situation will get worse for one or both parties (Zartman 1995; Haass 1988; Models 1964). According to the model, however, if the situation can deteriorate for either side, the conflict cannot be ripe for resolution. If it were true that the likelihood of collapse for the insurgents would be high if the conflict continued, the state would have incentive to continue the conflict. The state would recognize that a few more rounds of conflict might push the insurgents to collapse. Additionally, if the situation would continue to deteriorate for the state, the state might believe that the insurgents would continue fighting. Since the state would be vulnerable, the insurgents would believe that a few more rounds of fighting might collapse the state.\(^5\) Therefore, if the situation for either side could worsen, both sides would have incentives to continue the conflict in hopes of total victory.

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\(^5\) Since the model does not allow for the state to collapse, this insight is not formally derived from the model. However, this insight is a clear implication of the model’s propositions.
Instead, a situation of ripeness exists when fighting cannot make the situation much worse. If the probability of outright victory is low for both sides, continued fighting would bring greater costs to the state and fewer gains for the insurgents. While this strategy is still in equilibrium, it produces a lower overall a payoff than if the two sides were to both cooperate. By cooperating, the state would stem the damage caused by the insurgency. The group could gain greater benefits through peace rather than expending resources fighting the government. In this sense, the conflict is not a mutually hurting stalemate, it is an inefficient stalemate. Fighting will not make the situation worse in that neither side is likely to collapse, but fighting does prevent both sides from achieving greater payoffs from peaceful interaction.

It is interesting to speculate as to when conflicts ripen for resolution. While some conflicts might ripen quickly, others may take years before cooperative strategies are in equilibrium. The insurgency literature suggests that at the beginning of conflicts between states and non-state actors, the state will not negotiate because it believes it can with a high probability. Similarly, the insurgents do not negotiate because they fear that the state will engage in surprise attacks. An interesting area of research might examine when do both sides recognize that they are in a ripe period with a long shadow of the future? To illustrate with an example, consider the case of the conflict in Northern Ireland. For the majority of the conflict, neither the British nor the Irish Republican Army (IRA) would consider the possibility of negotiation. The behavior of both sides corresponded to the strategy pair of (Fight; fight). However, during the 1990s, the strategies of both the British and the IRA altered to (Cooperate; cooperate). Despite minor returns to violence, the British and the IRA remained at peace since the signing of the Good Friday Accords.
We would assume that if the probability of survival for the insurgents grew over time, a cooperative equilibrium may emerge where earlier the conflict it did not exist.

Using the model, we are now able to identify the conditions under which peaceful resolution can take place. With a long shadow of the future, negotiation is a possibility. The next step in the analysis is to use the model to answer the substantive question of how internationalization of state conflict with non-state actors affects the likelihood that a conflict will ripen for resolution. In the following section, I use the model's variables to explore the effect of transnational tactics on the likelihood that a state and an insurgent group will consider the prospect of a peaceful settlement.

**The Effects of Internationalization**

According to scholars examining outside support for insurgent groups, foreign hosts improve the ability of the insurgents to survive. Foreign hosts may provide the group with financial support to improve recruiting or to buy weapons. Additionally, a foreign host can provide the group with manpower. In some cases, foreign hosts have given insurgents the cooperation of the host's conventional military forces. However, perhaps the most important form of assistance is the provision of sanctuaries from target reprisal. Sanctuaries provide a place where the insurgents can train, raise money, build supply routes, and plan operations against target governments. When facing a more powerful target, these provisions can be invaluable in sustaining the movement. For example, during the Vietnam War, Communist guerrillas faced an enormous challenge in fighting the more powerful U.S. military. Yet, with the provision of sanctuaries from Cambodia and Laos and the steady flow of weapons from North Vietnam and China, the guerrillas were able to sustain themselves through almost fifteen years of fighting. Many
scholars of the Vietnam War believe that without external assistance, it is unlikely that the guerrillas would have survived a war against the U.S. (Herring 1995; Duiker 1994).

In terms of the model, we can therefore think of a foreign host as increasing the value of $p$. If this is the effect of transnational tactics, the model demonstrates that while internationalization can result in deadlier and lengthier wars, internationalization increases the likelihood that the necessary conditions for peaceful conflict resolution are fulfilled. In other words, internationalization may offer the possibility for negotiation in conflicts where no such possibility previously existed. To illustrate this argument, I will use several examples from the model using hypothetical payoff values.

<table>
<thead>
<tr>
<th></th>
<th>Cs</th>
<th>Ci</th>
<th>T</th>
<th>Ti</th>
<th>Ss</th>
<th>Si</th>
<th>Fs</th>
<th>Fi</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>-0.2</td>
<td>0.6</td>
<td>0</td>
<td>0.8</td>
<td>-0.8</td>
<td>0</td>
<td>-0.4</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Transnational</td>
<td>-0.2</td>
<td>0.6</td>
<td>0</td>
<td>0.8</td>
<td>-0.8</td>
<td>0</td>
<td>-0.4</td>
<td>0.2</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Consider the following example presented in Table 1. I outline two different conflicts between a hypothetical state and a non-state actor. In the baseline category, the conflict takes place solely within the territory of the state. In this setting, the value for $p$ is lower than in the transnational case. This indicates the greater ability of the insurgents to survive if they have support from abroad. Using these values and Equation 3, I am able to calculate the value of $p^*$ for both the state and the insurgents. For the insurgents:

$$\max \left\{ \frac{0.8-0.6}{0.8-0.2}, \frac{0.8-0.6}{0.6-0} \right\} = p^*$$

$$0.33 = p^*$$

For the state:
\[
\text{Max } \left\{ \frac{0 - (-.2)}{0 - (-.4)}, \frac{0 - (-.2)}{0 - (-.8)} \right\} = p^*
\]

\[.5 = p^*\]

From this example, we see that in order for cooperative strategies to be in equilibrium, the insurgents must survive with probability .5. However, in the domestic example, the value of \( p \) is only .2. If this is the case, the conflict will never ripen for resolution. The only equilibrium behavior is for both the state and the insurgents to fight until the conflict is resolved. The purely domestic case contains no possibility for peaceful resolution. However, if support from a host state increases the insurgents’ probability of survival to .5, the conflict ripens for resolution. Once the insurgents receive help, the cooperative strategies GT and TFT become possible equilibrium strategies. While this does not guarantee we will observe cooperative behavior, cooperative behavior is possible in the transnational case whereas it is not in the domestic case.

The model reveals a very interesting insight into the effects of internationalization. Contrary to the claims of many conflict scholars, the model demonstrates that internationalization can potentially increase the likelihood of peaceful conflict resolution. In a domestic setting, the group’s vulnerability prevents the two sides from negotiation. Given the weakness of the group, the state has no reason to consider negotiation. However, if the insurgents cross a border into a safe haven and increase its probability for survival, the shadow of the future increases. Internationalization may provide the insurgents with enough resources to force the state to consider the possibility of negotiation instead of seeking outright victory.

This insight demonstrates why insurgents choose to adopt transnational tactics in the first place. Within the territory of the state, the insurgents are defenseless and
vulnerable. The state realizes that it may use whatever tactic it chooses to put the rebellion down. However, outside the state’s borders, the insurgents may be protected by foreign governments, have access to safe havens, and develop supply routes to gain valuable commodities. These factors are critical in allowing the insurgency to develop into a formidable movement and succeed (Byman et al 2001; Herring 1995; Hoffman 1991; Brito and Intriligator 1990). We can conclude from the model that conflicts between states and non-state actors are more, not less, likely to ripen for resolution if the insurgents adopt transnational tactics and internationalize the conflict.

Based on these insights, one might conclude that internationalized conflicts between states and non-state actors are preferable to purely domestic conflicts. However, it is important to remember that while internationalization promotes the ripening of conflict, conflict ripeness does not guarantee peaceful resolution. Cooperative behavior is one possible equilibria, but so is an equilibrium in which the two parties continue to fight. If the shadow of the future is long and the state and the insurgents continue fighting, the consequences can be devastating. Both sides will continue to fight indefinitely into the future with no hope of termination. To illustrate this point, consider the examples in Table 2.

<table>
<thead>
<tr>
<th>Table 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
</tr>
<tr>
<td>-0.2</td>
</tr>
<tr>
<td><strong>Transnational</strong></td>
</tr>
<tr>
<td>-0.2</td>
</tr>
</tbody>
</table>

Let us assume that in the examples presented in Table 2, the state and the insurgents adopt strategies in which they will always fight. Regardless of whether or not the conflict ripens, the two sides will fight until the insurgents collapse. Now, let us
consider the domestic example. In this hypothetical case, the insurgents’ probability of surviving the first round of play is set to .1. In this situation, the state’s repressive capacity is great enough to destroy the group after only a few rounds of fighting. While the repression may be severe, the duration of the repression will most likely be short. The domestic conflict ends violently, but it ends very quickly.

However, if the insurgents receive help from abroad, the likelihood the group survives increases to .8. If this occurs, both TFT and GT are possible equilibria. However, the two sides have instead chosen to play (Fight; fight), which is also a Nash equilibrium. While in the domestic setting the conflict would end almost immediately, the conflict in the transnational setting is more likely to last longer. If the two sides will always fight, the longer the conflict goes on, the more devastation the war will occur. In this example, internationalization does not work as a positive force for peace. Instead, internationalization prolongs a violent conflict that might otherwise be resolved quickly. In line with conflict scholars emphasizing the negative aspects of internationalization, transnational insurgency can produce conflicts that last longer and wreak more devastation than ones that are fought in the pure domestic setting.

The model indicates that internationalization both increases the prospects for peace while simultaneously increasing the risks of a prolonged and protracted conflict. These two observations seem to be in contradiction. Yet, given the effects of internationalization, they both seem to correspond to the empirical record. If an insurgent group internationalizes a conflict by adopting a foreign host, the insurgents decrease the effect of government repression while improving their own resource base. This creates a longer shadow of the future by making an absolute victory by the state more difficult.
From the model, the expectation is that conflicts in which the insurgents adopt transnational tactics are more likely to ripen for resolution than domestic conflicts. Internationalization offers an opportunity for peace that might not have existed if the conflict remained purely domestic civil war.

However, the effects of internationalization are not always so benign. While the increasing length of the shadow of the future makes ripe periods more frequent in internationalized conflict, there is no guarantee that the state and the insurgents will take advantage of the opportunity for peace. If the two sides do not cooperate, international support may prolong a conflict that would otherwise end quickly. Under this scenario, internationalization worsens the conflict. The conclusion from the model is that internationalization of insurgency both offers new opportunities for peace, but also dramatically increases the price of failing to seize such opportunities.

Conclusion

This chapter began with the observation that in the majority of conflicts between states and non-state actors, the two sides would refuse to even consider the possibility of negotiation. Yet, although violent outcomes are frequent, several conflicts reach a point at which the state and the insurgents agree to consider a peaceful resolution. Despite posturing throughout the conflict and claiming that no negotiation could be considered, some conflicts reach a point at which the two sides lock into a mutually hurting stalemate. At this point, the conflict becomes ripe for resolution.

A key problem in the ripeness literature is the identification of ripe periods. In several studies, a conflict can only be identified as ripe for resolution once the two parties could be observed negotiating. However, this limits explanations of ripeness to ex post
descriptions of why a conflict reached resolution. If we can only identify periods of ripeness by observing negotiation, but we use ripeness to predict negotiation, the argument becomes non-falsifiable. This chapter sought to address this problem through the development of a formal model of insurgency. The model sought to create a definition of ripeness such that the concept could be used to predict the beginnings of negotiation. Using a form of the RPD game, I define a period of ripeness as one in which a long shadow of the future emerges, decreasing the likelihood that one side could emerge from the insurgency with total victory. A period of ripeness is therefore formally defined as a period in which the state and the insurgents may adopt both cooperative and violent strategies in equilibrium. This is in contrast to periods in which the only possible equilibrium is for the two sides to continue fighting. Once the shadow of the future increases sufficiently enough such that cooperative strategies form possible Nash equilibria, the conflict can be considered ripe for resolution.

After identifying when negotiation is possible using the ripeness argument and the formal model, I sought to explain the effects of internationalization on the likelihood of peaceful conflict resolution. By examining the model's variables, we learn that internationalization carries both positives and negatives. Insurgents use foreign bases and hosts in an effort to reduce the ability of the state to repress and to build their resource bases. The effect of this behavior is to increase the shadow of the future, which increases the likelihood that the state and the insurgents will reach a period that is ripe for resolution. Internationalized conflicts between states and non-state actors may therefore have opportunities for peaceful resolution than do not exist in purely civil wars. However, simply reaching a period of ripeness does not guarantee peaceful resolution.
While internationalization increases the chance that peaceful strategies will be in equilibrium, internationalization does not change the fact that violent strategies are always in equilibrium. If violent strategies are played and the conflict is internationalized, the conflict will be longer, deadlier, and more costly than if the conflict remained domestic. Internationalization creates opportunities for peace, but increases the consequences to both the state and the insurgents for failing to attain peace.

The explanation presented offers the first piece of the puzzle of peaceful resolution to state conflict with non-state actors. We have addressed the question of when conflict resolution is possible. Unfortunately, the model identifies when peace is possible, but makes no prediction as to whether the state and the insurgents choose peaceful or violent strategies. These two strategies are both rational choices and are equivalent if the necessary conditions are fulfilled. In the following chapter, I will investigate the question of conflict resolution more specifically. Assuming that the shadow of the future is long, when do states and insurgents choose peaceful versus violent strategies? When are the two parties able to form commitments and subsequently fulfill their peace obligations? The long shadow of the future is the first necessary condition for cooperation. The next step is to understand when states and insurgent groups take advantage of the possibilities for peace provided by the long shadow.
Chapter 4:

Transnational Insurgency and

Credible Commitments
When asked about the possibility of negotiating with the Irish Republican Army (IRA), former British Prime Minister John Major claimed the very idea of talking the IRA leaders, "turned his stomach.¹" Yet, four years later, the British Government and the Irish Republican Army negotiated an agreement to end the conflict in Northern Ireland. Despite the revulsion of John Major and several other British officials, the government agreed to a negotiated settlement with a non-state actor. Several other examples abound in which state governments agreed to negotiate with insurgents despite pledges not to do so. During the 1980s, Iranian backed terrorists frequently kidnapped American and Israeli citizens in Lebanon. U.S. President Ronald Reagan stated he would never consider negotiating for the release of the hostages. However, despite this official stance, U.S. repeatedly pressured Israel to exchange prisoners for hostages. In 1986, news broke that the Reagan Administration itself orchestrated a plan to exchange arms for hostages.

These observations raise the puzzle of why states appear so unwilling to negotiate with insurgents, yet in some instances choose to do so. To address this puzzle, I present a game theoretic model of the strategic interaction between states and insurgent groups in the course of a insurgent event. The model leads to the conclusion that insurgents facing constraints from moderately powerful host states, such as state sponsors, are more likely to form and subsequently fulfill negotiated settlements. The model’s hypotheses are subsequently tested using the International Terrorism: Attributes of International Terrorist Events (ITERATE) database.

**Literature Review**

Proponents of the 'no concessions' policy cite two central reasons for refusing to negotiate with insurgents engaged in political violence. The first argument is that negotiating with terrorists rewards groups for violent behavior (Chellaney 2001; Cotler 1998; Lacqueur 1977). If states signal that groups may accomplish their goals through violence, insurgents will continue to use violence in the future (Pillar 2001; Clutterbuck 1992; Netanyahu 1986). Since negotiation rewards violence, states should never offer concessions. If an insurgent group recognizes that they will achieve nothing from violence, there will be no incentive for the insurgents to continue attacking the target state.

Although the 'no concessions' argument is accepted by many policymakers, several scholars frequently criticize the credibility of the 'no concessions' argument when dealing with established insurgencies. If a insurgency is weak, a state might refuse negotiation in hopes that the insurgency will quickly collapse. However, in other cases such as the campaigns by the Irish Republican Army (IRA) and the Palestinian Liberation Organization (PLO), the insurgents are well established and have the capability to continue violence well into the future. If this condition is met, studies in the bargaining literature find that the 'no concessions' stance fails to convince non-state actors that states will not ultimately negotiate if facing an attack (Atkinson et al, 1987; Sandler and Scott 1987). Using a game theoretic model, Lapan and Sandler (1988) demonstrate that the 'no concessions' policy is time inconsistent. States are often unable to sustain 'no concessions policies.\(^2\) According to Hughes (1990), the costs of refusing negotiation, such as the potential killing of civilians, makes the short-term costs of this policy

\(^2\) In other words, although a 'no concessions' strategy may be part of a Nash equilibrium in a repeated game setting, it is not subgame perfect.
unacceptable. In many instances, states are simply unwilling to bear the costs of refusing to negotiate in the short term despite the potential future consequences. Consistent with this argument, Tucker (1998) and Poe (1988) observe that even the U.S., U.K., and Israel, three of the most ardent supporters of ‘no concessions,’ have all broken with their stated policies and negotiated with terrorist groups. The conclusion is that for even the strongest ‘no concessions’ advocates, short-term costs may compel states to negotiate when facing insurgents. Several additional studies support the conclusion that the benefits of negotiation often exceed the benefits of maintaining a ‘no concessions’ stance against non-state actors, thereby making ‘no concessions’ an inefficient strategy (Sederberg 1995; Shahin and Islam 1992).

While these studies demonstrate threats of ‘no concessions’ are not always credible, a second problem arises in bargaining with non-state actors. The second reason states should refuse to bargain with insurgents is that insurgents suffer from an inability to form credible commitments (Leeds 1999; Walter 1997; Fearon 1995). In his study of hostage negotiations, Hacker (1982) argues that one of the primary barriers to successful negotiation is that governments usually distrust militant groups and expect such groups to break their promises. No enforcement mechanism exists to uphold agreements between insurgents and states. As a result, insurgent groups have a dominant strategy to renego on their commitments (Fearon 1998; Lake and Rothschild 1998). For example, suppose a situation in which militants demanded that a state release a leader in exchange for disarmament. In exchange for the leader, the militants must pay a concession. However, the militants should prefer to obtain the leader’s release without giving up their weapons. If the militants were to refuse disarmament following the release of the leader, the
militants would not be subject to any punishment cost. Therefore, the insurgents' best strategy is to demand concessions, take whatever the state concedes, and subsequently renege on their promises. If insurgents cannot be trusted to abide by agreements, there is no reason for states to make concessions to insurgent groups.

The implications from the credible commitment argument support the call for a policy of 'no concessions.' Why would a target form a commitment with the insurgents only to see such an agreement broken? While the logic behind 'no concessions' seems intuitive, the argument raises several empirical puzzles. First, if negotiation cannot achieve positive outcomes for a state, why do we observe states negotiating with insurgent groups? Presumably, if states recognized that insurgents are not trustworthy and negotiation entailed future costs, states would not negotiate. However, in 51% civil wars between 1940 and 1992, the state opened negotiations with the insurgents (Walter 2002). In over half of the terrorist events from 1968-1991 in which terrorists made demands, states were willing to negotiate.\(^3\) Despite the problem of credible commitments, states still seem willing to negotiate. An additional puzzle is raised by the observation that in several cases in which negotiation took place, the insurgents faithfully abided by the terms of the agreement. In 35% of civil wars in which negotiation took place, the insurgents abided by the terms of the agreement. In one fourth of the cases in which negotiations occurred, the terrorists complied with the negotiated settlement. If defection is costless, why would we observe insurgents abiding by agreements? The empirical record is not consistent with the predictions of 'no concessions' advocates. States seem willing to bargain and often achieve success in a significant number of cases. The

evidence suggests that the logic behind the 'no concessions' argument may need further theoretical evaluation.

The observation that some insurgent groups fulfill their obligations suggests variation in the incentive structure of insurgent groups. While some groups may have incentives to fulfill obligations, other groups may have no reason to do so. From the first chapter, we learned that in some instances, foreign support may induce insurgents to adopt cooperative strategies. A key structural difference that may account for differing incentive structures may be whether the group is transnational and domestically based (O'Brien 1996). Depending on the strength and preferences of the host state, hosts might influence an insurgency’s ability to raise money, train, obtain weapons, and stage attacks. In some cases, the institutions of the host might be incapable of having an effect on the insurgency. It is doubtful that weak states, such as Afghanistan, are able to influence indigenous insurgent movements. However, in other cases, terrorists are heavily constrained by their hosts. State sponsors of terrorism, such as Iran and Syria, directly influence the abilities of terrorists to operate (Ranstorp and Xhudo 1994). Sponsors influence their groups by controlling their weapons supplies, funding, and political support. Using this influence, the patron can control the ability of terrorists to conduct operations. Since the groups need the support of their host states, these groups are constrained by the host’s willingness to allow terrorist activity to continue.

Transnational insurgency therefore presents a situation that is analogous to the security/autonomy tradeoff. Insurgent movements are able to gain security from basing within the foreign host state. The insurgents gain greater resources from host support and protection from target government reprisals. However, as mentioned earlier, such benefits
do not always come without cost. If the host has the capability to enforce its law over its territory, the host might demand compensation for providing security for insurgent movements. In some cases, the host might demand decision-making power within the organization itself, as in the case of Iran and Syria. If the relationship between the host and the target state is to be considered a form of alignment or alliance, the host state would in most cases serve as the dominant power. The host is given authority to make decisions for the alliance while providing security for the lesser members. As with a small state involved in an alliance, the independent decision-making of the transnational insurgency is constrained by its alliance partner of the host state.

Let us consider how constraints from a host state impact the ability of transnational insurgents to form peace agreements. For a peace agreement to succeed, both the target state and the insurgency must value long-term cooperation, make meaningful concessions, and subsequently fulfill their obligations. We have already established that basing abroad can assist in the first condition of increasing the shadow of the future. The question now becomes: how does the presence of a foreign host state impact the ability of transnational insurgents to make concessions and fulfill their obligations. As stated earlier, the central barrier to the last two steps needed to form a peace agreement is the problem of credible commitment. However, I will make the argument that constraints by the host state establish credibility for transnational insurgents. These constraints can be used to establish insurgent credibility and therefore increase the ability to facilitate peace agreements.

In the case of a dominant/subordinate interstate alliance, the stronger alliance partner is given greater autonomy of decision-making. In terms of negotiating with other
states or other state blocs, the preferences of the dominant state will often have a strong impact on the collective will of the entire alliance. If this insight is taken to analyze the relationship between the host, the insurgents, and the target state, the host’s preferences are given greater weight in the relationship. If the host does not want to terminate the insurgent conflict with the target state, the conflict is likely to continue. However, if the host favors a resolution and is able to constrain its insurgents, the host can establish credibility in bargaining situations. In interstate bargaining, states may demonstrate credibility in negotiation if they will suffer costs for breaking a commitment. Similarly, insurgent groups may establish credibility if they will suffer costs from the host for violating agreements. Given their ability to influence the group’s weapons supplies, finances, and political support, host states have considerable capability to impose costs if the group is to renege on its commitments. If the host wants to resolve the conflict, the host may serve as a guarantor of the group’s behavior. The presence of an institution that is capable of punishing the insurgency may be sufficient to overcome the target state’s fear that any agreement with the insurgents is likely to be broken.

If insurgents are constrained by their hosts, insurgents can establish credibility in bargaining situations. In interstate bargaining, states may demonstrate credibility in negotiation if they will suffer costs for breaking a commitment. Similarly, insurgents may establish credibility if they will suffer costs from the host for violating agreements. In the following section, I examine how the ability of host states to constrain insurgent behavior may assist in facilitating successful negotiated solutions to insurgent events. Specifically, I examine how constraints by the host state allow insurgents to form credible commitments during insurgent events. I use a game theoretic approach to identify how
structural factors impact the strategic interaction of the state, the insurgents, and the group’s host state. The model identifies the conditions under which states and insurgents form agreements and subsequently fulfill their obligations to resolve insurgent events.

**Bargaining in Transnational Insurgencies**

Figure 1 presents a three player game theoretic model of bargaining during an insurgent event. The first player s is the target of the insurgent event. The second player, insurgent group t, is motivated to extract as many concessions from the state as possible. The third player h represents t’s host. I define a host as the state in which t sets up a primary base of operations. Like the group, the host also seeks to maximize its potential benefits arising from the insurgent event.⁴

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⁴ I assume all of the players in the game are rational with connected and transitive preferences. Each of the players can be characterized by Von Neumann-Morgenstern utility functions. The model further assumes that the players in the game have complete, though not perfect, information.
Figure 1:
Insurgency Bargaining Game

\[ C_i \]
\[ C_i \]
\[ C_h \]
\[ SQ_s \]
\[ SQ_i \]
\[ E \]
\[ \beta \]
\[ \alpha_s \]
\[ \alpha_i \]

\[ C_s, C_i, C_h - E \]
\[ (\alpha_s, 1 - \alpha_i, C_h - E) \]
\[ 0, 1, C_h - E \]
\[ (1, 0, -E) \]
\[ (\delta SQ_s, \delta SQ_i, -E) \]
Prior to the start of the game, the insurgent group $i$ initiates an attack against a state. I define insurgency as a non-state actor's execution or threat to execute one or more attacks against a particular state if certain demands are not met. The state begins the game by offering a settlement $C$ to the insurgent group.\footnote{Negotiation is represented by the division of $C$. $C_s$ represents the concessions given by the group to the state. An example of $C_s$ might be the termination of a campaign or the release of hostages. The concessions given to the group by the state is represented by $C_t$. Examples of concessions made by the state may include ransom or the release of political prisoners. I assume that $0 \leq C \leq 1$. The maximum either player may receive is 1, indicating that the opponent unconditionally capitulates. I assume that no portion of $C$ is unused, specifying that $C_s + C_t = 1$.} The state offers to make concessions in exchange for concessions from the insurgents. Once the offer is made, the insurgents decide whether to accept a settlement or continue engaging in violence. If the insurgents reject the state's offer, the game ends without a negotiated settlement. The payoffs are $(SQ_s, SQ_t, 0)$, or the value for the continuation of the insurgency. If the insurgents accept the state's offer, the game moves to the host state. The host may devote a level of resources $E$ toward monitoring the group's adherence to the agreement. I assume that the host can only obtain a benefit from the agreement if the state fulfills its obligations. Following the host's allocation of resources, the state and the insurgent group make a simultaneous decision of whether to fulfill their obligations or renege on their commitments.

If both the state and the insurgents fulfill their obligations, a successful exchange of concessions occurs. The state yields concessions in exchange for concessions from the insurgents. The host receives the benefit of a peaceful resolution minus the amount of resources devoted to enforcement. The payoffs reflect the agreement made by the state and the insurgents in the first part of the game $(C_s, C_t, C_h - E)$. Should both sides defect, both sides continue hostilities. The payoffs for both the state and the insurgent group are
$\delta S_Q$ and $\delta S_H$, respectively. If the host devotes resources toward maintaining the agreement, the host loses these resources without obtaining its cooperation benefit.

Should the state renege while the group abides by its commitment, the state takes concessions from the insurgents, but fails to reciprocate. At this outcome, the state achieves its objectives without having to pay the insurgent group. While this is the best possible outcome for the state, it is the worst outcome for the insurgents. The payoffs are $(1, 0, -E)$ at this outcome. While the state is not subject to any penalties for defecting, some insurgents may be punished by their hosts for doing so. The ability of host states to constrain their groups is a function of the amount of resources a host devotes to monitoring and the host’s capacity to use these resources effectively. If the state fulfills and the insurgents renege, the insurgents are caught by the host with probability $\beta E$. While $E$ is the endogenous amount of resources devoted by the host, $\beta$ represents the ability of the host to effectively use these resources. As $\beta$ increases, a state is better able to use its enforcement resources effectively. This corresponds to stronger host states, such as the United States or Iran. However, if the host is a weak host, such as Sudan, the value of $\beta$ decreases. This indicates that weaker hosts are less capable of using resources effectively. As a result, the probability a insurgent group will be caught also decreases.

If the insurgents are caught, the host imposes a penalty $\alpha_i$ on the insurgents for breaking its commitment. While the state does not obtain the concessions promised by the insurgents, the state receives some benefit from the host’s punishment of the

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2 I assume that if the state and the insurgents play (Renege, renege) at the end of the game, the two sides would prefer to end the game at the insurgents’ first decision node. As a result, the payoffs at the (Renege, renege) outcome are discounted by $\delta$.
3 I normalize the best possible payoff for the state and the terrorist group to 1 and the worst possible outcome for both the state and the insurgents to 0.
4 I constrain the value of $\beta$ between 0 and 1.
insurgent group. The host is still able the benefit from the state’s cooperation. The payoff at this outcome is therefore \((\alpha_s, 1-\alpha_i, C_{h-E})\). While the group is caught with probability \(\beta E\), the insurgents escape detection with probability \(1-\beta E\). If this occurs, the insurgents gain concessions from the state without having to make any in return. The payoffs for the state and the insurgent group are therefore \((0,1)\), respectively. Although the agreement has fallen apart, the host still gains from the state’s cooperation. The host therefore maintains its benefit from cooperation minus the resources devoted to enforcement \((C_{h-E})\).

Successful negotiation requires both the state and the insurgents agree on the exchange of concessions and subsequently fulfill their obligations. In the following section, I identify the conditions under which both the state and the insurgents should fulfill their commitments based on the subgame perfect equilibrium solution. The model demonstrates that the intervention of a moderately powerful host, such as a state sponsor, can greatly increase the likelihood of peaceful resolution. The equilibrium allows for the development of several testable hypotheses.

**Insurgencies and Credible Commitments**

The model outlines the conditions under which host states can establish credibility for insurgents in bargaining situations.\(^5\) If facilitating a peaceful resolution is in their interest, hosts may use their influence to compel insurgents groups to comply with agreements. By monitoring and punishing insurgents, hosts serve as an institution that alters the insurgents’ incentive structure. If the host threatens to punish the insurgents for defecting, insurgents have an incentive to comply with agreements. Since insurgents will suffer cost for defecting, insurgents are able to form credible commitments. Target states

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\(^5\) A complete formal solution is located in the appendix.
recognize that insurgents have some incentive to fulfill agreements. As a result, states can trust that constrained insurgents are credible bargaining partners.

To demonstrate the impact of host states, I first examine the model’s predictions in cases where insurgents operate free from host constraints. For the state to consider negotiation, the government must believe there is some chance that the insurgents will abide by the terms of an agreement. However, if free from host constraints, insurgents have dominant strategies to defect from any agreement. Should it form an agreement with the state, the insurgent group would prefer taking the concessions from the state without making any of its own. Since the insurgents suffer no costs for defection, nothing exists to force the insurgents to fulfill their end of the bargain.

The insurgents’ dominant strategy to defect prevents states from forming negotiated settlements. If insurgents will break all agreements, why should states give insurgents concessions? For bargaining to take place, the insurgents’ incentives must be altered such that the insurgents have some reason to comply with agreements. To give the insurgents a reason to abide by agreements, host states may threaten some penalty for defection, such as the closing of camps or the arrest of group members. If the host is able to monitor and punish the insurgents, the insurgent group will experience costs for defection. Defection therefore becomes a costly alternative for constrained insurgent groups. Given that defection entails costs, insurgents have some reason to comply with agreements they form. Constrained insurgents move from a dominant strategy of defection to adopting mixed strategies. While insurgents may still defect, insurgents comply with agreements with some positive probability.
Since constrained insurgents may be punished for defection, promises from constrained insurgents are more credible than those of unconstrained insurgent groups. Since constrained insurgents may face costs for defection, constrained insurgents should be less likely to defect. The greater the ability of the host to monitor and punish effectively, the greater the incentive for insurgents to comply with the agreements they formed. Given that constrained insurgents have incentives to comply with the agreements they form, states should be more willing to negotiate with constrained insurgent groups.

**Hypothesis 1: The likelihood that a state and a insurgent group will fulfill their commitments increases as the ability of the host to monitor and punish its insurgent groups increases.**

The model demonstrates that a host with the capacity to monitor and enforce can be critical in fostering a negotiated solution. However, monitoring and punishing insurgents is a costly activity. A host will only devote resources toward monitoring and enforcement if it is able to gain something from facilitating cooperation. Several hosts, particularly those that are hostile to the target state, may place little or no value on a negotiated settlement. In cases in which the host and the state are rivals, hosts may actually gain political benefits from allowing their insurgents to attack. In these cases, the host may deliberately choose not to intervene in order to impose costs on the target state.

However, for other hosts, facilitating cooperation between the state and the insurgent group may yield substantial benefits. If the host assists in the resolution of the insurgent event, the host may receive compensation from the target state.⁶ Facilitating a peaceful resolution might also improve the host’s international reputation and lead to

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⁶ For example, in 1989, Libyan leader Muammar Qadaffi brokered a settlement between France and the Abu Nidal organization in which three French hostages were released. French President Mitterand rewarded Qadaffi’s cooperation by delivering three Mirage fighter jets to Libya.
future benefits. In other cases, the host may cooperate out of fear economic or military retaliation from the target. Regardless of its ideological ties with the insurgent group, the host may prefer a peaceful solution to an attack by the target. Whatever the motivation, host states will choose to intervene if the benefits of a peaceful resolution outweigh the costs of bringing their insurgents under control.⁷

**Hypothesis 2:** The likelihood that a state and a insurgent group will form and subsequently fulfill their commitments increases as the value of a negotiated settlement to the host state increases.

If insurgents comply with some positive probability, the state may consider negotiating at the beginning of the game. The state’s decision to commit to an agreement is based on its evaluation of its utility for negotiation versus its utility for accepting the continuation of an event. Negotiation becomes a more attractive alternative to states if the likelihood that a insurgent will fulfill its obligation increases. If insurgents are likely to get caught for reneging and face a punishment, insurgents should comply with the terms of the agreement. Therefore, hosts with significant capabilities to both monitor and punish increase the utility to states for negotiation. Since the group’s probability of fulfilling its obligation increases as the ability of the host to monitor and punish increases, strong hosts also increase the value of negotiation to the target state.

**Hypothesis 3:** The likelihood that a state will commit to an agreement increases as the ability of the host to monitor and punish its insurgent groups increases.

**Hypothesis 4:** The likelihood that a state will commit to an agreement increases as the political costs associated with the continuation of a insurgent event increase.

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⁷ Formally, hosts will intervene if \( C_h > (\delta S Q_i)/(\beta C_v) \)
However, although the ability of the host to monitor and punish increases the likelihood that insurgents will comply with agreements, the host’s capacity to deter the group may increase the likelihood that states will defect from agreements. To illustrate this point, suppose a host threatened a insurgent group with severe repression and the execution of its leaders if it reneged on a commitment and could perfectly monitor the group’s behavior. Given these constraints, the insurgents would almost certainly comply with agreements with the state. However, since the state knows that the insurgents will comply, the state would be better off accepting the concessions and subsequently reneging on the agreement. By doing so, the state receives concessions from the insurgents without making any of its own. Though the host’s institutional constraints prevent the insurgents from reneging, the constraints give the state an incentive to take advantage of the insurgent group. Given that insurgents with strong hosts are prisoners to their agreements, insurgents that are heavily constrained are more likely to fulfill agreements, but less likely to form agreements at the beginning of the game. For negotiation to succeed, hosts must have enough monitoring and enforcement capacity to prevent the insurgents from defecting, but not so much capability such that the state can renege in the fulfillment stage. Insurgents are less likely to form agreements at the beginning of the game that will leave them vulnerable to state defection in the fulfillment stage.

**Hypothesis 5: The likelihood that an insurgent group will commit to an agreement decreases as the ability of the host to punish its insurgent group increases.**

Empirically, the model leads to the conclusion that the ideal host to facilitate negotiation matches the description of state sponsors of insurgency. This conclusion
seems to contradict the argument of many insurgency scholars that state sponsors tend to increase the danger associated with insurgency (Hoffman 1999; Lesser 1999; Jenkins 1986). Although sponsorship may increase the capabilities of insurgent groups, sponsors are ideal for negotiation for several reasons. While sponsors have substantial power to punish insurgent groups, sponsors may have an interest in maintaining the group as a viable entity. This alleviates the group’s concerns that punishments may be excessive. On the other hand, if a insurgent group is state sponsored, states should be willing to believe that the sponsor has the capability to punish the group. The model suggests the counter-intuitive notion that if a state chooses to negotiate with insurgents, state sponsored insurgents may be preferable to independent groups in the commitment stage.

Research Design

To test the model’s propositions, I examine a collection of hostage-taking incidents from the Mickolus, Sandler, Murdock, and Fleming International Terrorism: Attributes of Terrorist Events data (Mickolus et al 2000).\(^8\) I restrict the analysis to hostage taking incidents since these particular incidents involve bargaining between states and terrorist groups. The cases under scrutiny involve incidents in which terrorist groups seized property, hijacked aircraft, seized groups of civilians, or engaged in kidnapping. The data includes ITERATE hostage taking events from 1968-1991.

ITERATE identifies both the target state and the group involved in the incident. The host state is identified using ITERATE’s information on the nationality of the terrorist group. I supplement the ITERATE data with the World Directory of Political

\(^8\) Mickolus et al. define an international/transnational terrorist events as: “the use, or the threat of use, of anxiety inducing, extra-normal violence for political purposes by any individual or group, whether acting for or in opposition to established government authority, when such action is intended to influence the attitudes and behavior of a target group wider than the immediate victims of the status quo.”
Terrorism (Schmid and Jongman 1988). The host is defined as the terrorist group’s nationality, country of origin, or current base of operations. Using these sources, I am able to identify the host in each of the incidents. In cases in which terrorists operated from stateless entities, such as the West Bank or Gaza Strip, the groups are assumed to be independent unless information indicates that the groups received sponsorship. In such cases, the sponsor is considered the group’s host state.⁹

Data and Variables

To test the model’s propositions, two stages of the game must be analyzed. In the first stage, the state and the terrorists make commitments to exchange concessions. Following their commitment, both parties must decide whether or not to fulfill their obligations. Given the structure of the game, I create two dichotomous dependent variables: commitment and fulfillment. Since it is not possible to fulfill an obligation without making a commitment, the dependent variable fulfillment is censored by the first dependent variable commitment. This requires the use of a two-stage model to control for the selection effects of the commitment variable (Heckman 1979; Reed 2000). The selection equation in the model determines whether or not a commitment is made. Following the decision to commit, the second model examines whether or not the commitment is fulfilled. The fulfillment variable captures whether both the state and the terrorists abide by the terms of the negotiated settlement. I utilize a censored probit model as the statistical model to test the theoretical propositions.

⁹ In several cases, terrorists may have different hosts at different points in time. For example, the Abu Nidal Organization based its operations in Lebanon, but subsequently moved to Libya. In cases such as these, the state in which the terrorist group used as its primary base of operations at the time of the event is considered the group’s host state.
The ITERATE Hostage File provides several indicators to gauge both commitment and fulfillment. To capture commitment, I examine the response of the state. This variable presents a list of government responses to the terrorist incident ranging from total capitulation to massive nationwide searches for terrorist groups. The first three responses — capitulation, stalling with compromise, and Bangkok solution,\(^\text{10}\) represent forms of negotiation. If the state responds to the terrorist event in one of these three ways, the variable commitment is coded as 1. If this criterion is not met, the commitment variable is coded as 0. The fulfillment variable is determined by the fate of the hostages. I examine the variables “First and Second Hostage Fate” to determine if the terrorists abide by agreements with the state. If the incident ends with government negotiation followed by the release of hostages, the terrorists have fulfilled their obligation. The second criterion for the fulfillment variable requires that terrorists also receive concessions from the state. Based on the terrorist demand variables, I determine if the demands of the terrorist group in each incident are fulfilled. If the terrorist group receives at least partial concessions from the state, the state is considered to fulfill its commitment. If these criteria are met, the fulfillment dependent variable is coded 1, indicating a successful exchange of concessions. If these criteria are not met, the fulfillment variable is coded 0.

**Independent Variables**

The variables included in the selection equation include host capacity, host benefit for cooperation, and the value of cooperation to the target. The selection equation is as follows:

\(^{10}\) The Bangkok solution refers to a situation in which Thai officials allowed Black September terrorists occupying the Israeli embassy in Bangkok safe passage from the scene in exchange for the release of their hostages and the dropping of other demands.
Commit = Host Capacity + Host Capacity² + Strategic Similarity + Peace Years + Number of Hostages

The measure for host capacity is used as an indicator for β and α, or the ability of the host to monitor and punish its terrorists. This variable allows for the testing of Hypotheses 3 and 5. The host capacity measure is created using the State Failure Project’s magnitude of state failure. The degree of host stability captures how effective the host is at both monitoring and punishing terrorist groups. If the host is unstable, it lacks the capability to use its monitoring resources efficiently. Unstable hosts also lack the strength to punish terrorists sufficiently. However, if the host is a stable state, its capacity to both monitor and punish non-state actors within its territory increases. The variable is an ordinal scale of the magnitude of instability within a particular state in a given year. To create the index of host capacity, I multiply the magnitude of instability score by -1. This results in higher scores translating to greater ability to monitor and punish. As the value of host capacity increases, states should be more willing to form agreements. However, increased values of host capacity decrease the likelihood that terrorists will form agreements in the first stage of the game. If the value of host capacity grows excessive, terrorists are less likely to commit. This indicates that host capacity should have a curvilinear effect on commitment. Host capacity increases the likelihood that states will form agreements, but decreases the likelihood that terrorists will form agreements. The likelihood that an agreement will be formed should therefore be highest when host capacity is moderate; that is, it must be great enough to

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induce the state to commit, but low enough such that the terrorists will also commit. To capture the curvilinear relationship, I rescale the indicator. The median value of host control is 3. I therefore subtract each of the capacity scores by 3 and square the term. Higher values of the squared term correspond to either excessively low degrees of state capacity or high degrees of state capacity. Low values of the squared term correspond to median levels of host capacity. The squared term captures how very low or very high values of $\beta$ and $\alpha$ impact the likelihood of cooperation. While the host capacity indicator should increase the likelihood of a commitment by inducing state commitment, the squared term should decrease the likelihood that commitments are formed.

The next set of indicators is designed to test Hypothesis 2 by measuring the host’s cooperation benefit $C_h$. The first indicator to measure host cooperation is Kendall’s $\tau_b$. This indicator valuates the rank order correlation for two states’ alliance portfolios. This measure is often used as a measure for strategic similarity between two states (Altfeld and Bueno de Mesquita 1979). The unweighted global calculation of $\tau_b$ is used to capture the host’s preference to procure a peaceful settlement.\footnote{The measure for similarity was generated using Bennett and Stam’s EUGene version 2.30. Website: http://www.eugenesoftware.org} As the similarity between the target and the host state increases, the value to the host for serving as a guarantor should likewise increase. The second indicator is the number of peace years between the target and the host state. I assume that longer periods of peace correspond to the absence of hostility between the target and the host state. The host should therefore be more willing to serve as a guarantor if it values peaceful relations with the target state.

The last variable in the selection equation is the number of target state hostages. This is designed to capture the value the continuation of the event to the state. The
hostages variable provides a test for Hypothesis 4. I assume that higher numbers of hostages make the status quo less desirable for the target state. Therefore, I argue as the number of hostages increase, the value of adopting a ‘no concessions’ approach relative to negotiation should likewise decrease. I therefore expect greater numbers of hostages to increase willingness of states to form commitments.

The fulfillment equation is specified as follows:

\[ \text{Fulfill} = \text{State Sponsorship} + \text{Host Capacity}^2 + \text{Strategic Similarity} + \text{Peace Years} \]

The fulfillment equation is designed to test Hypotheses 1 and 2. The first measure in the fulfillment equation is the presence or absence of state sponsorship. Since sponsors have a greater ability to constrain their terrorist group’s actions, I hypothesize that sponsors should contribute to the fulfillment of obligations. I create a dichotomous variable identifying whether or not the host state is listed as a sponsor by the U.S. Department of State’s *Patterns of Global Terrorism*.\(^{13}\) If the host is listed as a sponsor, the variable is coded 1. My hypothesis is that state sponsors should increase the likelihood that both sides fulfill their obligations.

The measures for host capacity\(^2\) is also included in the fulfillment equation.\(^{14}\) According to the model, very high and very low values of host capacity should decrease the likelihood that agreements will be fulfilled. If the host’s ability to monitor and punish is too low, the terrorists will defect from agreements. On the other hand, if the host

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\(^{14}\) Ideally, the fulfillment equation would include both host political capacity\(^2\) and the scaling parameter of host political capacity. However, due to the sample size, the collinearity between host political capacity\(^2\) and host political capacity is severely problematic. Theoretically, the squared term matches the model’s intuition. I therefore include only the squared term in the fulfillment equation. Separate tests were conducted in which the squared term was replaced with host political capacity. The results still match the theoretical expectations.
severely constrains the terrorists, the state will have an incentive to defect. The likelihood of fulfillment is therefore highest when host capacity is at median levels.

Strategic similarity and peace years are also included in the fulfillment equation. Increasing values of each of these variables should increase the likelihood that terrorist groups will abide by their commitments. I therefore expect each of these variables to increase the likelihood of successful negotiation.

Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>β (S.E)</th>
<th>95% Confidence Interval</th>
<th>ΔPr 1 S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commitment Stage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment Constant</td>
<td>-.668 (.127)</td>
<td>-0.92</td>
<td>-0.42</td>
</tr>
<tr>
<td>Host State Capacity</td>
<td>.460 (.053)***</td>
<td>0.19</td>
<td>0.79</td>
</tr>
<tr>
<td>Host State Capacity²</td>
<td>-.134 (.053)**</td>
<td>-0.24</td>
<td>-0.03</td>
</tr>
<tr>
<td>Strategic Similarity</td>
<td>.830 (.391)**</td>
<td>0.06</td>
<td>1.60</td>
</tr>
<tr>
<td>Peace Years</td>
<td>-.012 (.005)**</td>
<td>-0.02</td>
<td>0.00</td>
</tr>
<tr>
<td>Number of Hostages</td>
<td>.004 (.001)***</td>
<td>0.00</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Fulfillment Stage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fulfillment Constant</td>
<td>-1.06 (.165)</td>
<td>-1.38</td>
<td>-0.74</td>
</tr>
<tr>
<td>State Sponsorship</td>
<td>1.34 (.600)**</td>
<td>0.17</td>
<td>2.51</td>
</tr>
<tr>
<td>Host State Capacity²</td>
<td>-.086 (.039)**</td>
<td>-0.16</td>
<td>-0.01</td>
</tr>
<tr>
<td>Strategic Similarity</td>
<td>1.49 (.570)***</td>
<td>0.37</td>
<td>2.61</td>
</tr>
<tr>
<td>Peace Years</td>
<td>-.046 (.019)***</td>
<td>-0.08</td>
<td>-0.01</td>
</tr>
<tr>
<td>ρ</td>
<td>.901 (.188)</td>
<td>-0.44</td>
<td>0.997</td>
</tr>
</tbody>
</table>

Log-Likelihood: -250.3975
N: 325
*p<.1, **p<.05, ***p<.01
The statistical test generally supports the theoretical expectations. To generate baseline predictions of both commitment and fulfillment, I hold all continuous variables constant at their means and set state sponsorship to 0. Each of the variables is then moved to their maximum values to demonstrate their respective impact on the probability commitment and fulfillment occur. The statistical model estimates a baseline probability of .28 for the initial decision by the state to negotiate with the terrorist group. If a commitment is formed, the both sides adhere to the agreement with a baseline probability of .05.

Hypotheses 3 and 5 receive substantial support from the statistical test. The host capacity indicators demonstrate that if host’s ability to monitor and punish its terrorists is too low, the state should be unwilling to form commitments. When host capacity is moved from its mean baseline value of 1.33 to 2.6, the likelihood of commitment increases to .38. This is supportive of the theory’s claim that states will only form commitments if the host has some ability to monitor and enforce against its terrorists. However, Hypothesis 5 states that if the ability of hosts to monitor and punish their terrorist groups is too high, terrorists will refuse to negotiate. This proposition also receives support from direction of the host capacity square term. The statistical results suggest the strategic behavior of the terrorist group. Groups will avoid agreements in which the host will entrap them into fulfilling their agreements regardless of the behavior of the target state. The host capacity variables provide strong support for the hypotheses.

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15 Although the coefficient for the Mill’s Ratio is in the anticipated direction, the coefficient is not statistically significant. Theoretically, however, the censored probit procedure remains appropriate given the two stages of the game theoretic model. To examine the impact of the variables, Mill’s ratio is held at .9005.
that commitments will be formed if host states are strong enough to monitor and punish, but do not have excessive abilities to do so.

Hypothesis 2 is also supported by the test. The $\tau_b$ indicator is significant and in the anticipated direction. This indicates that as the strategic similarity between the target state and the host increases, states and terrorists are more likely to form commitments. An increase in strategic similarity of one standard deviation from the mean level of .04 to .25 increases the probability of commitment formation from .28 to .31, an 11% increase. Assuming strategic similarity will increase the value of cooperation for the host, the $\tau_b$ indicator strongly supports the theoretical expectations. Surprisingly, the peace years indicator is not supportive of the proposition. The finding suggests that as the number of peace years increases, states and terrorist groups are less willing to form commitments.

Hypothesis 4 also receives substantial empirical support. The hostages variable is both positive and significant. This indicates that as the number of hostages increases, states are less willing to accept the status quo and more willing to bargain. If the number of hostages is increased from the mean 30 by one standard deviation to 54, the likelihood of commitment increases to .37. The change from the mean represents a 32% increase. This further supports the theory’s expectations concerning the state’s evaluation of the status quo versus negotiation.

The theory also receives considerable support for the fulfillment hypotheses. Hypotheses 1 and 2 receive substantial support from the fulfillment equation. The test’s most interesting finding concerns the state sponsorship variable. State sponsorship is both significant and positive. According to this result, if an agreement is formed between a state and a terrorist group, state sponsors contribute positively to the implementation of
the agreement. This supports the model’s claim that state sponsors make ideal guarantors for state bargaining with terrorist groups. Additionally, the coefficient on the sponsorship variable is extremely large and has a tremendous impact on the probability of fulfillment. States and independent groups fulfill their obligations with probability .05. If the terrorist group is state sponsored, this fulfillment probability increases to .28. The results show that negotiations involving state sponsored terrorists are 460% more likely to succeed than negotiations with independent groups. This provides clear support for the theory in addition to revealing a somewhat counter-intuitive finding.

The host capacity squared term is significant and in the anticipated direction. If the host’s ability to monitor and enforce moves away from median values, the likelihood that agreements will be fulfilled decreases. Terrorists will defect if host capacity is too low while states will defect if host capacity is too high. If the squared term is increased from 1.77 by a standard deviation to 5.4, the likelihood of fulfillment decreases from .05 to .02. This indicates that if the host’s capacity moves one standard deviation from the mean in either direction, the likelihood of fulfillment decreases by 60%. The results support the hypothesis that hosts with moderate abilities to monitor and punish are the ideal hosts for facilitating cooperation.

Despite the lack of support from the peace years variable, Hypothesis 3 is supported by the $\tau_b$ measure. According to the theory, the amount of resources devoted to monitoring and enforcement should increase $\beta E$, which in turn increase the probability of compliance. According to the results, if strategic similarity is increased by one standard deviation over the mean, the likelihood that states and terrorists will fulfill their obligations increases from .05 to .09, an 80% increase.
The results from the fulfillment stage of the game are generally supportive of the theoretical model. The model predicted that hosts with an ability and willingness to monitor and enforce terrorist groups should contribute to the fulfillment of obligations at this stage of the game. The state sponsor variable and the $\tau_h$ strategic similarity variables support the conclusion that if hosts are capable and willing to enforce against terrorist groups, terrorist groups and states are more likely to abide by their commitments. The model’s propositions perform well at both the commitment and fulfillment stages. Overall, the empirical results generally support the theoretical expectations.

**Conclusion**

States seek to maintain their legitimacy as sovereign over their territory. If faced with an insurgency, states will frequently adopt a policy of ‘no concessions’ to protect their sovereign status. By adopting this stance, states make clear that challenges to their sovereignty will not be rewarded. Yet, studies in bargaining theory argue that ‘no concessions’ is neither credible nor efficient strategy. In some instances, states may be better off if they can form a negotiated settlement with their insurgent challengers. However, even if the state is willing to bargain, states may refuse to do so due to the problem of credible commitment. Since no enforcement mechanism exists to uphold contracts between states and insurgents, states may worry that insurgents will renege on their commitments. If insurgents were to break agreements, a state leadership would suffer not only domestic political costs, but also potentially devastating military costs. Do the potential for insurgents to renege on their commitments, states may simply reject the possibility of negotiation outright.
This chapter develops a game theoretic model to explain how internationalization can assist in overcoming the problem of credible commitment. From the previous chapter, we see that internationalization can lead to either prolonged conflict or peaceful resolution. In this chapter, we see that the internationalization of insurgency can lead to peaceful resolution if a third party can assist in overcoming the problem of credible commitment. Although the model suggests that negotiation between states and insurgents is difficult, the model identifies factors that promote the commitment to negotiate and the fulfillment of obligations. In most cases, the international party will be the host state of the insurgent group. Even if the host is only capable of enforcing against the insurgents, the model predicts that host states can have a significant impact on the decision of the group to negotiate. If the host can monitor and effectively punish its insurgents, the host can prevent the insurgents from defecting on agreements. The greater the severity of a potential punishment, the more likely an insurgent group is to abide by its commitments. However, if the potential penalties from a third party are excessively harsh, the insurgents may reject bargaining outright. The model therefore concludes that internationalization is likely to promote peaceful outcomes if the insurgents are under moderate institutional or structural constraints from a host state.

We began the chapter by thinking about the case of the British negotiations with the Irish Republican Army. In this case, both monitoring and enforcement of IRA activities was particularly difficult. Given this difficulty, the British seemingly had no reason to pursue a negotiated settlement. Despite British attempts to repress the IRA, the IRA found sanctuary in the Republic of Ireland. Furthermore, the IRA was very effective at raising money in the United States from Catholic sympathizers. Eventually, the British
recognized that it would be impossible to repress the IRA into submission. Yet, negotiations did not begin in earnest until the Republic of Ireland and the United States began to participate. Once the two hosts agreed to assist in mediation, both the British and the IRA were willing to conduct negotiations. For the British, the support of Ireland and the U.S. provided some security that if the IRA were to renege on its commitments, the IRA would find no help abroad. From the IRA’s perspective, the sympathies of Irish and American negotiators would assure that IRA interests would be taken into account during negotiations. The internationalization of the “Troubles” ultimately assisted in bringing the conflict to termination.

Similarly, the case of U.S. negotiations with Hezbollah and other Shiite groups can be explained by the model. Why did the United States consider Hezbollah credible? Monitoring and enforcing against the activities of the group was near impossible. However, Hezbollah was heavily dependent on Iranian and Syrian support. If both Iran and Syria could be persuaded to support a deal, the two states could serve as guarantors. In 1990, the administration of George H. W. Bush began negotiating with Iran publicly. Eventually, Hezbollah and Iran agreed to the release of hostages. After the release of the hostages, US President George H. W. Bush extended gratitude to the Iranian government for assisting in the release.16

From this chapter, we see that if the intervention of a host state can assist in overcoming the problem of credible commitments, internationalization can serve as a force to peacefully terminate conflict. If a foreign host can assist the insurgents in sustaining over time and overcoming problems of credible commitment, the foreign host

increases the likelihood of peaceful cooperation. Without the foreign host, the violence from insurgency may continue due to the problem of credible commitment. This illustrates the positive effect of internationalization. However, we know from the first model that internationalization may also have negative consequences. For internationalization to have a peaceful effect, the host state must be both willing and capable of enforcing against the insurgents. However, what happens if the foreign host is either unwilling or incapable of mediating the dispute? In the following chapter, I will make the argument that if the host is unwilling or incapable, the consequences of internationalization can be disastrous. Although host states may improve the possibilities for peace, the internationalization of insurgency may provide a catalyst for the escalation and the spread of violence.
MATHEMATICAL APPENDIX

Assumptions:

For state, $1 > SQ_s > \delta SQ_s > 0$

For insurgents, $1 > SQ_i > \delta SQ_i > 0$

Fulfillment Subgame:

The subgame beginning at the state’s second decision node is referred to as the fulfillment subgame. The four outcomes are as follows:

1. **(Fulfill, Fulfill):** Outcome occurs in pure strategies if for the state, $C_s=1$. If this occurs, $C_i=0$ since $C_s+C_i=1$. Therefore, for this outcome to occur, for the insurgents, $0 \geq \beta E(C_i-\alpha)+(1-\beta E)$. This outcome will therefore only occur in mixed strategies.

2. **(Renege, Fulfill):** Outcome can only occur in pure strategies if for the insurgents, $0=\delta SQ_i$. By assumption $\delta SQ > 0$, therefore this outcome cannot occur in pure strategies.

3. **(Fulfill, Renege):** Outcome occurs in pure strategies if for the state, $\beta E\alpha_s \geq \delta SQ_s$ and for the insurgents $\beta E(C_i-\alpha_i)+(1-\beta E) \geq C_i$. If these conditions are met, the state and the insurgents will play (offer $C_i=\beta E(C_i-\alpha_i)+(1-\beta E)$, Fulfill; accept, renege) if:

   $$2 - \beta E C_i + \beta E \alpha_i - \beta E \geq SQ_s$$

   If this condition is not met, the state and the insurgents will play

   ($C_i=0$, Renege; reject, renege)
4. (Renege, Renege): Outcome occurs in pure strategies if for the state, $\delta SQ_s > \beta E \alpha_s$ and for the insurgents $\delta SQ_i > 0$. If these conditions are met, the state and the insurgents will play (offer $C_i=0$, Renege; reject; Renege).

If no pure strategy equilibrium exists, the players adopt mixed strategies. The state fulfills its agreements with probability $p$ where:

$$p = \frac{\delta SQ_i}{\delta SQ_i + \beta E \alpha_i - C_i}$$

The insurgents fulfill their agreements with probability $q$ where:

$$q = \frac{\delta SQ_s - \beta E \alpha_s}{\delta SQ_s - \beta E \alpha_s - C_i}$$

**Cooperative Equilibrium:** The state and the insurgents may play (Offer $C_i=C_i^*$, Fulfill; accept, fulfill) with some positive probability if and only if:

1. $E^* \geq \max \left( \frac{\delta SQ_s}{\beta \alpha_s}, -C_s + \delta SQ_i - \sqrt{4\beta C_i \delta SQ_i \beta E \alpha_s + (C_s - \delta SQ_s)^2} \right) / (2 \beta \alpha_s)$

2. $pq(1-C_i^*) + p(1-q)(\beta E \alpha_s) + (1-p)q + (1-p)(1-q)\delta SQ_s \geq SQ_s$

**Proof:** Host intervention is required for cooperation to take place. Without host intervention, $E=0$. If this is the case, (Renege, Renege) is always the equilibrium in the fulfillment subgame. With host intervention, the state may prefer the outcome of (Fulfill, Renege) over (Renege, Renege) in the fulfillment subgame. For the state to prefer
(Fulfill, Renege), \( \beta E(C_t - \alpha_t) + (1-\beta E) > C_t \). The host will set \( E \) such that this condition is met. Solving for \( E \):

\[
E^* = \frac{\delta SQ_i}{\beta \alpha_s} + \varepsilon
\]

Therefore, for \( E \) to induce the host to monitor and enforce:

\[
C_h - \frac{\delta SQ_i}{\beta \alpha_s} - \varepsilon \geq 0
\]

If this condition is not met, the host sets \( E=0 \) and the state and the insurgents will play (Offer \( C_i=0 \), Renege; reject, renege).

**Insurgent Commitment:** If \( E=E^* \), insurgents will form agreements if:

\[
pq(C_i) + p(1-q)(\beta E(1-\alpha_t) + (1-\beta E)) + (1-p)(1-q)\delta SQ_i \geq SQ_i \quad \{1\}
\]

Insurgents therefore require concessions:

\[
C_i^* \geq \frac{-\beta^2 E^2 \alpha_i \alpha_t + \beta E \alpha_i \delta_i SQ_i - \beta E \alpha_i \delta_i SQ_i + \delta_i SQ_i \delta_i SQ_i}{\beta E \alpha_i - \delta_i + \delta_i SQ_i - \beta E \alpha_i \delta_i + \delta_i \delta_i SQ_i}
\]

**State Commitment:** States will form agreements if:

\[
pq(1-C_i^*) + p(1-q)(\beta E \alpha_s) + (1-p)q + (1-p)(1-q)\delta SQ_s \geq SQ_s \quad \{2\}
\]

If this condition is not met, the state and the insurgents will play (\( C_i=0 \), Renege; reject, renege).

**Derivation of Hypothesis 1:** The state’s dominant strategy is to renege if \( \delta SQ_s > \beta E \alpha_s \).

As the value of both \( \beta \), \( E \), and \( \alpha_s \) increase, the state should become less likely to have a dominant strategy to defect. Insurgents have a dominant strategy to defect if \( C_i < \beta E(C_i - \alpha_t) + (1-\beta E) \). Increasing the values of \( \beta \), \( E \), and \( \alpha \) decreases the likelihood that insurgents have a dominant strategy to defect. Additionally, the insurgents’ mixed strategy indicates
that as the value for $\beta$, $E$, and $\alpha$ increase, the insurgents play fulfill more often. For the state, however, as the value of $\beta$, $E$, and $\alpha_i$ increase, the state is less likely to cooperate in mixed strategies. This suggests that the state is more likely to cooperate if $\beta E \alpha_i$ is high enough to remove the insurgents' dominant strategy to defect, but once this threshold is crossed, higher values of $\beta E \alpha_i$ give the state greater incentives to defect. The mixed strategies indicate a curvilinear relationship between $\beta$, $E$, and $\alpha$ for fulfillment.

**Derivation of Hypothesis 2:** The host only devotes resources if $E < C_h$. If $E > C_h$, the host sets $E=0$. As the value of $C_h$ increases, hosts should be more willing to devote more resources.

**Derivation of Hypothesis 3:** Higher value of $\beta$, $E$, and $\alpha$ make the insurgents more likely to comply with agreements in mixed strategies. Increasing the value of these variables therefore increases the left hand side of Condition 2. If the insurgents are more likely to fulfill due to the host’s capacity for monitoring and enforcement, the state’s utility for negotiation versus ‘no concessions’ increases, making the state more likely to commit.

**Derivation of Hypothesis 4:** At its first decision node, the state will form agreements only if the value for continuing to fulfillment game exceeds the value of the status quo. The status quo represents the state’s value for adopting a ‘no concessions’ stance. Ceteris paribus, as the value of SQ decreases, the state is more likely to negotiate.

**Derivation of Hypothesis 5:** Higher values of $\beta$, $E$, and $\alpha_i$ increase the insurgents’ utility for fulfillment, but have a curvilinear effect on the state’s willingness to fulfill in mixed strategies. If the values of $\beta E \alpha_i$ are high enough remove the insurgents’ dominant strategy for defection, the state is more likely to fulfill. However, as the value of $\beta E \alpha_i$
increases past this threshold, the state is more likely to defect from agreements. This
decreases the insurgents’ utility for forming agreements in the first place. Ceteris paribus,
as the value of $\beta E \alpha_i$ increases, insurgents are less likely to commit to agreements.
Chapter 5:

Transnational Insurgency and

The Spread of Conflict
The previous chapters establish that foreign hosts can be pivotal players in the resolution of transnational insurgencies. Given their ability to constrain the behavior of non-state actors, several hosts have the capability to assist in the formation of peace agreements. In this sense, transnational insurgencies have a potential opportunity for peaceful resolution that is not present in domestic insurgencies. If the host state is willing to constrain its non-state actors and effectively serve as an institution, the host can precipitate the resolution of violent conflict. As a result, targets of transnational insurgencies have an interest in cultivating good relations with host states. If a target can make cooperation worthwhile, host states might be willing to constrain their insurgent groups. Yet, empirically, not all hosts and targets behave in this manner. Many targets refuse to negotiate. Similarly, many host states, even hosts with the ability to monitor and punish insurgents, refuse to do so. In this case, internationalization of insurgency holds the potential for longer periods of violence.

This observation leads to several puzzles for the international community. Given that states are legally sovereign, host states are responsible for the activities of non-state actors using their territory. If this is true, hosts are legally obligated to prevent non-state actors from committing violent acts against the target state. If it fails to do so, the host might be considered to be engaged in acts of aggression, giving the state the legal right to self defense. Several policymakers make the argument that states that are under attack from transnational insurgents have the legal and moral obligations to employ force in self-defense (Hoffman 1999; Netanyahu 1986). If threatened by transnational insurgency, states should employ military force against both the host and the insurgents within the host (Heymann 2001; Clark 2001). Such action might work to raise the price to host states for supporting transnational insurgent movements (Pomerantz 1998). If host states are convinced that support of transnational insurgencies will exact a high price in terms of military retaliation, host states might be compelled to constrain their insurgent groups. In terms of the credible commitment
model, the threat of force would raise the value of $C_h$ to such a level that host states would compel the insurgents to end their insurgency. According to a recent statement by U.S. President George W. Bush, new U.S. policy was, "to make no differentiation between terrorists and the states that harbor them." The statement directly implied that both host states and insurgents would suffer military retaliation if transnational insurgencies continued against the United States.

Although this argument is both popular and persuasive, for several policymakers and scholars, the argument is somewhat difficult to accept. Implicitly, the argument is that conflict might be resolved by escalating the conflict to an interstate war. The question therefore becomes: is escalating an insurgency to an interstate war the most effective solution for target states? The empirical record is not supportive of the hawkish position. Studies indicate that force is often unsuccessful at reducing the level of transnational insurgent activity (Brophy-Baermann and Conybeare 1994; Enders, et al 1990). While military force guarantees costs for the target state, it often fails to eliminate the security threat of transnational non-state actors. More importantly, military force does not seem to reduce the threat of transnational insurgency. To use an example, Israel has continuously used military reprisals against Arab host states and within the Palestinian territories, yet continues to suffer from Palestinian terrorism. During the 1970s and 1980s, both Rhodesia and South Africa used reprisal raids against hosts of African nationalist movements only to see such movements strengthen. Additionally, U.S. attacks against Al Qaeda in 1998 did little to prevent the attack on September 11, 2001.

Given the seeming ineffectiveness of military force, several scholars and policymakers make the case that states should adopt a more peaceful approach to procuring host state cooperation. David Tucker (1998) argues that a better way to approach problems of transnational insurgency is to grant concessions to hosts of transnational groups. If the right
incentives are in place, host states may respond to positive sanctions (Baldwin 1985). Walt (2001) argues that for the United States to succeed in combating Al Qaeda and other transnational terrorist movements, the U.S. must offer concessions to Arab states in the Middle East in order to procure the cooperation of moderate host governments.

In response to calls for cooperative overtures to the host, Chellaney (2001) makes the a reasonable counterargument: If concessions are given to host states, what guarantees that hosts will not demand more in the future? This argument illustrates the debate in how best to induce host states to control their transnational insurgents. If a target uses or threatens military force, such action is not likely to be effective. Yet, if the opposite approach is taken and targets behave cooperatively, what guarantees exist that the host state is credible? This leaves several puzzles in the policy literature in resolving transnational insurgencies. First, why do states choose to use military force when such tactics rarely seem to succeed in eliminating threats from non-state actors? Second, can peaceful negotiation be an effective alternative? Finally, given the common prescription that targets should respond with force, why do hosts allow insurgents to use their territory as a base of operations? Why would hosts take such risks?

This chapter seeks to address these puzzles by identifying the conditions under which transnational insurgencies escalate into militarized interstate conflict. To use the words of Bill Clinton, what are the conditions under which the "powder-keg" of transnational insurgency explodes into interstate war? Using a game theoretic approach, this paper identifies what strategies used by target states are most likely to be successful in inducing hosts to control their indigenous groups. The model further examines how the varying ability of hosts to reduce insurgent attacks influences the likelihood of conflict onset. From previous studies of conflict, we know that uncertainty, credible commitments, and issue indivisibility are key causes of conflict escalation. The central conclusion of the model is that like
instances in which negotiation is not possible between states and insurgent groups, transnational insurgencies provoke conflict between states by exacerbating problems of credible commitment. Consistent with the theoretical argument, the model tested using a sample of interstate crises provoked by transnational insurgencies from the Brecher/Wilkenfeld ICB dataset. Following this first empirical test, I conduct a separate test examining a set of insurgencies from 1990-2000.

The Escalation of Insurgency
FIGURE 1:
TRANSNATIONAL INSURGENCY CRISIS GAME

***Payoffs are represented (Target, Host)
ASSUMPTION: $\beta_2 < \beta_1$
\[ \pi \quad \text{Amount of Concessions from Target to Host} \]

\[ W \quad \text{War Payoff} \]

\[ SQ \quad \text{Status Quo Payoff} \]

\[ \beta \quad \text{Costs for controlling insurgents} \]

**Assumption:** $\beta_2 > \beta_1$

In this section, I develop a stylized game theoretic model of interstate conflict resulting from non-state actor violence. The model consists of two players, a target state T and a host state H.\(^1\) For simplicity, I scale the utility function of both players such that the payoff for the best possible outcome is 1.\(^2\) The target state is the country that is attacked by a set of transnational insurgents that use host state H as a staging area. The model differentiates between two types of host states: strong hosts and weak hosts. Strong hosts need only pay a small cost to control their transnational insurgents. An example of a strong host state might be Iran or Syria. Through state sponsorship, these states can easily control the ability of various insurgent groups (i.e. Hezbollah, Hamas) to operate. Unlike strong hosts, weak hosts must pay higher costs to control their insurgent movements. Guerrillas operating in weak hosts do so relatively free from government interference. Examples of weak hosts include Colombia and Afghanistan. While the government of Colombia controls some part of its territory, it lacks the capacity to control the activities of FARC rebels and drug cartels operating within the country.

---

1. I assume throughout the model that the actors are rational utility maximizers whose preferences may be represented by Von-Neumann-Morgenstern utility functions. I further assume that the players in the game are risk neutral.

2. Though the payoffs for the target and the host state are scaled, the payoffs of the target and the host are not identical. No interpersonal comparisons should be made.
Similarly, the Taliban government had little capacity to control the Al Qaeda terrorist network within Afghanistan. The host's type remains private information.

Nature begins the game by determining what type of host a target faces. A strong host is chosen with probability \( p \) while a weak host is chosen with probability \( 1-p \). Once nature decides which host is playing\(^3\), the host makes a decision of whether or not to allow the insurgents to stage attacks against the target. If the host prevents the insurgents from attacking, the host chooses to maintain the status quo. On the other hand, allowing the insurgents to attack represents an attempt by the host to alter the status quo. Hosts may have a variety of reasons for engaging in this behavior. In many instances, the political preferences of hosts and their insurgent groups may be very similar. For example, both Pakistan and the Kashmiri insurgent groups prefer that India renounce its claims to the province of Kashmir. In this case, Pakistan's value for the status quo would be low, given that it supports the Kashmiris' attempts to alter it. Other hosts have higher values for the status quo, but may use their insurgencies as bargaining chips to gain material benefits. Following the 9/11 attacks on the U.S., both Yemen and the Philippines received American economic and military aid to combat Al Qaeda within their territories. In cases such as these, hosts have economic incentives to allow insurgents to operate.

For the host state, the decision to allow the insurgents to attack is a strategic choice. Strong hosts may either allow insurgents to attack or control them, depending on what suits their interests. If the strong host chooses to control, the host must devote a certain level of resources to preventing the insurgents from attacking the target. Strong hosts must pay \( \beta_1 \) in order to maintain the current status quo. The payoff for strong hosts should they control the insurgents is therefore \( SQ_{H} - \beta_1 \). Weak hosts, on the other hand,

\(^3\) In the game tree, strong hosts are defined as \( H_1 \) while weak hosts are defined as \( H_2 \).
require substantially more resources to control their guerrillas. I therefore assign the level of resources needed for weak hosts to control their guerrillas to $\beta_2$ with the assumption that $\beta_2 > \beta_1$. The payoff for weak hosts of preventing the insurgents from operating against the target is therefore $(SQ_H - \beta_2)$. If the insurgency is brought under control, the target is not attacked by the insurgents. Since this is the target's best possible outcome, the target receives a payoff of 1.

If the host does not control its insurgents, the insurgents will attack the target state. After the attacks begin, the target will demand that the host take action to control its insurgents. If the target observes a decrease in insurgent activity to its satisfaction, the target is willing to compensate the host by making concessions $\pi$. If the target offers concessions $\pi$ to the host and the host takes action against the insurgents, the game ends in a negotiated settlement. The target receives the benefit of bringing the insurgency under control minus the concessions it makes to the host $(1-\pi)$. The host receives the concessions minus the cost of controlling their non-state actors. The strong and weak host's payoffs are therefore $(\pi-\beta_1)$ and $(\pi-\beta_2)$, respectively.

If the host rejects the target's offer, the target decides whether to use military force against the insurgents within the host. If the target does not use force, the status quo is maintained. The target is unable to reduce the level of non-state violence and therefore receives a payoff of $SQ_T$. At this outcome, the target must endure attacks from the insurgent movement. The host also receives the status quo payoff $SQ_H$. At this outcome, strong hosts do not have to pay $\beta_1$ resources to control the insurgency. The alternative choice for the target is to use military force against the insurgents within the host. If this occurs, the target receives a payoff of $W_T$ for attacking. The value of $W_T$ is a function of
both the target’s ability to win a conflict and its political benefits for doing so. The value of $W_T$ may be gauged by examining factors the value a target places on a military response as well as factors that increase the probability that such a military operation will succeed. If a target has sufficient military capability to decisively defeat the insurgents and the host military forces, the value for $W_T$ will be high.$^4$ On the other hand, if target is not likely to succeed, the value for $W_T$ will be lower. If attacked, the payoffs for both strong and weak hosts are normalized to 0.

**Solution**

The game may be solved using the Perfect Bayesian equilibrium concept.$^5$ A target is able to update what type of host it is facing based on its prior beliefs and whether or not it faces a crisis due to the transnational insurgency. Using its updated belief, the target may decide how much to offer the host or whether to simply offer nothing and use force.

The solution to the game is dependent on the target’s final decision whether or not to use military force. For the target to resort to force, Condition 1 must be met:

$$W_T > SQ_T$$

(1)

If Condition 1 is met, the target prefers using military force to accepting the level of non-state violence. I refer to targets that prefer using force to accepting the status quo as hawkish targets. Targets that prefer accepting the status quo versus resorting to force are referred to as dovish targets.

$^4$ However, by assumption, $W_T < 1$. Regardless of whether or not the likelihood of military success is high, fighting imposes some costs on the target state. As a result, the target is better off if the insurgency is brought under control at the beginning of the game than if the target must employ military force against the host and the insurgents.

$^5$ Bayesian equilibrium solutions are characterized by strategies for each player and a set of beliefs for each player at every node.
Hawkish Targets

The hawk will resort to military force if the host refuses to accept a negotiated settlement. Since the target’s type is public information, both hosts are aware that they will face military action unless they commit to an agreement and bring their insurgents under control. Hosts will form such a commitment if the value of the concessions from the target minus the costs of controlling the insurgency exceeds the value of a military strike. Therefore, for a strong host to accept a negotiated settlement:

\[ \pi - \beta_1 \geq 0 \]

By solving for \( \pi \), we see that the strong host will accept a negotiated solution if:

\[ \pi \geq \beta_1 \]

For weak hosts:

\[ \pi - \beta_2 \geq 0 \]

\[ \pi \geq \beta_2 \]

We therefore see that the reservation points are \( \beta_1 \) for strong hosts and \( \beta_2 \) for weak hosts when bargaining with hawks. These values represent the level of concessions needed to offset the costs each host must pay to bring their insurgencies under control. Since neither host gains anything from fighting the target, the hosts simply require that the target provide compensation for control the non-state actors.

The target’s choice of \( \pi \) determines whether or not interstate conflict occurs. The target must therefore evaluate whether it is more costly to fight the insurgents within the host or to form a negotiated settlement. For the hawkish target to prefer negotiation:

\[ 1 - \pi \geq W_T \]  \hspace{1cm} \{2\}
The hawk’s decision of whether or not to offer an acceptable solution is dependent on how well it believes it will fare in rooting out the insurgency using force. For the hawk to make an acceptable offer to a strong host state:

$$1 - \beta_1 \geq W_T$$

Hawks will make an acceptable offer to strong hosts if the value for conflict does not exceed $1 - \beta_1$. Unless the hawk has overwhelming superiority in military and counterinsurgency capabilities, hawks should be willing to negotiate with stronger host states. On the other hand, for a hawk to make an acceptable offer to a weak host:

$$1 - \beta_2 \geq W_T$$

Given the large amount of concessions required by weaker hosts, targets should be much more willing to use force against weaker hosts.

Based on these calculations, we can determine what targets will offer to hosts at their first decision node. Figure 2 examines the range of possible values for $W_T$ and the corresponding best replies for the target. Using these values, I divide hawks into three categories: warlike hawks, moderate hawks, and reluctant hawks.
FIGURE 2: STRATEGIES OF THE HAWKS

<table>
<thead>
<tr>
<th>Reluctant Hawk – Mixed Strategies or $\pi = \beta_2$</th>
<th>Moderate Hawk – Dominant Strategy to offer $\pi = \beta_1$</th>
<th>Warlike Hawk – Dominant Strategy $\pi = 0$</th>
</tr>
</thead>
<tbody>
<tr>
<td>$SQ_T$</td>
<td>$1 - \beta_2$</td>
<td>$1 - \beta_1$</td>
</tr>
</tbody>
</table>

**Value of $W_T$**

**Warlike Hawks**

If the target is warlike, no bargaining space exists. The warlike hawk’s reservation point is greater than $1 - \beta_1$ while the strong host requires $\beta_1$ concessions. Since the warlike hawk value military action to this degree, warlike hawks will never make concessions to avoid conflict. Warlike hawks have a dominant strategy to offer nothing at its first decision node and subsequently resort to military force.

Since warlike hawks are unwilling to make small concessions to strong hosts, warlike hawks are also unwilling to make large concessions to weak hosts. Unless weak hosts place a very high value on the status quo, the refusal of warlike hawks to negotiate guarantees that fighting will occur. Strong hosts, on the other hand, may avoid conflict...
with warlike hosts by controlling their insurgencies prior to the onset of a crisis. Strong hosts control their insurgents if:

\[ SQ_H - \beta_1 \geq 0 \]

\[ SQ_H \geq \beta_1 \]

Unless strong hosts are extremely dissatisfied with the status quo, strong hosts will avoid entering into crises with warlike hawks. Therefore, warlike hawks should not be attacked by insurgents operating from strong hosts. However, if the strong host’s value for the status quo is particularly low, it is possible for conflict to occur between strong hosts and warlike hawks.

An example of a conflict between a strong host and a warlike hawk is the crisis between the United States and Libya in 1986. For years, Libyan leader Muammar Qaddafi supported a radical restructuring of Middle East politics. Clearly, Qaddafi did not seem to place a high value on the current status quo in the Middle East. Following a terrorist attack against a Berlin disco frequented by American servicemen, the Reagan Administration ordered the bombing of “terrorist-related” targets in Libya. Considering the low costs for action against Qaddafi, the Reagan Administration was in no mood to negotiate. Despite clear indications that Qaddafi could control his terrorist activity with low costs, the Reagan Administration would not consider opening negotiations. According to the model, the high benefits of military action relative to making concessions to Qaddafi allowed the Reagan to adopt such a hawkish posture.

**Moderate Hawks**

The case of the 1986 Libyan raid is somewhat unusual in that it is rare for states to place such a high value on military force. As evidenced by historical examples such as
the U.S. war in Indochina and the Soviet war in Afghanistan, even superpowers with an overwhelming military advantage often have great difficulty using force to eliminate insurgent security threats. We should therefore expect that in most instances, the value of \( W_T \) should drop below the 1-\( \beta_1 \) threshold. This range of \( W_T \) encompasses the moderate hawks. Moderates are willing to pay \( \beta_1 \) to the strong host, but are unwilling to pay \( \beta_2 \) for cooperation from weak hosts. Moderate hawks must therefore choose to offer \( \beta_1 \) or offer no concessions. Based on its beliefs about what type of host it faces, the moderate hawk makes a decision of whether or not to offer. At belief \( p^* \), the moderate is indifferent between offering \( \beta_1 \) and no concessions:

\[
EU(\beta_1) = EU(0)
\]

\[
p(1-\beta_1)+(1-p)(W_T)=W_T
\]

\[
p - p\beta_1 + W_T - pW_T = W_T
\]

\[
p - p\beta_1 - pW_T = 0
\]

\[
p^* = 0
\]

A moderate hawk is indifferent between offering \( \beta_1 \) and refusing negotiations only if it is sure that it is facing a weak host. In all other cases, moderate hawks have a dominant strategy to offer \( \beta_1 \). This offer allows moderate hawks to separate strong hosts from weak hosts. If the host accepts, the moderate accomplishes its objectives through negotiating with a capable bargaining partner. If the host refuses, the moderate learns that the host is unable to control to control its non-state actors. This offer accomplishes the moderate's objective of making agreements with strong hosts and using force against weak hosts.
According to the models predictions, moderate hawks offer offending host an ultimatum: accept what is offered or face military action. An example of such a scenario is the breakdown of negotiations between the Israelis and the Palestinians at the 2000 Camp David Accords. At Camp David, extensive negotiations took place between Israeli Prime Minister Ehud Barak and Palestinian Leader Yasser Arafat to achieve a final settlement of the Israeli/Palestinian peace process. Thorny issues, such as the division of Jerusalem, were discussed by both parties. In the end, however, Arafat was unwilling to commit to a negotiated solution, which was considered by many Palestinians as too little and for many Israelis as overly generous. Following the breakdown of negotiations, violence erupted between Israelis and Palestinians in several cities in the West Bank. Many Israeli experts concluded that Camp David signaled that Arafat was not interested in a permanent peace settlement.

The argument of Israeli experts suggests that Israel updated its beliefs following Camp David that Arafat was a weak host leader. Since Arafat would experience too many domestic costs for controlling Palestinian militants, Arafat was unwilling to form a commitment that would require him to enforce against Palestinian extremists. For Arafat to commit, Arafat required extensive concessions on Jerusalem and other issues of Palestinian statehood. These concessions were much more than what Israel was willing to pay. Due to the breakdown of negotiations, Israel updated that negotiating with Arafat was no longer in its interest. As a result, the new Israeli strategy became one of military retaliation for extremist violence.

Although applying the ultimatum of accept or face military retaliation allows moderate hawks to avoid conflict with strong host states, it paradoxically increases the
incentive of strong hosts to allow transnational insurgents to attack. Should strong hosts avert a crisis, the host must bear the costs of controlling the insurgency. On the other hand, if a crisis occurs, the moderate hawk will pay the strong host to bring the insurgency under control. By receiving concessions from the moderate hawk, the strong host is able to offset the costs of controlling the insurgents. The solution is interesting in the greater the ability of the host to control its insurgents at low cost, the greater the incentive for the host to use its transnational insurgents. Since strong hosts may avert conflict and gain concessions in a crisis, initiating a crisis by allowing insurgents to attack is in the interests of strong hosts when facing moderate hawks.

**Reluctant Hawks**

The final type of hawk is the reluctant hawk. Reluctant hawks are willing to use force rather than accept the status quo. However, the reluctant hawk will accept any negotiated solution over using force. Reluctant hawks will therefore offer either $\beta_1$ or $\beta_2$. However, since reluctant hawks prefer any negotiated solution to force, the reluctant hawk gives both hosts an incentive to allow insurgents to attack. If a reluctant hawk will pay $\beta_2$, both hosts can bully the target into making concessions to offset their costs for controlling.

The decision of whether or not to allow insurgents to attack reluctant hawks is dependent on the host’s value for the status quo. For hosts to control their insurgent groups, the payoff for controlling at the initial stage of the game must exceed the expected utility of initiating a crisis. If $j$ and $(1-j)$ represent the probability that a reluctant hawk offers $\beta_1$ and $\beta_2$, respectively, weak hosts will control their insurgents if:
EU(Control) ≥ EU(~Control)

\[ SQ_H - \beta_2 \geq j(0) + (1-j)(\beta_2 - \beta_2) \]

\[ SQ_H - \beta_2 \geq 0 \]

\[ SQ_H \geq \beta_2 \]

If this condition is met, both hosts will control their insurgents. Although it is costly, weak hosts place such a high value on the status quo that they are willing to bear the costs of controlling their insurgents. However, if this condition is not met, weak hosts are not satisfied enough with the status quo to enforce against their insurgent groups.

Reluctant hawks recognize that if they always offer \( \beta_2 \), they will always be attacked by both hosts. To avoid this outcome, some reluctant hawks will adopt mixed strategies. While this strategy occasionally forces a reluctant hawk to fight, it avoids a situation in which reluctant targets are always attacked and forced to make large concessions. A mixed strategy for the reluctant should be designed to make strong hosts indifferent between controlling and not controlling their insurgents. The strong host is indifferent at belief \( j^* \):

\[
EU(\text{Control}) = EU(\sim\text{Control})
\]

\[ SQ_H - \beta_1 = j(0) + (1-j)(\beta_2 - \beta_1) \]

\[ j^* = (\beta_2 - SQ_H) / (\beta_2 - \beta_1) \]

If the value for the status quo is less than or equal to \( \beta_1 \), the strong host has a dominant strategy to enter the crisis. If this is the case, the reluctant hawk will always pay \( \beta_2 \) to avoid conflict. However, if the value of the status quo for the strong host exceeds \( \beta_1 \) but not \( \beta_2 \), the strong host will be indifferent between controlling its insurgents and not controlling its insurgents at with belief \( j^* \). The strong host will therefore also adopt a
mixed strategy to make the reluctant host indifferent between paying $\beta_1$ and $\beta_2$. The reluctant hawk will be indifferent between offering $\beta_1$ and $\beta_2$ at belief $p^{**}$.

$$\text{EU}(\beta_1) = \text{EU}(\beta_2)$$

$$p(1-\beta_1) + (1-p)W_T = 1 - \beta_2$$

$$p - p\beta_1 - pW_T = 1 - W_T - \beta_2$$

$$p^{**} = (1 - W_T - \beta_2)/(1 - W_T - \beta_1)$$

The strong host will therefore allow its insurgents to attack with probability $q$:

$$pq/(pq + 1-p) = (1 - W_T - \beta_2)/(1 - W_T - \beta_1)$$

$$q = (1 - \beta_2 - p + pW_T + p\beta_2)/(p\beta_2 - p\beta_1)$$

If the game were played multiple times and strong hosts continuously allowed the insurgents to attack, the reluctant hawk would offer $\beta_1$ more often than not. On the other hand, if the strong host were to restrict the number of times it allowed its insurgents to attack, the likelihood that the reluctant hawk will offer $\beta_2$ increases. The reluctant hawk is willing to offer more concessions to avoid future insurgent crises. Since strong hosts should prefer receiving the greater concessions, strong hosts will restrain their insurgents from attacking in the future.  

**Dovish Targets:**

For dovish targets, the level of insurgency is not severe enough to induce doves to use military force. This may occur for several reasons. For some doves, the insurgency simply may not cause enough damage to warrant utilizing military force. A second reason is that the dove simply does not have adequate capability to wage war. For example, consider the case of Cuba and the United States during the 1960s. During this time, the

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6 Though this paper does not explicitly study long term deterrence strategies to transnational insurgencies, this is a topic that the project will address in the future.
U.S. sponsored repeated guerrilla attacks against Fidel Castro's regime. The attacks were carried out largely by Cuban exiles with support from the CIA. The exiles engaged in behavior that was destabilizing, such as attempts on Castro's life and destruction of valuable Cuban farmland. While these activities were certainly destabilizing, Cuba was in no position to threaten war against the U.S. to induce the U.S. to stop the insurgents. Given the obvious disparity in power, Cuba had no choice but to adopt dovish behavior and accept the level of insurgency.

At the final node of the game, doves prefer accepting the status quo to attacking the host state:

\[ W_T \leq SQ_T \]

At the third decision nodes, host states face the decision of whether to accept or reject a negotiated settlement. Hosts will form such a commitment if the value of the concessions from the target minus the costs of controlling the insurgency exceeds the value of the status quo. For a strong host to accept a negotiated settlement:

\[ \pi - \beta_1 \geq SQ_H \]

By solving for \( \pi \), we see that the strong host will accept a negotiated solution if:

\[ \pi \geq SQ_H + \beta_1 \]

For weak hosts:

\[ \pi - \beta_2 \geq SQ_H \]

\[ \pi \geq SQ_H + \beta_2 \]

We therefore see that the reservation values are \( SQ_H + \beta_1 \) for strong hosts and \( SQ_H + \beta_2 \) for weak hosts when bargaining with doves. Both hosts require that the target offset the costs of controlling the insurgency through its concessions. The dove's choice
of $\pi$ determines whether the host will cooperate and control the insurgency. For the
dovish targets to prefer negotiation:

$$1 - \pi \geq SQ_T \tag{2}$$

The dove’s decision of whether or not to offer an acceptable solution is dependent
on how well it believes it will fare in rooting out the insurgency using force. For the dove
to make an acceptable offer to a strong host state:

$$1 - SQ_H - \beta_1 \geq SQ_T$$

Doves will make an acceptable offer to strong hosts if the value for conflict does
not exceed $1 - \beta_1$. For a dove to make an acceptable offer to a weak host:

$$1 - SQ_H - \beta_2 \geq SQ_T$$

Based on these calculations, we can determine what targets will offer to hosts at
their first decision node. Figure 3 examines the range of possible values for $SQ_T$ and the
corresponding best replies for the target. Using these values, I divide doves into three
categories: indifferent doves, moderate doves, and generous doves.
### FIGURE 3:
STRATEGIES OF THE DOVES

<table>
<thead>
<tr>
<th>Generous Dove - Dominant Strategy</th>
<th>Moderate Dove -- Dominant Strategy</th>
<th>Indifferent Dove – Dominant Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\pi = SQ_{II} + \beta_2$</td>
<td>$\pi = SQ_{II} + \beta_1$</td>
<td>$\pi = 0$</td>
</tr>
</tbody>
</table>

| $W_T$ | $1-SQ_{II}-\beta_2$ | $1-SQ_{II}-\beta_1$ | 1 |

Value of $SQ_T$

**Indifferent Doves**

Like warlike hawks, no bargaining space exists if the target is an indifferent dove. The indifferent dove has a dominant strategy to make no concessions to the host. The indifferent dove will simply accept the level of transnational insurgency over attempting a negotiated settlement.

Both the strong and the weak hosts recognize that the indifferent dove will offer no concessions, but will not use force. Yet, even though the status quo remain the same, both the strong and the weak hosts have dominant strategies to allow their insurgents to attack at their first choice node. The strong host will control its insurgents if:
\[ SQ_H - \beta_1 \geq SQ_H \]

Similarly, the weak host will control its insurgents if:

\[ SQ_H - \beta_2 \geq SQ_H \]

Neither of these conditions can ever be true. Prior to the onset of crisis, both strong and weak hosts must expend resources to prevent their insurgents from attacking. If the insurgents are allowed to attack and the target will do nothing in response, neither host is able gain from the insurgency. However, both hosts do not have to pay the costs of controlling the insurgents. Since no harm comes from allowing the insurgents to attack, both hosts are better off not paying the costs of bringing the insurgents under control. Even though the indifferent dove will offer no concessions, the host states will still allow crises to develop.

**Moderate Doves**

Moderate doves are willing to pay \( SQ_H + \beta_1 \) to the strong host, but are unwilling to pay the extra \( \beta_2 \) for cooperation from weak hosts. Moderate doves therefore choose to offer \( SQ_H + \beta_1 \) or 0 concessions to the host state. Either must therefore choose to offer \( \beta_1 \) or offer no concessions. At belief \( p^* \), the moderate is indifferent between offering \( SQ_H + \beta_1 \) and no concessions:

\[
EU(SQ_H + \beta_1) = EU(0)
\]

\[
p(1 - SQ_H - \beta_1) + (1 - p)(SQ_T) = SQ_T
\]

\[
p - pSQ_H - p\beta_1 + SQ_T - pSQ_T = SQ_T
\]

\[
p - pSQ_H - p\beta_1 - pSQ_T = 0
\]

\[
p(1 - SQ_H - \beta_1 - SQ_T) = 0
\]

\[
p^* = 0
\]
Moderate doves will only offer no concessions if it is certain it is facing a weak host. Unless \( p^* = 0 \), moderate doves have a dominant strategy to offer \( SQ_H - \beta_1 \) to the host state. Like the strategy of moderate hawks, this offer separates strong hosts from weak hosts. If the host accepts, the moderate is able to bring the insurgency under control through negotiation. If the host refuses, the moderate learns that the host is unable to control its non-state actors. This offer accomplishes the moderate's objective of making agreements with strong hosts and using force against weak hosts.

Like the case of indifferent doves, both strong and weak hosts have a dominant strategy to allow their insurgents to attack moderate doves. For the strong host to control its insurgents:

\[
SQ_H - \beta_1 \geq SQ_H + \beta_1 - \beta_1
\]

\[
SQ_H - \beta_1 \geq SQ_H
\]

For weak hosts:

\[
SQ_H - \beta_2 \geq SQ_H
\]

Again, neither condition can be true. Strong hosts induce the target to bear the costs of controlling the insurgency. Weak hosts simply forgo the costs of controlling the insurgents altogether. Since both the strong and the weak hosts do not have to pay the costs of controlling the insurgency by allowing crises to develop, both hosts have dominant strategies to allow the insurgents to attack.

**Generous Doves**

The final type of dove is the generous dove. Generous doves are willing to make any offer to avoid a return to the status quo. Generous doves are willing to offer either \( SQ_H + \beta_1 \) or \( SQ_H + \beta_2 \), depending on which host they believe they are facing. Unlike
reluctant hawks which under certain conditions adopt mixed strategies, generous doves have a dominant strategy to offer SQH+β2. In order to adopt a mixed strategy, the generous dove would have to offer both concessions packages at some random probability that would make either host indifferent between controlling and not controlling. However, no such value exists. Where j is the probability of receiving SQH+β1, for the strong host to be indifferent between controlling and not controlling:

\[
\text{EU(Control)} = \text{EU(\neg Control)}
\]

\[
SQ_H-\beta_1 = j(SQ_H)+(1-j)(SQ_H+\beta_2-\beta_1)
\]

\[
SQ_H-\beta_1 = jSQ_H + SQ_H + \beta_2 - \beta_1 - jSQ_H - j\beta_2 + j\beta_1
\]

\[
0 = \beta_2 - j\beta_2 + j\beta_1
\]

This condition cannot be true. The expected utility of not controlling is always greater than the expected utility of bringing the insurgents under control. If the strong host always has a dominant strategy to allow the insurgents to attack, the weak host must also. For the weak host to be indifferent between controlling and not controlling:

\[
\text{EU(Control)} = \text{EU(\neg Control)}
\]

\[
SQ_H-\beta_1 = j(SQ_H)+(1-j)(SQ_H+\beta_2-\beta_2)
\]

\[
SQ_H-\beta_1 = SQ_H
\]

The condition needed for the weak host to be indifferent between controlling and not controlling cannot exist. The equilibrium for generous doves is therefore to always offer SQH+β2. In response, both hosts will allow their insurgents to attack.

**From Insurgency to War**

The model’s equilibria develop an explanation to the puzzle of why targets use force against hosts of non-state actors despite the evidence that force is not an efficient
policy. According to the model, the central reason for failure to reach a negotiated settlement is the inability of weak hosts to credibly control their non-state insurgents. Strong hosts are able to reduce the level of violence just enough such that targets prefer negotiation. However, unless the target offers large concessions, weak hosts are unable to turn against their insurgents. Since targets must yield so many concessions to procure cooperation, many targets prefer to deal with the problem of transnational insurgency through the use of force.

The equilibria demonstrate the problems for the target if it is not willing to threaten force. Targets that will not use force will be forced to accept the level of transnational violence at the final node of the game. To achieve peace, the target will be forced to make concessions to the host in order to offset the host’s costs of controlling its insurgents. The problem arises in that for each type of dove, both types of host states are better off allowing transnational insurgents to attack. Indifferent doves are unwilling to make concessions, and therefore simply accept the status quo. Although the host gains nothing from allowing the insurgents to attack, it does not have to pay the costs of restraining the insurgents. The host is therefore better off allowing the insurgents to attack even if it gains nothing from the crisis. If the target is a moderate dove, the dove is willing to compensate the host for controlling its insurgent movements. Again, both the strong and weak hosts are better off allowing insurgents to attack given that the costs of controlling the insurgents will be paid by the target state. In the case of generous doves, the strong host is able to gain benefits from allowing the insurgents to provoke crises. As long as the target is willing to accept the status quo over the use of force, both hosts have dominant strategies to allow their insurgents to attack.
For hawkish targets, accepting the level of insurgent violence is so damaging that the target is willing to resort to force. To illustrate this point, contrast the campaign conducted by the Colombian based Armed Revolutionary Group (FARC) against the U.S. with the Zimbabwean National Liberation Army’s (ZNLA) campaign against Rhodesia. During the 1990s, FARC routinely kidnapped American citizens working in Colombia. While these actions certainly imposed costs on the U.S., the costs of accepting these kidnappings were less than mounting an armed invasion of Colombia to root out FARC. However, in the case of the ZNLA, the survival of the Rhodesian regime was placed in jeopardy. The insurgent attacks resulted in severe economic and political damage to the Rhodesian state. Despite Rhodesia’s political and military weakness, the problem of insurgency became so severe for the Rhodesian government that it resorted to military force against the host state of Zambia. In cases like the Rhodesian example, the problem of insurgency is so severe that the target can no longer accept the status quo.

When facing the problem of transnational non-state actors, hawkish targets are uncertain as to what type of host they are facing. The target is uncertain as to whether the host is a credible bargaining partner or whether the only possible option to eliminate the non-state security threat is the use of force. For warlike hawks, this information is not valuable. Warlike hawks have such high capabilities that no matter what type of host it is facing, it will employ military force. Conversely, information about the ability of hosts is often not valuable to reluctant hawks, who will often give any amount of concessions to avoid military hostilities. However, assuming target type is normally distributed, most targets would fall into the moderate category. For these targets, the question of host type is critical. Given that conflict ensures losses in terms of military casualties and economic
resources, moderates would prefer a negotiated settlement if such an agreement would control non-state violence. However, moderates are unwilling to pay enormous amounts of resources to induce weak hosts to accept an agreement. Moderate targets can either devote tremendous resources toward propping up a weak state and enabling it to control its insurgents or unilaterally engaging in military force. Given these options, moderate states prefer using military force against weak hosts.

Facing a crisis, moderate hawks must therefore attempt to determine what type of host they are confronting. Are they facing a host which can credibly control the insurgency or a host that will not? According to the model, moderate hawks can find the answer to this question by offering just enough concessions such that strong hosts will accept. Moderates offer an ultimatum: end the insurgent violence in exchange for small concessions or face military retaliation. If the host is strong, the host will accept the agreement to avoid conflict. If the host is weak, the host will refuse to act against its insurgents. By rejecting the offer, the target can update that host it is weak and not a credible bargaining partner.

The model’s conclusion offers an explanation as to why targets engage in military action when such tactics rarely seem to succeed. If the host rejects the offer, the target updates as to the type of bargaining partner it is facing. Even in the face of military action, the host remains unwilling to act against its insurgents. This indicates that the host is unable to credibly commit to agreements that would require the host to control its insurgents. Even though the host does not want to be attacked, the costs of acting against the insurgents are so high that weak hosts will choose to fight the target over fighting its insurgents. Without massive concessions, turning against the insurgents amounts to
suicide for weak hosts. The insurgents are so strong relative to the weak host that the weak host will lose its power for certain without massive foreign assistance. For many targets, the costs of this assistance outweigh the costs of dealing with the problem of insurgency through military force. Targets therefore must choose between two unpalatable options: accept the current level of insurgent violence or resort to military force. Although military force is costly and often fail to achieve its intended result, taking the chance of using military force is preferred to accepting the status quo. The target therefore chooses the bad option of force over the worse option of accepting the level of insurgent violence.

This argument can be illustrated using the U.S. war on terrorism in the Fall of 2001. Following the terrorist attacks in New York and Washington, the United States committed to military retaliation against Al Qaeda bases in central Asia. Al Qaeda’s primary host was Afghanistan, though it maintained a considerable presence within Pakistan as well. Prior to engaging in military hostilities, the U.S. made demands of both Afghanistan and Pakistan. For Afghanistan, the U.S. demanded that the Taliban hand over terrorist Osama Bin Laden. The U.S. demanded cooperation from Pakistani leader Pervez Musharraf in efforts to root out Al Qaeda strongholds with the country. In both cases, the U.S. signaled that it was willing to use military force against both countries to achieve its objectives (Woodward 2002).

The Bush Administration had a very strong prior that the Taliban would reject its demands, yet it believed that it should make some attempt at a peaceful resolution. Based on the Taliban’s actions, the Bush Administration was able to confirm its suspicions. Facing a massive U.S. strike, the Taliban refused to hand over Bin Laden due to the
enormous costs that the Al Qaeda organization could impose on the Taliban. The Taliban was heavily dependent on Bin Laden to keep it in power. If the Taliban turned on Bin Laden, it would face a military defeat with certainty. Given the choice between facing Bin Laden and the U.S., the Taliban seemed more willing to take its chances against the U.S. The Taliban's rejection allowed the U.S. to update that the Taliban was a weak host, incapable of controlling Al Qaeda. As a result, the U.S. engaged in a massive military campaign in Afghanistan to eliminate the security threat of Al Qaeda.

On the other hand, Pakistan agreed to all of the U.S. demands. Musharraf offered the cooperation of the Pakistani security services as well as the use of Pakistani bases for U.S. forces. While many Bush Administration officials remained skeptical, Pakistan's actions revealed itself as a strong host that could credibly commit to controlling Al Qaeda. In the following months, Pakistan made several arrests of high ranking Al Qaeda leaders. In exchange for its cooperation, Pakistan received several economic concessions from the U.S. as compensation.

**Host States and Transnational Insurgencies**

The model explains the puzzle of why targets adopt the inefficient policy of force against the host as a problem of credible commitment. The model also addresses the second puzzle of why hosts allow insurgents use their territory as a base of operations. Weak hosts allow insurgents to operate because they have no power to stop them. Weak hosts do not have the resources to prevent insurgents from initiating a crisis with the target. Once a crisis is initiated, weak hosts do not have the resources to credibly commit to preventing insurgents from continuing their attacks. The results for the weak hosts are grim. Weak hosts will be dragged by their insurgents into conflict with hawkish targets.
Warlike and moderate hawks will attack weak hosts with absolute certainty. Even though reluctant hawks will often appease, even reluctant hawks that adopt mixed strategies will occasionally resort to force against weak hosts. Although weak hosts gain nothing, they have no choice but to allow the insurgents the use of their territory and continue their campaigns against the target states.

While weak hosts have no choice but to allow insurgents to operate, strong hosts are able to bring their insurgents under control at low costs. Given this ability, strong hosts can manipulate the insurgency to achieve its preferred outcomes. If the host is reasonably satisfied with the status quo, the host has no reason to seek to change it. Why would the strong host allow its insurgents to attack the target if it wishes to preserve its current status quo? In this case, the strong host would prevent a crisis from materializing in the first stage of the game. Additionally, if the strong host knows that the target is warlike, the strong host can prevent its insurgents from attacking to avoid military retribution.\(^7\)

However, if the value of the status quo is low, the strong host may use its insurgency to change the status quo. If the target is a moderate hawk, the strong host can allow its insurgents to attack, form a negotiated settlement, and subsequently bring its insurgents under control. Although applying the ultimatum of accept or face military retaliation allows moderate hawks to avoid conflict with strong hosts, it paradoxically increases the incentive of strong hosts to allow transnational insurgents to attack. Should strong hosts avert a crisis, the host must bear the costs of controlling the insurgency. On the other hand, if a crisis occurs, the moderate hawk will compensate the strong host to

\(^7\)However, if $\Sigma_{ii} - \beta_i < 0$, the strong host prefers interstate conflict with a warlike hawk to the status quo. While this may be considered somewhat unusual, if the strong host wanted to fight the target, strong hosts will manipulate an insurgency to provoke interstate conflict.
bring the insurgency under control. By receiving concessions from the moderate hawk, the strong host is able to offset the costs of controlling the insurgents.

Similarly, strong hosts can use their insurgencies to gain substantial benefits from reluctant hawks. Since strong hosts recognize that reluctant hawks will always make an offer of concessions, strong hosts can always benefit from allowing their insurgents to attack. If the reluctant hawk adopts a mixed strategy, the strong host may control its insurgents occasionally, but will gain a larger concessions when does choose to allow its insurgents to attack. In other cases, reluctant hosts will always offer large concessions. In these situations, strong hosts have a dominant strategy to allow the insurgents to attack.

The solution is interesting in the greater the ability of the host to control its insurgents at low cost, the greater the incentive for the host to use its transnational insurgents. In some instances, the strong host places a high enough value on the status quo that it is willing to control its insurgents. However, if it is dissatisfied, strong hosts will gain from the use of transnational insurgents. Since strong hosts may avert conflict and gain concessions in a crisis, initiating a crisis by allowing insurgents to attack is in the interests of strong hosts when facing moderate and reluctant hawks. The power to control the insurgency allows strong hosts to achieve negotiated settlements while avoiding interstate conflict. The power to manipulate the insurgency allows strong hosts to always achieve their best possible outcomes in the game.

The model offers an explanation of how transnational insurgencies may evolve into interstate conflict. The model further offers several empirical predictions as to when we should observe the emergence of interstate conflict from such transnational
insurgencies. In the following section, I present a research design and empirical test some of the model's hypotheses.

**Hypotheses**

Although much of the model's insights are unobservable, the equilibria allow for the development of several testable hypotheses concerning how each of the variables impacts the likelihood of interstate conflict. The first necessary condition for interstate conflict is that the target must be unwilling to accept the status quo.

**Hypothesis 1:** The likelihood of interstate conflict increases as the value of the status quo to the target state decreases.

The size of the bargaining set is impacted by two factors: the hawkishness of the target and the strength of the host. The reservation point of the target is impacted by its value for initiating hostilities $W_T$. Ceteris paribus, as the value of $W_T$ increases, the likelihood of a negotiated solution decreases. The model predicts that the likelihood of conflict increases as the hawkishness of the target increases.\(^8\)

**Hypothesis 2:** The likelihood of interstate conflict increases as the target's capability to defeat both the host's conventional forces and the insurgent's unconventional forces increases.

The strength of the host is the second factor impacting the size of the bargaining set. The host is only willing to negotiate if it is compensated for the costs of controlling its non-state actors. Since these costs are much higher for weak hosts than strong hosts, a negotiated settlement is much more likely if the host is strong.

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\(^8\) Formally, the probability of interstate conflict between a warlike hawk and any host state is 1. The probability of conflict falls to $(1-p)$ for a moderate hawk. This is because moderate hawks will only fight weak hosts, and the probability that a weak host is drawn is $(1-p)$. The probability of conflict further decreases to $(1-p)((\beta_2 - SQ_H)/(\beta_2 - \beta_1))$ if the target is a reluctant hawk. This is the probability that conflict occurs between the reluctant hawk and a weak host in mixed strategies.
Hypothesis 3: The likelihood of interstate conflict increases as the host's costs to control its transnational insurgents likewise increases.

Strong hosts are able to gain from non-state actors while weak hosts almost always suffer military reprisals. Strong hosts will only allow their insurgents to attack if the strong host wants to alter the status quo. If the value for the status quo is low, the strong host will have an interest in using the insurgency to alter the situation to more favorable terms. As the value for the status quo for the strong host increases, the greater the chance that transnational insurgencies will never reach the crisis stage.

Hypothesis 4: The likelihood of an interstate crisis decreases as the strong host's value for the status quo increases.

Research Design

In this section, I present two tests of the theoretical model. The first test is a general examination of the escalation to military force during transnational terrorist crises. The second empirical test examines both the decision of host states to enter insurgent crises as well as the escalation of such conflicts to interstate war.

The theoretical model focuses only on interstate crises provoked by transnational insurgencies. To locate such crises, I examine a Brecher and Wilkenfeld's International Crisis Behavior (ICB) data. The ICB examines all international crises occurring between December 22, 1917 and December 31, 1994.⁹

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⁹ A crisis according to the ICB definition is characterized by two conditions:
1) A distortion in the type and an increase in the intensity of disruptive interactions between two or more adversaries, with an accompanying high probability of military hostilities, or, during a war, an adverse change in the military balance.
2) A challenge to the existing structure of an international system – global, dominant, or subsystem – posed by the higher than normal conflictual interactions.
The crises relevant to the analysis can be identified using the narrative descriptions provided by the ICB. I define a transnational insurgency as a conflict between a state and a non-state actor in which the non-state actor is defined as a social organization with military capabilities that is attempting to obtain or produce collective benefits, but is not a part of the recognized government of the territory from which it operates. The non-state actor must also demonstrate, through threat or action, a willingness to use force against its target government. An examination of the narrative descriptions of each case indicates whether or not a non-state actor was involved in provoking the crisis. If the triggering entity in each of the crises fits this description, the case is included in the analysis. The data contains information on 120 crises occurring between targets and hosts of violent non-state actors. The model is tested using this particular set of cases.\(^{10}\)

The identities of the target and the host are also obtained using the ICB narratives. The target is defined as the primary victim of the use of force by the non-state actor. A host is defined as the state in which the non-state actor has its primary base of operations or support. For a state to qualify as the non-state actor's host, the transnational insurgents must either base their operations from or receive material support from the state in question. After identifying the target and the host in each case, I merge the ICB with data from the National Material Capabilities Data (Singer et al. 1972), the Polity Data

\(^{10}\) In actuality, the ICB data contains 146 crises provoked by transnational insurgencies from 1917-1994. However, due to other data limitations, particularly from the State Failure Data which covers only 1955-1994, the number of observations is decreased to 120.
(Marshall and Jagers 2000), and the State Failure (Esty et al 1998) data to complete construction of the dataset.\textsuperscript{11}

**Dependent Variable: Interstate Conflict**

The dependent variable in the analysis is the level of violence between the target state and the host state. The expectation is that as the host state becomes more unstable with less political capacity, the level of violence between the target state and the host should increase. The dependent variable is measured using the ICB measure for the level of interstate violence. The measure is described by ICB as, "the extent of violence in the international crisis as a whole, regardless of its use or non-use by a specific actor as a crisis management strategy."\textsuperscript{12} The variable is an ordinal measure identifying the level of violence between states during the crisis. The scale ranges from 1 to 4, 4 being the most violent category. The first category consists of cases in which no violence occurs between the target and the host. The second category consists of crises in which minor clashes occur. Category 3 includes crises in which serious clashes occur. The final category consists of cases in which a full scale war erupts between the target and the host.\textsuperscript{13} The distribution of the dependent variable in the sample of cases is presented below:

1) No violence: 12
2) Minor Clashes: 42
3) Serious Clashes: 53
4) Full Scale War: 20

\textsuperscript{11}The measures for capability, population, and Polity III scores were obtained using Bennett and Stam’s EUGene version 2.30. Website: http://www.eugenesoftware.org.


\textsuperscript{13}For description of how no violence, minor, serious, full scale war are determined, see Michael Brecher and Jonathan Wilkenfeld, *A Study of Crisis*. Ann Arbor, MI: University of Michigan Press.
Damage of the Insurgency (SQ_t):

For a conflict to ever become internationalized, the insurgency must reach a point where the target cannot accept the current level of political violence. As the insurgency becomes more damaging, the target should be more willing to consider the use of force to eliminate the insurgents’ security threat. To capture the value of the insurgency to the target state, two indicators are used: ICB’s _Protracted Crisis_ measure and the Polity data on _Regime Transitions_. According to the ICB classification, a protracted conflict is defined as, “hostile interactions which extend over long periods of time with sporadic outbreaks of open warfare fluctuating in frequency and intensity.” Protracted crises are essentially cases in which conflict over particular issues is frequent. The protracted crisis measure captures whether or not the target state has had previous conflict with the host state over problems of insurgency. If the target only experienced one instance in which the transnational insurgents attacked, conflict should be less likely. However, if a pattern develops in which the target faces security challenges from the host’s insurgents repeatedly over time, the likelihood that the status quo is unacceptable is higher. As a result, protracted conflicts should increase the chances that the transnational insurgency will escalate to interstate conflict. If a crisis is labeled as part of a protracted crisis, I code the protracted conflict variable as 1. Otherwise, the variable is coded as 0.

The second indicator is the _Regime Transition_ variable. In every year, Polity gives three scores -66, -77, and -88 that indicate a regime is experiencing a particular type of transition (Mitchell et al 1998). The target transition variable is coded as 0 if the target is not in transition and 1 if the target is experiencing transition. If a target is experiencing transition, it is reasonable to believe that the target’s survival is threatened by the
insurgent movement. For this reason, the expectation is that if the target is in transition, the level of interstate violence should also escalate.

**Hawkishness of Target (W_T):**

In terms of the model, the greater the ability of the target to prosecute military operations, the more the target will value fighting relative to all other outcomes. To measure this variable, I use two indicators: *Capability Balance and Proximity*. These variables capture the ability of the target state to utilize force effectively.\(^\text{14}\) As the ability of the target to use force effectively increases, the target should place a higher value on doing so. The capability balance variable is used by aggregating the total CINC score of the parties within the crisis and subsequently calculating the percentage of this capability that belongs to the target state. This indicates the relative strength of the target to the host state.

In many of the crises in ICB, the target and the host are actually blocs of countries. For example, in the Indochina crises, the target could be considered South Vietnam and the United States while the host is North Vietnam. However, the calculations of South Vietnam and the US included the possibility that China or the Soviet Union would intervene on the behalf of North Vietnam. For this reason, if a crisis was initiated for an ally of either the target or the host, I aggregate the total capabilities of the allies in both blocs into the calculation of power balance.

Proximity is measured using the ICB measure of geographical proximity of principal adversaries. This variable is an ordinal scale capturing whether the target and the host were contiguous, near neighbors, or distant. The use of the proximity variable is

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\(^\text{14}\) Unfortunately, data is not available on the political willingness of leaderships within states to use force. No data exists on the political value that leaders place on the use of force. I therefore tap the model’s variable using only one aspect of W_T, which is the ability of the target to use force effectively.
intended to capture the ability of the target to engage the forces of the host and the insurgent movement. The further distance the target is from the host state, the more costly prosecuting militarized conflict will be.

**Strength of Host State ($\beta$):**

Two indicators are used to capture whether the host state in the crisis is either a strong host or a weak host: the Polity transition variable and the State Failure Data. Similar to the target value for the status quo, the *Host Transition* variable is coded as 0 for hosts that free from transition while hosts in transition are coded as 1. If the host is experiencing a transition, it is less likely to have the material or political resources needed to control its insurgency. As a result, the costs of enforcing against an insurgent movement should be high. Therefore, if the host is in transition, the level of interstate violence should increase.

The second measure for host strength is captured using the Gurr et al State Failure data. Using the information on internal conflicts, I create a variable *Host Failure* to capture whether or not the state is experiencing failure. The variable also calculates the temporal proximity to upcoming failures. The Host Failure is an ordinal variable based on this scale:

- 0) No state failure in next 25 years
- 1) No state failure in next 20 to 24 years
- 2) No state failure in next 10 to 19 years
- 3) No state failure in next 5 to 9 years
- 4) No state failure in next 1 to 4 years
- 5) Currently in state failure
The scale captures the degree of instability within a host state ex post a transition. If a host is not in transition, but has recently experienced state failure, it is certainly less stable than a host that has not experienced a transition in 25 years. This variable allows for the differentiation in the two types of host states. The expectation is that the closer a host is temporally to a state failure, the greater the costs the host has in controlling its insurgencies. Therefore, the Host Failure variable should increase the degree of interstate conflict.

**Host State Value of Status Quo: SQH:**

The status quo captures the current state of satisfaction of the host state. According to Byman et al (2001), hosts states may allow non-state actors to attack due to regional dissatisfaction, desire to destabilize an enemy, or to extract payback for past military losses. Each of these variables reflects dissatisfaction with the status quo. *Host Satisfaction* may be captured using the Signorino and Ritter (1999) measure of S. S captures the degree to which the host shares the system or regional leader’s foreign policy preferences. Since the majority of insurgencies are at the regional level, I use the regional S to capture the value the host state places on the status quo. As the value of S increases, the level of violence between the target and the host should likewise decrease.

**Method:**

The theory’s hypotheses are tested using an ordinal probit model. Ordinal probit models are used to estimate ordered categorical variables. The interstate violence measure presents four categories, each representing an increase in the amount of violence. One strategy is to categorize all crises that did not reach a certain level of violence as 0 while crises exceeding the threshold should be coded as 1. However, this
loses information provided by the dependent variable. I therefore keep the dependent variable in its ordinal form. Although the dependent variable represents an increasing scale, ordinary linear regression is inappropriate due to the non-interval nature of the dependent variable (Liao 1994). For this reason, ordered probit is the more appropriate statistical model to test the theoretical expectations.

Results

**TABLE 1: ORDERED PROBIT RESULTS**

<table>
<thead>
<tr>
<th>Variable</th>
<th>β (S.E.)</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protracted Conflict</td>
<td>0.50548*** (.14067)</td>
<td>.22977 .78120</td>
</tr>
<tr>
<td>Target Transition</td>
<td>1.39978*** (.51820)</td>
<td>.38412 2.41543</td>
</tr>
<tr>
<td>Capability Balance</td>
<td>0.39575 (.35254)</td>
<td>-.29522 1.08672</td>
</tr>
<tr>
<td>Proximity</td>
<td>-0.38526*** (.15230)</td>
<td>-.68377 -.08675</td>
</tr>
<tr>
<td>Host Transition</td>
<td>0.74117* (.39926)</td>
<td>-.04136 1.52369</td>
</tr>
<tr>
<td>Host State Failure</td>
<td>0.00805 (.04961)</td>
<td>-.08919 .105290</td>
</tr>
<tr>
<td>Host Satisfaction</td>
<td>-0.38342** (.19654)</td>
<td>-.76864 .001798</td>
</tr>
</tbody>
</table>

First Cut Point       | -.82800 (.38929) |
Second Cut Point       | .42102 (.37396)  |
Third Cut Point        | 1.9062 (.41082)  |

Log Likelihood: -131.957
N = 120
*p < .1, **p < .05, ***p < .01
Tests are two tailed.
### TABLE 2: ORDERED PROBIT INTERPRETATION MEAN PROBABILITIES

<table>
<thead>
<tr>
<th>Variable Change</th>
<th>No Violence</th>
<th>Minor Clashes</th>
<th>Major Clashes</th>
<th>Full Scale War</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>.412 (.116)</td>
<td>.423 (.071)</td>
<td>.155 (.066)</td>
<td>.009 (.010)</td>
</tr>
<tr>
<td>Protracted</td>
<td>.237 (.073)</td>
<td>.456 (.060)</td>
<td>.280 (.063)</td>
<td>.027 (.018)</td>
</tr>
<tr>
<td>Conflict = 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target</td>
<td>.081 (.086)</td>
<td>.291 (.126)</td>
<td>.456 (.104)</td>
<td>.172 (.137)</td>
</tr>
<tr>
<td>Transition = 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proximity = 3</td>
<td>.560 (.139)</td>
<td>.347 (.092)</td>
<td>.089 (.057)</td>
<td>.004 (.006)</td>
</tr>
<tr>
<td>Host</td>
<td>.193 (.125)</td>
<td>.408 (.081)</td>
<td>.342 (.122)</td>
<td>.058 (.059)</td>
</tr>
<tr>
<td>Transition = 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Host Satisfaction = (0.784^{15})</td>
<td>.502 (.129)</td>
<td>.381 (.084)</td>
<td>.112 (.060)</td>
<td>.005 (.007)</td>
</tr>
</tbody>
</table>

**Baseline Characteristics:**

- Protracted = 0
- Target Transition = 0
- Capability Balance = .5670772
- Proximity = 2
- Host Transition = 0
- Host State Failure = 2
- Host Satisfaction = .233

Standard Errors in Parentheses

The empirical test provides substantial support for the hypotheses. Each of the concepts tested in the model: the status quo value for the target, the target’s war fighting

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\(^{15}\) Host Satisfaction is moved one standard deviation (.5509485) above its mean.
ability, the host state's strength, and the host's status quo value are all in the anticipated direction with at least one indicator passing a significance test. To generate baseline probabilities of the level of violence, I set each of the dummy variables to zero, the continuous variables at their means, and set the target and the host in the same region, but not contiguous.\textsuperscript{16} According to the baseline predictions, the likelihood of no conflict is .41, minor clashes .42, serious clashes .16, and full scale war .01. At the baseline category, the likelihood that interstate conflict does not escalate to a either a major clash or war is quite high at .83. Interstate conflicts are not likely to emerge out of transnational insurgencies. To measure the substantive effects of the variables, I manipulate each of the variables while holding the others constant at the baseline. The effects of each of the variables are summarized in Table 2.

Hypothesis 1 generates substantial support from the empirical test. The first variable is whether or not the conflict is protracted. This indicates whether the target has had repeated problems with the transnational insurgency emanating from the host. This variable is significant and in the anticipated direction. If the target repeatedly faces a security threat from the insurgency, the target is more likely to use force. The likelihood of serious clashes is 75\% more likely to occur than at the baseline category. The likelihood of full scale war increases even further, from approximately .01 to .03. While the probability is still low, the jump represents a 200\% increase in the likelihood that full scale war will occur. If the status quo for the target means that the target will repeatedly come under attack from the insurgents, the evidence indicates that the target is less likely to accept the status quo. The likelihood of full scale war increases even further if the insurgents are on the verge of toppling the regime. The results of the target transition

\textsuperscript{16} The numerical value of the distance variable is therefore set to 2.
variable indicate that if the insurgency pushes the target to a state of regime transition, the
target is almost guaranteed to attack the host to save itself. Faced with a repeated security
threat, targets are more likely to adopt the drastic measure of military force.

The empirical test also supports Hypothesis 2. The capability balance measure is
in the anticipated direction, but is not significant. Although this result is somewhat
puzzling, the distance measure is in support of the theoretical proposition. As distance
grows, the ability to project as well as the effectiveness of military force should decrease.
The empirical results indicate that if the target and the host are not in the same region, the
likelihood of serious clashes decreases by 44% while the likelihood of full scale war falls
by almost 60%. Hypothesis 2 is supported by the test, though the support is not as strong
as the support for Hypothesis 1.

Hypothesis 3 concerning the strength of the host is also supported by the
statistical test. The coefficients of both the host transition and the host failure variables
are in the anticipated direction, though only the host transition variable is significant.
Despite the non-significance of the failure variable, the substantive impact of the host
transition variable clearly demonstrates support for the claim that strong hosts are better
able to avoid interstate conflict. According to the results, the likelihood of serious clashes
increases to .34 while the likelihood of full scale war increases to .06. This represents a
113% increase in the possibility of serious clashes and an almost 500% increase in the
possibility of full scale war. The transition variable clearly indicates that weak host states
that are unable to avoid the start of interstate hostilities. The dramatic increase in the level
of interstate violence indicates very strong support for Hypothesis 3.
The final proposition tested by the statistical model is Hypothesis 4. The coefficient of the host state's S score is also significant and in the anticipated direction. Increasing the level of host/target foreign policy similarity decreases the likelihood of all forms of violence. The one standard deviation increase decreases the likelihood of minor clashes by 10%, the likelihood of serious clashes by 31%, and the likelihood of interstate war by 50%. The likelihood of no violence increases to .51, a 22% increase above the baseline. The results support the prediction that satisfied strong hosts are less likely to allow insurgencies to precipitate interstate crises.

Testing the Full Model

The first statistical test captures the decision to escalate to interstate war. Yet, the theoretical model contains hypotheses concerning two outcomes: 1) the host's initial decision to allow insurgents to operate and 2) the escalation to interstate war. Ideally, we would like to develop a second empirical test to capture the complete sequence of action in the theoretical model. Several studies examining both the decision of states to enter crises and subsequently war begin with a sample of politically relevant dyads (Lemke and Reed 2001; Reed 2000). From the sample of politically relevant dyads, the decision to enter a crisis is modeled as the selection equation of a two stage statistical model. This technique successfully captures the insight that the decision to enter a crisis and the subsequent decision to escalate a crisis are intertwined in a two stage process. The two stage statistical model I will employ in this test is the censored probit model. The two stage model captures the initial decision by the host to allow insurgency to occur, followed by the decision of both the target and the host to enter armed conflict. It is therefore necessary to identify a sample of both crises occurring due to transnational
insurgencies as well as instances in which the insurgents were suppressed by the host state in the first stage of the game.

In testing the theoretical model, several problems of identification arise in choosing an appropriate sample of cases. Typically, we can only identify if an insurgency exists if an acts of violence occur. If this is the first point at which we can observe the process, our observations begin at the second decision node of the game. If the attack occurs, we can infer that the host was unable or did not choose to control its insurgent movement. If no attacks occur, it is plausible that the host could have suppressed the insurgent movement as the model suggests. However, it is also plausible that no insurgents existed in the first place. This possibility introduces a problem in beginning the sample with politically relevant dyads. Absent an attack, we cannot observe whether the case is appropriate for the analysis. To illustrate with an example, suppose no interstate crisis resulting from transnational insurgent violence occurs between France and Germany. If this case is included in the analysis, the assumption is made that France acted to suppress any insurgents plotting against Germany. However, a more likely explanation is that no such group existed. The inclusion of such a case is therefore an inappropriate for the statistical analysis.

It is therefore necessary to identify dyads in which transnational insurgency had the potential to disrupt normal interactions between states. To do so, I examine RAND data on 73 insurgencies occurring from 1990-2001. This data details several instances of conflict between states and non-state actors taking place throughout the 1990s. In this data, an insurgency is defined as a military conflict between a state and a non-state actor. Based on this definition, states may face multiple insurgencies at any given time. For
example, during the 1990s, Iraq faced insurgent conflict from the U.S. backed Iraqi National Congress and the Iranian backed Shi’a insurgents. These two insurgencies would be treated as separate insurgencies in the data. A complete list of the insurgencies included in the data is listed Appendix I.

Using this data, I generate a list of target states that face the problem of insurgency. By identifying where insurgencies occur, I avoid the problem of examining dyads in which insurgency does not hold the potential to disrupt relations between two states. In each of these cases, the insurgents can make the decision to base their operations against the target in a foreign host state. If this is the case, the insurgents have the potential to disrupt the relations between a potential host and a target government. The next step is to identify potential hosts for the insurgent groups. Each observation therefore consists of an insurgent group in a particular conflict and a potential sponsor. I define a potential sponsor as any country that is in a politically relevant dyad with the target country. Politically relevant dyads would include contiguous states as well as major powers. I argue that it is appropriate to think of politically relevant dyads as potential sponsors for several reasons. First, neighboring countries are more likely to have a stake in the conflict. Since the range of insurgent movement may be limited, insurgents are more likely to ask for help from a nearby state with a stake in the conflict. Second, politically relevant dyads also include the major powers. Given their power, major powers have the potential to support insurgent movements anywhere in the world. For example, during the early 1990s, the U.S. granted support to Taliban insurgents

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17 Given this structure, it is necessary to cluster the observations by insurgency. Since the cases may not be independent within insurgency, I use robust standard errors clustering on the insurgency identification number.

18 I define major powers as members of the UN Security Council.
operating against the Soviet Union. During that same period, several members of the European Economic Community (EEC) provided the African National Congress (ANC) with support to fight the government of South Africa. This technique allows me to narrow down the list of case from the total set of politically relevant dyads to a set of dyads that are relevant for examining transnational insurgency.

The unit of analysis is therefore each potential sponsor/target pairing in each of the insurgencies that took place in the 1990s. In total, the data consists of 711 target/potential host dyads. A portion of the dataset would appear as:

<table>
<thead>
<tr>
<th>Target State</th>
<th>Insurgents</th>
<th>Host</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>France</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>Israel</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>Libya</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>Russia</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>Sudan</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>United States</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>China</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Oromo Liberation Front</td>
<td>Djibouti</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Oromo Liberation Front</td>
<td>Eritrea</td>
</tr>
</tbody>
</table>

**Dependent Variable**

To test the model's propositions, two stages of the game must be analyzed. In the first stage, the host makes the decision to allow the insurgents to attack. In the second stage, the target and host either reach a compromise or escalate to armed conflict. To capture this structure, I create two dichotomous dependent variables: sponsorship and the use of force. Since it is theoretically not possible for the target to use force unless the host allows the insurgents to attack, the use of force is censored by the sponsorship variable.
This requires the use of a censored probit model to capture the selection effect of the crisis variable (Heckman 1979).

To code for the first variable of sponsorship, I utilize the RAND variable capturing the degree of support from each sponsor. The RAND data identifies which states provided assistance to each of the insurgents during the course of a particular insurgency. Assistance from these states ranges from minor levels of support, such as the provision of fighters and political inspiration, to critical levels of support, such as direct military aid. If any assistance is provided to an insurgency, we can conclude that the host allows the insurgents to attack the target in the first stage of the game. If the RAND data lists a state as a supporter, I code the sponsorship variable as 1. However, if a host in a politically relevant dyad is not listed as a supporter of the insurgency, I conclude that this host acts to control its insurgents prior to the onset of crisis. The sponsorship variable is therefore coded as 0.

Once I determine if a host allows its insurgents to attack, I next create a variable for the onset of interstate violence. This variable is created using data from the Militarized Interstate Dispute (MID) dataset. The MID data provides information as to whether the host’s sponsorship of insurgency contributes to the onset of a military crisis between the target and the host state. If such a MID occurs, I examine the level of hostility in the particular MID. The level of hostility variable is coded on a 1-5 scale:

1) No militarized action

2) Threat to use force

3) Display of force

4) Use of force

---

19 Specifically, I generate the data using Bennett and Stam’s EUgene program.
5) War

The theoretical model attempts to predict instances in which the target state engages in military force. I therefore code the attack variable as 1 if the level of hostility exhibited by both the target and the host state is greater than or equal to 4. In these situations, the target state responds to the host’s sponsorship by either using military force or escalating to full scale war. Regardless, the target chooses to attack the host state for its support of insurgents. If the hostility level for both sides is less than 4, interstate conflict does not occur. If the target does not use military force against the host, I code the attack variable as 0.

The distribution of both the sponsorship and the attack variables are listed in Table 3:

<table>
<thead>
<tr>
<th>Attack</th>
<th>No Support</th>
<th>Sponsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attack</td>
<td>548</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td></td>
<td>105</td>
</tr>
</tbody>
</table>

Table 3: Cross-Tab of Sponsorship and Attack

Sponsorship

Independent Variables: Sponsorship

To predict both the host’s decision to sponsor, I develop several measures for the model’s key variables. The first set of variables examines the host’s decision to control
the insurgents or sponsor the group. The variables include the host's value for the current status quo with the target as well as the costs for bringing the insurgents under control. The selection equation is as follows:

\[
\text{Sponsorship} = \text{Constant} - \text{Political Similarity} - \text{Joint Democracy} - \text{Host Durability} - \text{Host Development} - \text{Capability Balance} - \text{Host Development} \times \text{Political Similarity} - \text{Host Durability} \times \text{Capability Balance}
\]

**Host Value for the Status Quo (SQ_H):**

The model predicts that as the host's value of the status quo increases, the host is less likely to allow the insurgents to operate in the first part of the game. I use several indicators to capture the host's value for the status quo. As in the first empirical test, I use Signorino and Ritter's (1999) measure of S. Again, S captures the degree to which the host shares the system or regional leader's foreign policy preferences. As a robustness check for the first statistical test, I use the global S in this particular test. In addition to S, I also use joint democracy to capture the host's value for the status quo. Numerous studies indicate that dyads in which both governments are democratic are more likely to be pacific (Bueno de Mesquita et al 1999; Ray 1995). Theoretical and empirical evidence further supports the argument that democracies behave more cooperatively toward each other than with autocracies (Leeds 1999; Schultz and Weingast 1998). I therefore make the assumption that if the host and the target are both democratic, the host is less likely to allow insurgents to start a crisis. I measure joint democracy using the Polity IV data. Joint Democracy is a dummy variable coded as 1 if both countries in the dyad have democracy scores greater than or equal to 6. If either country falls below six on the democracy scale, the variable is coded as 0.
Strength of the Host State (β):

I use several indicators to determine if the host state is a strong versus a weak host state. The first indicator I use is the Host Durability Measure from the Polity IV data. This measure captures the number of years that have passed since the host experienced its last episode of state failure. Both the stability and the legitimacy of the host government should increase if the host’s institutions survive for extended periods (Jackman 1993). On the other hand, if the host experiences frequent coup attempts or rebellions, the host government’s capacity to control its subjects is diminished. I therefore argue that as the number of years since a previous transition increases, the host more closely resembles a strong host state. My expectation is that as host durability increases, the ability of the host to control its insurgents should increase. Additionally, I construct a measure of host economic development to capture the strength of the host state. Economic Development is frequently used as a proxy for state capacity in studies of civil war (Fearon and Laitin 2003). My measure of economic development is created by dividing the urban population by the total population of the host state. This develops a ratio of urbanization in the host state. I argue that the greater urban development gives host states a greater ability to control their insurgent groups.

$SQ_{n-β} ≥ 0$

This equation represents the expected utility calculation for the host state. If the value for the status quo is low, the host is more likely to allow insurgents to operate. Similarly, the greater the cost to the host for controlling insurgents, the more likely it is that a host will allow a crisis to develop. However, consider a case in which cost for controlling insurgents is high, but the value for the status quo is very high. If this is the
case, the theoretical model would predict that the host would control its insurgents. But, if we statistically examine the cost variables independently of the value for the status quo, we would predict that the host would not control its insurgents. It is therefore necessary to capture the interactive relationship between the variables $S_{QH}$ and $\beta$. To accomplish this, I create an interaction term using the host durability measure and the host’s $S$ score. As this term grows in value, the host’s value for the status quo increases while the host’s cost for controlling its insurgents falls. This would correspond to a strong host that favored maintaining the status quo. I would therefore expect that increases in the value of the interaction term should decrease the likelihood of sponsorship. If the value of the interaction term falls, however, the host either does not want to maintain the status quo or is too weak to do so. Decreasing the value of the interaction term should therefore increase the likelihood of sponsorship.

In addition to these variables, I use a second set of variables to test the model’s predictions. The model leads to the conclusion that military threats cannot deter hosts from sponsoring insurgency. Regardless of the target’s threats to use force, neither weak nor strong hosts will be deterred from sponsorship. To test these claims, I use two additional variables. The first variable is the capability balance. The capability balance variable is measured by dividing the target’s military expenditures by the sum of the target and the host’s military expenditures:

$$\text{Target Military Spending} / \left(\text{Target Military Spending} + \text{Host Military Spending}\right)$$

Higher values of this term indicate that the target has military preponderance over the host. If the deterrence argument is to succeed, we would expect that higher values on the capability balance variable would deter hosts from sponsoring insurgency. If the
model is incorrect, we would predict that greater capability balances in favor of the target could deter both types of hosts. Additionally, I allow for a second possibility. If the model is partially correct, force cannot deter weak hosts due to their inability to control insurgents. However, it is also possible that while force cannot deter weak hosts, military preponderance deters strong hosts. To capture this, I interact the capability balance measure with host durability. If the value of the interaction term is high, this indicates a situation in which the host is strong and the target is preponderant. If the deterrence argument succeeds, the strong host should control its insurgents when facing such a situation. We would therefore expect that if the host is durable and the target is militarily preponderant, the likelihood of sponsorship should decrease. According to the theory, I would not predict the interaction term to have any effect.

**Independent Variables: Target Attack**

This part of the statistical model resembles the first statistical test using the ICB data. However, as checks of robustness, I use several additional indicators. The use of force equation is specified as follows:

\[
\text{Target Attack} = \text{Constant} - \text{Host Durability} - \text{Host Development} + \text{Capability Balance} + \\
\text{Insurgency Magnitude} - \text{Political Similarity} - \text{Capability Balance} \times \text{Host Durability}
\]

**Strength of Host State (β):**

I again use the host durability measure and the host development measures to capture the strength of the host state. Since strong hosts can avoid conflict, I expect that higher values on both indicators should decrease the likelihood of a target attack. Similarly, as the host’s level of development increases, I expect the likelihood of conflict to decrease.
Hawkishness of Target ($W_T$):

I again use capability balance to capture the hawkish nature of the target. As the value of the capability balance measure increases, the military preponderance of the target also increases. If the target is preponderant, the target should have a higher payoff for war. If this is the case, increasing the value of the capability balance measure should increase the likelihood of a target attack.

Damage of the Insurgency ($SQ_T$):

Following the attacks by the insurgents, the target must weigh whether it is worth attacking the host to stop the insurgency. For the target to take such action, the insurgency must be significantly damaging. To identify such insurgencies, I utilize the state failure data (Esty et al. 1998). A state failure is defined as condition in which the state lacks complete autonomy over its sovereign territory. Events such as ethnic conflicts, genocides, adverse regime transitions, or military coups all are coded as events that impair the ability of the state to maintain autonomy. The state failure data contains a variable capturing the magnitude of a particular insurgency ranging from 1-4, 4 indicating the worst condition to the target. High scores on the magnitude of fighting indicate that the insurgency is a significant challenge to the target state’s authority. I therefore expect that as the magnitude of state failure rises, the target is more likely to attack the host state.

Host State Value of Status Quo: $SQ_H$:

I again measure $SQ_H$ using Signorino and Ritter’s S. I expect that as the host’s value for the status quo increases, the more likely the two sides are to avoid armed conflict.
\( \pi - \beta \geq 0 \)

As in the first stage of the model, the effect of each of the variables may be contingent on their relationship to other variables in the model. To capture the interactive effect of the variables, I again use the interaction term constructed from host durability and capability balance. This variable allows us to better separate strong host behavior from weak host behavior. Higher values of this term indicate that the host is militarily weaker than the target, but is capable of controlling its insurgents. If this is the case, we would expect the strong host to avoid a target attack in the second stage of the game. I therefore expect that higher values of the interaction term should decrease the likelihood of a target attack. If the value of the interaction term is low, the host may be too weak to stop a target attack. In this case, we would expect the likelihood of conflict to increase.

The characteristics of each of the variables are presented in Table 4.

**Table 4**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Obs</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host Satisfaction</td>
<td>709</td>
<td>.004</td>
<td>.463</td>
<td>-.802</td>
<td>1</td>
</tr>
<tr>
<td>Capability Balance</td>
<td>709</td>
<td>.373</td>
<td>.342</td>
<td>.001</td>
<td>.998</td>
</tr>
<tr>
<td>Host Durability</td>
<td>707</td>
<td>44.4</td>
<td>57.05</td>
<td>0</td>
<td>191</td>
</tr>
<tr>
<td>Host Development</td>
<td>709</td>
<td>.306</td>
<td>.222</td>
<td>0</td>
<td>.899</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>722</td>
<td>.157</td>
<td>.364</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Insurgency Magnitude</td>
<td>711</td>
<td>3.38</td>
<td>1.00</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

**Results**

The statistical test indicates strong support for the theoretical model. To generate baseline predictions of both sponsorship and target attack, I hold all variables at their means and joint democracy at 0. Each of the variables is then increased by one standard deviation to assess their relative impact in both stages. The statistical model estimates a
baseline probability of .07 for sponsorship and a baseline of .10 for target attack. The results of the censored probit model are presented in Tables 5 and 6.

Table 5: Host Sponsorship
(Selection Equation)

<table>
<thead>
<tr>
<th>Variable</th>
<th>β (S.E)</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-1.00 (.12)</td>
<td>-1.24</td>
</tr>
<tr>
<td>Host Political Similarity</td>
<td>-.16 (.32)</td>
<td>-.77</td>
</tr>
<tr>
<td>Joint Democracy</td>
<td>.38 (.17)**</td>
<td>.04</td>
</tr>
<tr>
<td>Capability Balance</td>
<td>.72 (.19)***</td>
<td>.36</td>
</tr>
<tr>
<td>Host Durability</td>
<td>.01 (.00)**</td>
<td>.00</td>
</tr>
<tr>
<td>Host Development</td>
<td>-.54 (.22)***</td>
<td>-.96</td>
</tr>
<tr>
<td>Host Development*Similarity</td>
<td>-1.72 (.84)**</td>
<td>-3.37</td>
</tr>
<tr>
<td>Capability Balance*Host Durability</td>
<td>-.01 (.00)**</td>
<td>-.02</td>
</tr>
</tbody>
</table>

Log Likelihood = -451.995  
N = 707  
*p<.1; **p<.05; ***p<.01
The statistical test provides strong support for several of the model's predictions regarding sponsorship. While the political similarity variable is not significant, the interaction term constructed from political similarity and host development is significant and in the anticipated direction. This supports the model's prediction that if the host's value for the status quo is high and the host is strong, the host can avoid a crisis by controlling its insurgents. According to the statistical model, increasing the value of the interaction term by one standard deviation decreases the likelihood of sponsorship from .08 to .03. This represents a 63% decrease in the likelihood that a host will sponsor an insurgency. These results clearly support the theoretical predictions. If the host's value for the status quo is high and its costs of controlling insurgents are low, the host should control its insurgents and prevent a crisis from erupting.

A puzzling finding, however, is the direction and effect of the joint democracy variable. We see that joint democracy is significant, but not in the anticipated direction. This result is unexpected by the theoretical model and is very counter-intuitive. According to the results, a democratic host is more likely to sponsor an insurgency against a democratic target. The substantive results make this finding even more troubling. If the dyad becomes jointly democratic, the likelihood of sponsorship increases from .08 to .18, representing a 125% increase in the likelihood that a host will not control its insurgents. While this result is not anticipated by the theory, it is clearly an interesting statistical result.

Although the joint democracy variable is not supportive of the theoretical expectations, the remaining variables are largely supportive of the model's predictions. We see that if the host state is at a higher level of development, the host is less likely to
sponsor insurgency. A one standard deviation decrease in host development decreases the likelihood of sponsorship from .08 to .07, representing a 13% decrease in likelihood. Although this is a modest reduction, we see that sponsorship is more likely to occur if the host state is a weak host state.

Perhaps the most interesting findings from the sponsorship equation come from the test of the deterrence hypotheses. If the deterrence argument is correct, we would expect hosts to avoid inciting insurgency against preponderant targets. Yet, the statistical results support the theoretical model over the deterrence argument. We see from the test that the preponderance variable is positive and significant. This indicates that if a target is militarily stronger than the host, the host is more likely to allow insurgents to attack. According to the results, hosts are 13% more likely to allow insurgents to attack stronger targets. This clearly does not support the proposition that hawkish target states can deter insurgency.

However, the deterrence theorists receive some support for the claim that force can deter strong hosts. The interaction term between capability balance and host strength is significant in the anticipated direction. However, if we examine the substantive effects of this variable, we see that the interaction term has very little effect on the likelihood that a host will sponsor insurgency. The coefficient of the variable is extremely small. If the value of the interaction term is increased by one standard deviation, the likelihood that a host will sponsor insurgency decreases from the baseline probability by .0002. This states that even if the host is strong and target military superiority increases by one standard deviation, the likelihood of sponsorship is decreased by less than 1%. Taken with the effect of the capability balance variable, these results clearly damage the
argument that force can deter the sponsorship of insurgency. Instead, the results support the model’s claims that hosts will control their insurgents only if they are both strong and satisfied with the status quo.

**Table 6: Escalation to Armed Conflict**

<table>
<thead>
<tr>
<th>Variable</th>
<th>$\beta$ (S.E.)</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-1.72 (.45)</td>
<td>-2.6, -.83</td>
</tr>
<tr>
<td>Host Similarity</td>
<td>-.94 (.22)**</td>
<td>-1.37, -.52</td>
</tr>
<tr>
<td>Capability Balance</td>
<td>1.14 (.38)**</td>
<td>.40, 1.88</td>
</tr>
<tr>
<td>Insurgency Magnitude</td>
<td>.11 (.10)</td>
<td>-.09, .30</td>
</tr>
<tr>
<td>Host Institutional Strength</td>
<td>.01 (.00)**</td>
<td>.002, .01</td>
</tr>
<tr>
<td>Host Development</td>
<td>-.63 (.36)*</td>
<td>-1.33, .09</td>
</tr>
<tr>
<td>Capability Balance*Host Institutional Strength</td>
<td>-.02 (.01)*</td>
<td>-.04, .00</td>
</tr>
<tr>
<td>$\rho$</td>
<td>.89 (.17)*</td>
<td>-.21, .99</td>
</tr>
</tbody>
</table>

Log Likelihood = -451.995
N = 707
*p<.1; **p<.05; ***p<.01
The results from the second stage of the model provide further support for the theoretical predictions. We see that if the host state is politically similar to the target, the likelihood that a target will attack decreases. The coefficient of the political similarity variable is significant and in the anticipated direction. If political similarity is increased by one standard deviation, the likelihood of a target attack falls from the baseline value of .10 to .05, a 50% decrease. Additionally, the variables capturing the target's value for war receive some support from the statistical test. While the magnitude of the insurgency is insignificant, the target's military superiority over the host increases the likelihood that the target will resort to force. If the target's military preponderance is increased by one standard deviation, the target's likelihood of fighting increases from .10 to .18. This represents an 80% increase in the likelihood that the target will choose to fight if facing an insurgency from the host.

In this part of the equation, the most interesting findings come from the host development variable and from the interaction term combining capability balance with host durability. These variables capture the strategic decision on the part of the host to accept or reject bargaining. The host development variable is significant and in the anticipated direction. This coefficient supports the claim that strong hosts are able to avoid an attack while weak hosts are not. If the development level of the host increases by one standard deviation, the likelihood of an attack decreases from .10 to .08, a 20% reduction. On the other hand, if host development decreases by one standard deviation, the likelihood of armed conflict increases from .10 to .13, a 30% increase. This variable supports the argument that due to their inability to credibly commit, weak hosts are more likely to be attacked by target states.
To support the argument further, the interaction term using capability balance and host durability provides evidence of strategic bargaining by strong host states. The coefficient for this variable is both negative and significant. This indicates that if both the target’s preponderance over the host increases and the host is strong, the host is more likely to agree to avoid conflict. Increasing the value of the interaction term by one standard deviation decreases the likelihood of conflict by 40%. If the host is strong and the host observes that the target is preponderant, the host is more likely to control its insurgents and accept a negotiated settlement. What is extremely interesting about this variable is the statistical results support the argument that while strong hosts are not deterred from sponsoring insurgency, strong hosts form negotiated settlements to avoid conflict. In the first stage of the model, a strong host that observes the target is preponderant in power is not deterred from sponsoring insurgency. Yet, in the second stage of the model, a strong host that observes preponderance is more likely to avoid conflict. This provides clear support for the model’s theoretical predictions. If dissatisfied with the status quo, strong hosts will instigate insurgency and start a crisis. But once a crisis begins, the strong host will accept a deal and avoid a target attack. The results clearly support the claim that sponsorship of insurgency cannot be deterred, but that strong hosts are very willing to negotiate to avoid an escalation to armed conflict with the target state.

In examining both statistical tests, we see clear support for the theoretical expectations. In the first test, the results from the analysis support the model’s predictions as to what factors lead to conflict between the target and the host state. The second statistical test examines the full model by testing hypotheses from both the first and
second stages of the game. This test provides even greater support for the theoretical predictions. From the second test, we see that threats of force do not significantly alter the likelihood that either weak or strong hosts will control their insurgents. We further see that force is more likely to occur when the host state is weak. Finally, we observe strategic behavior on the part of strong hosts. If a strong host is satisfied, it will avoid crisis altogether. However, strong hosts that are not satisfied with the status quo will allow their insurgents to attack, only to avoid conflict with the target once a military crisis erupts. Taken together, the statistical tests strongly support the theoretical model.

**Conclusion**

This chapter presents a theoretical explanation of how transnational insurgency escalates to interstate war. One strategy that is often used by insurgents operating against enemy governments is to use a neighboring host state as a base for operations. Other insurgents seek to develop further ties with the host by forming alignments or accepting sponsorship. Regardless, the move to gain the support or use the facilities of the host brings an international dimension to what is normally considered a domestic problem for the target. In response to transnational insurgencies, several policymakers argue that targets should attack the insurgents within the foreign host state as well as the forces of the host. Military force can be used to induce the host to terminate its support for the insurgent movement. Empirically, however, military force is costly and often fails to produce results. Yet, states continue to adopt this strategy. The question asked by this paper is why states seem willing to adopt a response to an insurgency that does not often produce successful results. Further, if the conventional wisdom is that targets should attack, why do hosts allow insurgents to operate within their territory?
The central explanation for the use of force is the inability of hosts to form credible commitments. Force guarantees costs in terms of human lives, military equipment, and economic resources. Often, counterinsurgency operations in foreign hosts can take years to resolve. Due to these costs, targets of transnational violence are often more than willing to form an agreement with the host if such an agreement will bring an end to the insurgency. However, for weak hosts, the military and political cost of acting against non-state actors is often higher than fighting a foreign military. Weak hosts cannot form commitments with the target due to their fear that the insurgency will destroy them. Even if a weak state wanted peace, its inability to act against its insurgents makes it unable to form an agreement that would avoid an interstate conflict. As a result, interstate conflict occurs due to the weak state’s inability to act against its non-state actors.

Since weak hosts cannot control their insurgents, weak hosts have no choice but to allow insurgents to operate within their territory. However, while weak hosts cannot avoid interstate conflict, strong hosts manipulate insurgencies to achieve their foreign policy objectives. Strong hosts can allow crises to develop and subsequently form credible commitments. The model demonstrates while transnational insurgencies can be a useful foreign policy instrument for strong hosts, insurgencies in weak states are more likely to escalate to interstate conflict.

The model presented in this paper completes the puzzle regarding the effect of internationalization on insurgency. The first chapter establishes that if internationalization occurs, opportunities for conflict resolution appear, but the potential for conflict escalation exists. According to the second and third models, the host state serves as the
key explanation for which path the insurgency takes. If the host is capable and willing to serve as a mediator, the host serves can accelerate peaceful resolution. By assisting the insurgents overcome the problem of credible commitment, the host state can promote peaceful outcomes to insurgent conflict. Internationalization in this case may present opportunities for resolution that otherwise would not be present. However, the host state must be willing and able to take such a challenge. If it is not, the host state is the catalyst for the spread of conflict. Hosts can accelerate the use of violence against targets, thereby provoking a militarized response. In other cases, the spread of conflict is out of the host’s control. Weak host states are simply incapable of preventing the spread of violence.

Internationalization of insurgency can go through two routes. If a target government and an insurgency engage in war, intervention by capable hosts that can overcome the credible commitments problem can accelerate peaceful termination. Such foreign powers must have the capacity and the commitment to enforce both monitor and punish the combatants. Additionally, the foreign power must engage in an intervention that does not undermine the ability of either side to survive. These requirements ask much of any potential intervening power. The foreign power must devote a significant amount its own military and economic resources to ensure that the conflict stops. In this sense, strong and committed intervening powers that are capable of monitoring and enforcing against insurgent groups are the firewalls to the spread of conflict.

Without a capable third party or host, the insurgency is likely to spread. Given their inability to control the activities of non-state actors, the combination of weak states and active insurgency is a recipe for conflict escalation. If the insurgents operate from weak states, no mechanism exists to enforce a credible commitment. The target must
therefore resort to force in order to stop the insurgency. However, since the conflict is internationalized, the insurgents have a higher chance of surviving military retaliation from the target. Such a situation can result in ongoing conflict with no prospect of peaceful termination.
Chapter 6:

Peacemaking in Transnational Insurgency
At the beginning of the twenty first century, the state remains the dominant political organization in world politics. While some states continue to engage in violence, the vast majority of states enjoy peaceful relations with each other. Several scholars argue that international institutions and the rise of free trade regimes have increased the costs of engaging in interstate conflict to the point where the likelihood of such conflict is severely diminished (Oneal and Russet 1997). Scholars of international politics take equal hope in the spread of democratic governments throughout the world. With democracy on the rise, states should be less likely to enter militarized crises and interstate war. Additionally, democratic governments are more likely to abide by their international commitments. The growth of cooperative international institutions and the spread of democracy has led other scholars to proclaim an evolution of the international system to a period of peace (Wendt 1999). According to such constructivist scholars, the entire culture of states might be evolving from periods of self-interest to greater cooperation than ever imagined. If the supremacy of states remains intact and the evolution continues as projected, the world seems to be on course for greater periods of peace.

Yet, as states remain peaceful toward each other, states and non-state actors continue to engage in frequent conflict. In recent periods, non-state actor and transnational insurgencies have moved into the forefront as one of the most prominent security threats to states in the international system. Although recent events in the Balkans, Chechnya, Israel, and Afghanistan all indicate the rise of what some have termed “new wars,” the threat of non-state actors remains a fixture in the international system. Since 1816, 260 civil wars were fought in which the state’s monopoly on force was severely challenged. Numerous other conflicts between states and insurgent bands occurred throughout the period that did not reach the 1,000 battle death threshold. In the postwar period, conflicts between states and non-state actors occurred on almost an annual basis, resulting in the deaths of approximately
16.2 million people (Fearon and Laitin 2003). At the end of the Cold War, several scholars warned that ethnic and communal wars would rise due to the collapse of communist governments (Esty et al 2002; Lake and Rothschild 1998). While the rules of the Westphalian system apparently disadvantaged the non-state actor, the non-state actor continues to remain a severe threat.

One of the great ironies of the international state system is the ability of transnational non-state actors to use the rules of the Westphalian system to their advantage. To offset their disadvantages in military and economic capacity, several insurgent groups utilize foreign host states as bases for operations. While in a domestic conflict the state was free to operate as it pleased, a state is constrained in a transnational conflict. Should the target state retaliate against the insurgents within a foreign host, the target might be considered an aggressor for violating host sovereignty. By basing abroad, the insurgents raise the price of retaliation and improve their ability to obtain resources and conduct operations. Whereas the norms of the international system put non-state actors at a disadvantage domestically, the rules of the international system protect non-state actors operating from foreign hosts.

With advances in transportation and communication, the frequency of transnational insurgencies is growing. According to Byman et al (1999), over 50% of insurgent groups in the 1990s used at least one host state. The growth of the transnational insurgency is a fundamental challenge to the stability of the international system precisely because the system was not equipped to deal with the problem. To illustrate this point, consider the example of World War I. Following the terrorist attack on Austrian Archduke Ferdinand, Austria declared its right to self defense against Serbia. On the other hand, Serbia had the legitimate claim that Austria violated its territorial integrity. Both sides could make persuasive arguments – Austria was clearly attacked, but did it have the right to retaliate if
the attacker was not a member of the Serbian government? In this sense, Austria had the right to self defense, but was also an aggressor that violated Serbian territory.

This pattern represents the clear threat to peace in the international system. What is normally considered the domestic problem of an insurgency has the potential to spill across borders and ignite region-wide fighting. A story similar to that of World War I could be told in 1998, in which troops from Rwanda and Burundi entered the Congo to stop attacks from Hutu militias. In response to the violation of the sovereignty of the Congo, troops from Angola and Mozambique moved into the Congo to fight Rwanda and Burundi. The result of the actions was four years of war and millions of civilians dead from combat, disease, or starvation. By itself, a civil war is incredibly costly. However, a transnational insurgency compounds the costs of war by bringing additional participants, additional fighting, and additional destruction.

The threat of transnational insurgencies remains active on almost every continent. Ethnic conflict continues to remain a threat in the Balkans and in sub-Saharan Africa. In the former Soviet republics, Russia continues to threaten those states that harbor Muslim separatist groups with military force. In the Andes region, FARC guerrillas moving between borders threaten the stability of all Colombia’s neighbors. Even more discouraging, the current literature on non-state actor conflict, including this project, suggest that states often believe they have no choice but to resolve insurgencies through military force. In the words of former U.S. President Bill Clinton, the threat of transnational insurgencies does indeed represent a “powder-keg.”

Given the potentially catastrophic consequences of transnational insurgency, this project has been motivated to find methods for alternative conflict resolution. Specifically, the project intends to identify strategies under which states and transnational insurgent groups might resolve their conflicts through the use of negotiation instead of war. This project
attempted to identify strategies that might prevent transnational insurgencies from spreading across borders and escalating to interstate or regional wars. Using the current literature on non-state actors and political violence, we know that two of the barriers to peaceful resolution include the high costs of negotiation, the promise of low returns for cooperation, and the problem of credible commitment. Throughout this work, I sought to identify potential methods by which both of these problems could be overcome in cases of transnational insurgency. The project next sought to understand how such conflicts, if left unresolved, might escalate to interstate war. In this concluding chapter, I will first outline the major findings of this study. Finally, I will offer several policy prescriptions on the resolution and management of transnational insurgencies stemming from the theoretical and empirical research.

The Barriers to Negotiation

To resolve any conflict through negotiation, three steps must be taken. The two parties in conflict must first agree to open negotiation. No solution is possible if both sides simply rule that negotiation is not an option. For negotiations to begin, both sides must expect that cooperation is more valuable than a continuation of hostilities. Cooperation requires that both sides make adjustments or concessions to each other in order to achieve the long term benefits of peace. In other words, the parties in conflict pay an investment in concessions in the short term to achieve accrued benefits in the long term.

In cases of interstate conflict, this condition is relatively easy to meet. The majority of states, particularly great powers, are extremely durable. Therefore, states will continue to interact with each other indefinitely. Given the long shadow of the future, one can believe that if initial concessions are made, the benefits of peace will accrue for a very long period. Therefore, the benefits of peace should outweigh the initial costs of concessions. As a result,
a strategy in which states make initial concessions for long term peace is an equilibrium behavior.

While this condition is fairly easy to meet in dealing with states, it is considerably more difficult when considering cases in which states and non-state actors are engaged in conflict. In dealing with insurgencies, the initial sacrifices needed to procure cooperation are high while the promise of future benefits from peace is relatively low. State leaders often make the argument that once they agree to negotiate with non-state actors, a Pandora’s Box will open that will result in the state’s eventual destruction. The argument for refusing to negotiate is that once the state signals that it cannot control non-state violence in its territory, the state’s subjects will recognize that the state is vulnerable. This calls into question the value of the state’s institutions. If the state cannot stop a prominent challenge to its sovereignty, how can the state hope to maintain law and order following the conflict? By conceding that it is vulnerable, the state opens the door to further insurrections. Additionally, different social groups may begin to believe that the state can no longer provide protection against other groups. The result might be a militarization of groups within society and the onset of ethnic conflict. These potential costs of cooperation undermine the willingness of governments to open negotiation with non-state actors.

A second argument against negotiation is that states are acutely aware of the short lifespan of insurgent movements. The majority of non-state actors have great difficulty sustaining adequate resources over time. Given the propensity of social movements to collapse quickly, insurgents have little incentive to make short term concessions for long term gains. If the insurgents were to make a short term payment, it is very likely they would not survive long enough into the future to gain enough benefits from peace to offset these costs. Insurgents therefore should place a higher value on short term gains than long term
cooperation. If the insurgents do not place a high value on maintaining long term peace, neither they nor the state has any incentive to open negotiation.

While militant groups clearly have strong disincentives to value cooperation, a similar story can be told for states facing insurgencies. Insurgencies are often the result of weak or poorly functioning states. Since states are unable to protect citizens or provide public goods, groups within society often move to fulfill this vacuum. Once the groups establish themselves as viable entities, the group is able to win loyalty in the population and undermine state authority. If a conflict arises, the state is already demonstrated that it is politically weak and has difficulty producing collective action in its populace. As a result, the insurgents might believe that if it were to make short term sacrifices in cooperation, the state would not survive long enough into the future. If the state is on the verge of imminent collapse, the insurgents would have no reason to make concessions. Given that insurgencies frequently start as a result of state weakness or corruption, insurgents like states have reason to believe that the shadow of the future.

If neither side believes that long term peace will offset the costs of immediate concessions, neither side has any reason to open negotiations. Yet, in several cases, both the state and the insurgents reach a condition of mutually hurting stalemate. Both sides recognize that although they will not lose a conflict, they will also not be able to win it outright. Due to stalemate, the British opened negotiations with the Irish Republican Army after years of conflict. Similarly, Spain opened negotiations with ETA after years of fighting. Several attempts have also been made by Sri Lanka and the Tamil Tiger movement to achieve a permanent peace. These cases indicate that it is possible for both sides to value long term cooperation. For this to occur, the shadow of the future must be long enough such that both sides believe they will continue to interact indefinitely. Both sides must maintain sufficient resource bases such that they face little risk of collapse. Additionally, neither side can fear
that their opponents’ defection will result in their demise. Both sides must have the capacities to withstand defection from their opponent. In the case of the British versus the IRA, the IRA recognized that a surprise attack would not likely force the British out of Northern Ireland. Similarly, the British recognized that a surprise defection would not likely eliminate the IRA. Since both sides faced no threat of collapse and continued to draw the resources to survive for extended periods, both sides had reason to value long term cooperation. If the state and the insurgents will continue to coexist for extended periods, both sides are better off coexisting under peace. Under such conditions, the conflict is ripe for resolution and it is an equilibrium strategy for both sides to begin negotiations.

Once the two sides establish that future cooperation is in their interest, the two sides are in a position to negotiate. The second step in a peace process is for both sides to form an agreement that will subsequently be fulfilled by both parties. However, the task of forming a commitment that is credible for both sides poses a particularly difficult task in cases of insurgency. The central obstacle for both sides in committing to peace is the lack of an enforcement mechanism that will uphold agreements. Although both sides reach a mutually hurting stalemate, both sides recognize that their opponent prefers total victory. The fear for both the state and the insurgents is that once they move to implement an agreement, their opponent will renege on the deal. Reneging might give the opponent an advantage on the battlefield that might break the stalemate. If neither side believes that their opponent’s promise to uphold the terms of a deal is credible, neither side has any incentive to form an agreement.

In interstate bargaining, the problem of credible commitment can be resolved using several mechanisms. Several states are members of international institutions. If a state breaks its commitment, the state might be punished by an institution’s sanctions. For other states, reneging on a promise brings domestic audience costs for leaders. Additionally, breaking
agreements might make other states less likely to form future agreements. Each of these costs serves to increase the price to states from reneging on commitments with other states. Since states recognize that they will be punished for breaking their promises, states can be deterred from doing so.

However, in the case of insurgencies, no such enforcement mechanism exists to uphold agreements. The best outcome of negotiations for the insurgents is to make no concessions while receiving concessions from the state. To achieve this outcome, the insurgents would have to form a commitment with the state and subsequently renege on the deal. Since insurgents suffer no costs from institutions, no audience costs, and no reputational costs, breaking agreements is costless. As a result, the insurgents have a dominant strategy to renege on any commitment they form with the state. Since the state is aware of the insurgents' incentive structure, the state has little reason to form an agreement that will subsequently be broken. As a result, both sides continue to fight when both sides prefer an outcome of mutual cooperation.

The problem of future interactions and the problem of credible commitment explain why the vast majority of conflicts between states and non-state actors end violently. Since neither the state nor the insurgents often believe that their opponent is credible, both sides continue to fight. This insight is captured by Richard Hacker's study of terrorism. In his study, Hacker argues that both states and insurgents exhibit no trust in each other and frequently expect their opponent to break agreements. In this bargaining environment, it is little surprise that negotiation often fails and the parties continue to engage in violence.

Transnational Insurgencies and the Problem of Credibility

The key puzzle addressed in this project is how the increasing trend of transnational insurgency affects the likelihood of success in peaceful conflict resolution. At the end of the project, the answer to this question is: under certain conditions, transnationalism has the
potential to increase the prospects for negotiated peace. However, if these conditions are not present, transnationalism contains the potential to dramatically increase the level of violence. If negotiation fails, transnational insurgencies can escalate dramatically into interstate wars and produce greater destruction than purely domestic conflicts. In this sense, transnational insurgencies create both opportunities for peace, but also great potential for further and wider violence.

The goal of insurgents in developing transnational operations is to increase their own capability while decreasing the ability of their target government to retaliate. By gaining access to foreign weapons, fighters, and economic resources, transnational insurgents increase the likelihood that the movement will sustain into the future. The safe haven of a host state further decreases the effectiveness of government reprisals and decreases the likelihood of a government total victory. These two effects, the reduction in the likelihood of government victory and increased capacity of the insurgents, both work to increase the likelihood that the government will come to the bargaining table by increasing the likelihood of a mutually hurting stalemate. Since the insurgents have access to a larger supply of resources, the target government will recognize that the group will continue to exist into the future regardless of whether or not the government continues to fight. If the government has no hopes of total victory, the government’s best possible outcome is that of a negotiated settlement. Since conflict is costly, the government would prefer to pay such costs immediately in concessions in exchange for the benefits of a long, sustained peace. Given the insurgents’ stronger resource base, the benefits of peace are likely to accrue for a long enough period to offset the costs of immediate concessions. If the insurgents are able to increase their resource base by basing abroad such that the shadow of the future grows long, basing abroad increases the likelihood of peaceful resolution.
The intervention of foreign host states might also assist in the resolution of the problem of credible commitment. If a foreign host state maintains adequate capacity, the ability of non-state actors to use the host as a base is dependent on the willingness of the host to allow such activity to occur. While the host may provide security from target government reprisals, the host will demand some autonomy over the non-state actor’s decisions. Host states provide political, economic, and military resources to the non-state actor in exchange for some control over the non-state actor’s decisions. If the host favors resolving an agreement, the host state is in a position to serve as a guarantor of the group’s behavior. If a host threatened to impose costs on the insurgents for violating peace agreements with the target, the insurgents would lose their dominant strategy to defect on all agreements. By threatening real costs, the insurgents would have an incentive to fulfill agreements they form with target governments. However, a host’s capacity to punish insurgents must be limited. Should the costs of defection to the insurgents increase to extreme levels, the insurgents would have no choice but to comply with agreements. However, since the insurgents would always comply, the state would have an incentive to defect. If this is true, the insurgents would refuse to form an agreement outright. For the host to serve as an effective guarantor of peace, the host must have the capacity to impose enough costs such that the state will agree to negotiate, but not so much that the insurgents will be deterred from forming an agreement. Unlike cases of purely domestic insurgency, the intervention of the host state may alter the incentive structures of both the state and the insurgents to overcome problems of credible commitment.

However, basing transnationalism may have several negative effects. If both the state and the insurgents are weak, basing abroad might increase the capability of the insurgents relative to that of the state. If this occurs, the insurgents will have little incentive to settle the dispute peacefully. The insurgents might take advantage of their new capabilities to continue
pursuing total victory. In addition, if both sides reach a mutually hurting stalemate, cooperation is only one of an infinite number of equilibrium strategies. While cooperation is a possibility if the shadow of the future is long, cooperation is not the only possibility. If the insurgents increase their capability and the state and the insurgents continue to fight, basing abroad will increase both the duration and the costs of war. While transnational insurgencies offer the potential for peaceful resolution, transnational insurgencies may also potentially result in longer, deadlier, and costlier conflicts.

Additionally, transnational conflicts hold the possibility for the diffusion of conflict. While domestic insurgencies are confined to the state in question, transnational insurgencies involve multiple states. If the insurgency becomes severe and the host is unable to enforce agreements, the state might choose to attack the insurgents within the host. This escalates a conflict between two parties to a conflict involving three. The situation becomes worse if the host is supported by other states. Should other powers intervene to protect the host, an insurgency can quickly erupt into a regional war. The results of such escalation are horribly stark. The insurgent conflict in Southeast Asia, including the Vietnam War, the Vietnamese civil war, the war in Cambodia, and the war in Laos resulted in over a million military and civilian deaths. Recent estimates of the Kinshasa Congo war place the death toll at 3,300,000 (International Rescue Committee 2003). While transnational insurgencies hold some possibility for resolution, the consequences of failure can be devastating.

**Implications for Policy**

The goal of this project has been twofold. First, the project sought to identify strategies for successful negotiation during a transnational insurgency. While much attention has been given to both civil wars and interstate wars, few studies have examined conflicts that lie at the intersection. In this work, I sought to begin an analysis of how such conflicts might be contained through peaceful negotiation. Normatively, the international community
has an interest in identifying strategies that resolve such conflicts through peace instead of war. This leads to the second goal of the project, which is to offer testable policy implications for the peaceful resolution of such conflicts. The project leads to three central insights regarding when negotiation may succeed, how to bring about successful negotiation, and what are the symptoms of potential escalation.

The first lesson from this work is that while negotiation is normatively desired, *states and insurgent groups in conflict do not always value negotiation. As a result, negotiation may frequently be unsuccessful simply because the parties do not value future cooperation with each other.* This is a particularly disheartening finding from the project. If states and insurgents do not value the future gains from cooperation, the two sides will fight to the death. Unfortunately, the project indicates that this may be the most likely outcome of several cases of insurgency. In the vast majority of cases, the state is strong while the group is weak. Given the high costs of cooperation to the state and the low likelihood that a group will sustain long into the future, states will often choose to fight insurgencies until they are defeated. Given that the state does not value future peaceful interactions with the insurgents, the insurgents will have no choice but to behave in the same manner. As a result, we should expect that in several cases of insurgency, the state and the insurgents will have no reason to attempt negotiation.

While this is certainly a tragic finding, the positive lesson from this work is that *transnational insurgencies offer new opportunities for peaceful negotiation. By fostering cooperation with a host state, the spread of transnational insurgent violence can be averted.* Typically, the international community has shunned states that support insurgent movements. We typically think of host states as perpetuating violence and interfering in the affairs of target governments. For good reason, the international community has looked at this activity unfavorably. However, it is misguided to refuse to bargain with hosts of transnational
insurgents simply on principle. Host states can serve as the key ingredient in terminating conflict and bringing about peaceful resolution. The greater the links between the host and the insurgents, the more leverage the host has in influencing the insurgents’ decision to stop fighting. For this reason, in attempting to resolve conflicts between states and non-state actors, the international community should offer sufficient benefits such that cooperation is in the interests of the host. If given the right incentives, the host provides a way for the insurgents to credibly commit to agreements and terminate conflicts. Walter (1997; 2002) argues that for conflicts involving non-state actors to terminate, a third party must provide a security guarantee. In a transnational insurgency, the host state is the perfect candidate to serve in this capacity. The international community should therefore negotiate with the host to induce the host to serve in this role.

Host states that have the capacity to monitor and punish their insurgents hold great potential for conflict resolution. However, the third lesson from this project is that weak states hold the potential for the escalation of transnational insurgencies to interstate war. In the words of Walt (2001), “weak states are a national security problem.” These states are the key symptom of the potential outbreak of interstate war due to transnational non-state actors. Since weak states lack the capacity to control their territory, non-state actors can use these states as a base without facing host constraints. The weak host lacks the capacity to either control its insurgents or serve as a guarantor of agreements. If insurgents face no punishment for defection, insurgents have no ability to form credible commitments. Without a peace agreement, the target government might attempt to attack insurgent bases within the foreign host. Weak hosts cannot negotiate with targets to avoid an attack due to their inability to credibly control their insurgent movements. The result could be a conflict spiral. At best, the conflict erupts into an interstate conflict between two states. At worst, the conflict diffuses and spreads region-wide.
To prevent the escalation of violence, it is necessary to focus on the task of state building. Weak states must be given the resources to strengthen their institutions such that they can police their sovereign territory. Unfortunately, this is an easy theoretical claim to make, but a very difficult one to put into practice. While willing to accept aid, weak states are often less willing to allow the international community to enter as peacekeepers. Even if permission were granted, it is difficult to imagine that the population would always respond favorably to foreign peacekeepers acting as police. Further, the political price of sending troops to foreign lands to serve as peacekeepers might often be more than political leaders are willing to pay. Given these obstacles, the problem of building weak states to avoid future conflagrations is a particularly difficult with elusive solutions.

In the end, procuring peace requires a large investment of resources by the international community. The task of peace is not easy. Each actor involved in the conflict must make considerable sacrifices in order to achieve peace. The state must forego some of its legitimacy as a sovereign. The insurgents must abandon their hope of total victory. The host must devote resources to monitoring and policing agreements. Each of these tasks is a substantial investment. For the international community, there is no easy alternative to preventing transnational conflicts from spreading across borders. The international community has witnessed the horrors of inaction such as the former Yugoslavia, Congo, Rwanda, Afghanistan, and Chechnya. Preventing the reoccurrence of such conflicts will undoubtedly require the international community to devote lives and economic resources to both the implementation of peace accords and the development of weaker countries. While the price is a high one to pay, it is certainly less than the destruction associated with inaction.
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## Appendix I: RAND Insurgency List

<table>
<thead>
<tr>
<th>Country</th>
<th>Insurgents</th>
<th>YearStart</th>
<th>YearEnd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>Taliban</td>
<td>1979</td>
<td>1989</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>Northern Alliance</td>
<td>1989</td>
<td>2001</td>
</tr>
<tr>
<td>Algeria</td>
<td>Islamic Salvation Army</td>
<td>1992</td>
<td>2001</td>
</tr>
<tr>
<td>Algeria</td>
<td>Armed Islamic Group</td>
<td>1992</td>
<td>2001</td>
</tr>
<tr>
<td>Angola</td>
<td>UNITA</td>
<td>1975</td>
<td>2001</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>Armenian Separatists</td>
<td>1992</td>
<td>1994</td>
</tr>
<tr>
<td>Bosnia</td>
<td>Bosnian Croats</td>
<td>1993</td>
<td>1994</td>
</tr>
<tr>
<td>Bosnia</td>
<td>Bosnian Serbs</td>
<td>1992</td>
<td>1995</td>
</tr>
<tr>
<td>Burma</td>
<td>Karen National Union</td>
<td>1992</td>
<td>2001</td>
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<td>Burundi</td>
<td>CNDD</td>
<td>1990</td>
<td>2001</td>
</tr>
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<td>Cambodia</td>
<td>Khmer Rouge</td>
<td>1990</td>
<td>1998</td>
</tr>
<tr>
<td>Colombia</td>
<td>ELN</td>
<td>1990</td>
<td>2001</td>
</tr>
<tr>
<td>Colombia</td>
<td>FARC</td>
<td>1965</td>
<td>2001</td>
</tr>
<tr>
<td>Croatia</td>
<td>Serb Revolt</td>
<td>1992</td>
<td>1995</td>
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<tr>
<td>Democratic Republic of Congo</td>
<td>Pro-Kabila Forces</td>
<td>1996</td>
<td>1997</td>
</tr>
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<td>Democratic Republic of Congo</td>
<td>MLC</td>
<td>1998</td>
<td>2001</td>
</tr>
<tr>
<td>Egypt</td>
<td>Gamaat Islamiya</td>
<td>1992</td>
<td>1998</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Oromo Liberation Front</td>
<td>1999</td>
<td>2001</td>
</tr>
<tr>
<td>Georgia</td>
<td>Abkhaz separatists</td>
<td>1992</td>
<td>1993</td>
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<td>Georgia</td>
<td>South Ossetian separatists</td>
<td>1992</td>
<td>1992</td>
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<td>Guatemala</td>
<td>Leftists</td>
<td>1988</td>
<td>1995</td>
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<td>Guinea Bissau</td>
<td>Anti-government forces</td>
<td>1998</td>
<td>1999</td>
</tr>
<tr>
<td>India</td>
<td>United Liberation Front of Assam</td>
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</tr>
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