The Transatlantic Dialogue on Terrorism was established out of the conviction that the events of September 11, 2001 and the ensuing war on terrorism have created unprecedented challenges for the transatlantic community. The emergence of a capable and undeterrable foe with the resolve to inflict massive casualties would alone test the capacities of the civilized world. But the problem posed by jihadist terror has been compounded by a number of additional issues. Among these are differing assessments in many capitals of the nature of the threat and the respective roles played by rogue states and non-state groups, such as al Qaeda. Disagreements over the root causes of the new terrorism and the appropriate means for remedying these grievances have further strained relations at exactly the moment when agreement and joint action is most needed.

Accordingly, in 2004 the Center for Strategic and International Studies launched the Transatlantic Dialogue on Terrorism to promote an open and timely discourse of the issues listed above between transatlantic and counterterrorism experts from the United States and Europe. The following document summarizes the initial findings and recommendations of the core group of participants.

Many at CSIS contributed to make this effort possible. The project was co-directed by Daniel Benjamin, Senior Fellow in the International Security Program; Robin Niblett, Director of the Europe Program; and Julianne Smith, Deputy Director of the International Security Program. Margaret Cosentino and Kathleen McInnis handled the complicated logistics and planning involved in bringing the participants together and provided invaluable research support.

Above all, we are grateful to the European Union, the CSIS Initiative for a Renewed Transatlantic Partnership, and the Heinrich Boell Foundation for their generous support of this project.
INTRODUCTION

Beginning in 1998 with the bombing of two U.S. embassies in East Africa, we have witnessed the most serious wave of terrorist violence in modern history. Although there have been periods in which the number of casualties from terrorist violence have rivaled or exceeded the toll of the last six years, the sheer lethality of these recent individual attacks has been pathbreaking, and, as is widely agreed, the threat to peace and stability has never been greater.

Past periods of intense terrorist violence have typically resulted from significant but essentially unrelated spates of violence committed by disparate groups in different parts of the world. Today, that has changed, with the large preponderance of attacks caused by the single, albeit hydra-headed jihadist movement. Moreover, terrorism before the 1990s did not threaten to cause a catastrophic level of damage and loss of life, as was the case during the attacks of September 11, 2001 – and no groups harbored serious aspirations to employ weapons of mass destruction, as al Qaeda does today. In short, while terrorism was once a tertiary security concern, few would dispute that it now constitutes the main security threat to the United States and Europe.

Yet during the period in which the new threat of international terrorism has emerged, the United States and Europe have experienced an increasing divergence in their approaches to sustaining international security and stability. At times, our perspectives appear to be those of people inhabiting different planets – Mars and Venus, to use the famous example of one American commentator. Even before the attacks of September 11, 2001, both sides of the ocean were adjusting to radically changed historical circumstances, including the end of the Cold War and the unification of Europe. Where these major events inevitably weakened the glue of alliance, specific irritants have also increased the tension – irritants such as the disagreements over the Kyoto Protocol on Global Warming, the International Criminal Court, missile defense, the Comprehensive Test Ban Treaty and the Biological Weapons Convention.

In the aftermath of the September 11 attacks, there was a brief moment of extraordinary solidarity and a sense that the transatlantic community might re-group around the new threat of international terrorism. This moment quickly passed, and ties worsened, most specifically over the U.S.-led invasion of Iraq, which arguably brought the transatlantic relationship to its lowest point in more than a half-century.

Against this backdrop, and with the conviction that the new terrorist threat is indeed one that we face in common, the Center for Strategic and International Studies initiated a project at the start of 2004 to assess the understanding of terrorism among experts, policymakers, and the public in the United States and Europe. This “Transatlantic Dialogue on Terrorism” consisted of three high-level meetings in 2004 that brought together some of the foremost experts from the realm of academia, government, and the think tank world to discuss their perspectives on the key issues related to the phenomenon of international terrorism.
The first meeting of the Dialogue was held in Brussels in January, the second in Madrid in June, and the third in Washington in July. Participants included strategic thinkers on the Atlantic community, scholars of Islam, leading current and former intelligence officials, journalists, and high-ranking policymakers. Over the course of the three meetings, participants assessed the nature of the new terrorist threat and considered key drivers that have contributed to its spread. More specific issues included the ideological nature of contemporary jihadists, the possibility of a terrorist attack involving a weapon of mass destruction, the relationship of such conditions as poverty and education to the new terrorism, and the public understanding of the threat on both sides of the Atlantic. Discussion of these over-arching issues drew on the participants’ knowledge of developments in such disparate places as Southeast Asia and Western Europe, the Maghreb and Pakistan, North America and the Middle East.

This white paper captures the principal areas of agreement and disagreement that arose among U.S. and European participants in our Transatlantic Dialogue on Terrorism. Its purpose, as we outline in the Conclusion, is to help determine where U.S. and European policy makers should place their greatest efforts over the coming years if they are to work successfully together to mitigate the threats posed by international terrorism and, at the same time, reduce its growth.

It has become a truism that terrorism is a global problem that requires a global solution. Our Transatlantic Dialogue on Terrorism suggests that the fundamentals of a common understanding of the severity and significance of the threat are in place. However, much more needs to be done both to develop a shared understanding of what is driving the continued rise of radical Islamism and to come to agreement upon the coordination and implementation of specific U.S. and European policies that will counter it. Not surprisingly, much more joint thinking and dialogue will be necessary before we can truly begin to meet the long-term challenges of the new terrorism.
The Nature of the Threat:  
The Radical Islamist Challenge of Bin Laden 
and His Followers

The international security landscape has been transformed by the advent of catastrophic terrorism – one of the most radical and rapid transformations in history. After September 11, 2001, al Qaeda’s brand of terrorism was seen instantly on both sides of the Atlantic as an unequivocal, transcendent threat. The precise nature of the threat, however, has received surprisingly little attention. Such questions as whether this violence was the work of a small, confined group or emanates from a significant and expanding base have been little examined. As a result, we chose to focus the first session of the Transatlantic Dialogue on Terrorism on developing a better understanding of radical Islam’s ideology and identity, its organizational advantages, and its spread. It was clear from these discussions that there is considerable expertise and elements of a shared understanding on both sides of the Atlantic of the evolving nature of the threat of international terrorism, which we have sought to capture below.

Ideology and Identity
Radical Islamist violence is a phenomenon driven in part by global religious revival. The ideology that animates these terrorists has numerous historical roots – in, for example, the reaction to colonialism in the early 20th century; the writings of such figures as Maududi and Qutb, based on Wahhabit principles; and the organization of the Muslim Brotherhood in the first third of the last century. More recently, the jihadist movement in the 1970s and 1980s in Egypt and the experience of Muslim resistance to the Soviet Union in Afghanistan have been formative ones. Adding momentum has been the emergence of a sort of “born again” movement among Muslims, some of whom become jihadists. The jihadists reject many conventional Islamic understandings and focus heavily on sacrifice and expiation, both reflected strongly in the last will and testament of the September 11 terrorist Mohammed Atta.

A key challenge in addressing the ideology of radical Islamism is navigating the overlapping and complex motivations of its adherents. Many of them describe themselves as engaged in a form of class warfare in which they are disputing the current allocation of global resources. Many also consider themselves to be locked in a conflict of values where one side is asserting the superiority of its value system over all others, whether they are Christian, Jewish, Hindu, moderate Muslim or secular. Radical Islamists tend to deride other belief systems as either materialist or pagan, translating a range of grievances into a compelling religious idiom. These various dichotomies are merged into a single supranational identity of opposition, which can take profoundly violent forms.

While much public discussion of the jihadist threat suggests the origins of the movement are tied directly to Osama bin Laden, the Saudi terrorist’s achievement lies more in the realm of strategy. Where radical Islamists had focused their violence on the “apostate”
regimes of the Muslim world and -- in Afghanistan -- on the Soviet Union and its Afghan
supporters, bin Laden achieved a strategic revolution by refocusing the struggle on the
United States and the West. In doing so, he has been able to capitalize on the growing
resentment of the Muslim diaspora, especially in Europe. His organization and other
like-minded ones have also shown a genius for capitalizing on and furthering a shared
sensibility of grievance among disparate Muslim populations around the globe.

Today, the ideological nature of the threat is one of its most dangerous aspects. Because
“bin Ladenism” provides a broad-reaching set of explanations to the grievances of many
disparate groups within the Islamic world, the potential for the rapid spread of the
ideology far beyond its current group of adherents must be a paramount concern for
policymakers in both the United States and Europe.

**Organizational Advantages**

The movement continues to gain strength over a broad geographical span. In addition to
various cells all over the Middle East, there is considerable evidence of an ongoing
process of radicalization of Muslim minorities in Southeast Asia, Europe, South America,
and even in North America and Australia.

Members of the various groups in this movement are united by their sense of occupying a
singular space with little or no connection to the countries in which they live.
Radicalization is not limited, therefore, to regions of the world that are economically
deprived. The movement spreads quite easily among the privileged, particularly in
Europe, where more and more affluent Muslim parents are “losing” their children to
jihadist groups in London, Paris, and other European cities.

However, it is the movement’s loose and evolving organizational qualities that make its
spread so prevalent and worrisome. For example, there is strong evidence that the
movement is mutating inside Europe. European cells of al Qaeda appear to be motivated
by the same goals, but they differ greatly in leadership, dependence on centralized
networks, recruitment, ideology, and financing. (European jihadist groups tend to rely on
financing of operations through small-scale criminal activities – smuggling, credit card
fraud – and less on the Islamist NGOs that have had such a profound impact in the
Middle East and Asia.) The movement is now gaining in operational flexibility thanks to
indigenous activists and relies less and less on veterans of the Afghan jihad.

Another example of the movement’s dangerous ability to capitalize on circumstances is
its effort to recruit Muslim converts. Moreover, while al Qaeda once refused to
cooperate with people like Saddam Hussein for religious reasons, there is suggestive
evidence now that jihadists are willing to partner in “joint ventures” with other groups
and individuals even if they are non-Muslim. The anti-globalization movement is one
growing subject of concern in this regard.

**The Varieties of Ideological Diffusion**

The tools and methods that jihadists now use to sustain the growth of their ideology make
it extremely difficult for national governments to undermine the movement’s appeal.
First, jihadists have become adept at using their deeds as propaganda. Each attack advertises the movement’s zeal, mission, and capabilities. And the fact that each act tries to exceed the last sends a very powerful recruiting message, one that resonates particularly well among youth. The attacks of September 11 continue to have a resonance as the most dramatic demonstration ever of the jihadist determination to do what “moderate” Muslim governments are accused of not doing: defending Muslim interests.

Second, al Qaeda does not discriminate between the well-off and underprivileged, constantly finding ways to penetrate all social classes. It targets youth that are unemployed or dissatisfied during typical periods of rebellion or identity crisis (particularly for those Muslims living in predominantly non-Muslim countries) as well as those who work and live in more affluent neighborhoods. In fact, wealth appears to have little or no impact on the spread of radical Islamism and, in some wealthy regions in the Gulf, extremism is becoming more and more common. Participants in the Transatlantic Dialogue cited examples of Arabian Gulf parents giving their children huge gifts only to see those children turn around and sell them in order to donate money to radical charities.

Third, jihadists are becoming more innovative in their use of recruiting tools. They rely on a wide range of techniques and strategies ranging from “coffee shop and pool table circuits” in affluent neighborhoods to movies that can be circulated on DVD to the Internet and online chat rooms. Thanks to advances in globalized communications, there is now a direct connection between fresh converts – in North America for example – and radical Islamist leaders sitting halfway around the world. The need to travel to strengthen a new sense of identity has to some extent been eliminated.

**How U.S. Policy Plays into the Calculus**

In addition to all of the innovative tools and methods that the jihadists themselves employ to recruit new members, two exacerbating conditions – the lack of a Middle East Peace Process and the war in Iraq – have strengthened the appeal of the ideology.

From the start, jihadists portrayed the war in Iraq as a war against Islam. The fact that the United States has failed thus far to find weapons of mass destruction in Iraq or provide any conclusive evidence that Saddam Hussein had links to al Qaeda has only fueled such accusations and, consequently, spurred a steady stream of new jihadist recruits. Moreover, the failure to establish security in Iraq or provide basic services, such as electricity and water, has provided more grist for radicals. They have been able to contrast those conditions with the rapid success of the U.S. military in battle to argue that instead of improving the living conditions of Muslims, America and its allies are only interested in occupying Muslim lands and subjugating their inhabitants.

Similarly, jihadists have exploited America’s effective withdrawal from active diplomacy in the Israeli-Palestinian conflict. Experts from both sides of the Atlantic concur that the plight of the Palestinians was of little consequence to the jihadists originally, but, recognizing the importance of the issue to the global Muslim community, they have attached themselves to it with great success. Inadvertently, the United States has left the
recruitment field wide open to the radicals by taking few actions on the Israeli-Palestinian question since the September 11 attacks that could be perceived as demonstrating a sustained concern for the fate of Muslims.

*Weapons of Mass Destruction*

Even as the terrorist movement associated with al Qaeda seeks to expand its human and resource base, U.S. and European policymakers must also remain focused on thwarting the movement’s quest to expand its destructive capabilities. The jihadist movement seeks to inflict damage on the West in numerous ways with which we are all familiar. One particular aspect of their violent ambitions, however, deserves special attention: the desire to acquire and use a weapon of mass destruction. The issue is of particular concern because of allegations that this danger is either exaggerated in the United States or underappreciated in Europe.

Although Europeans and Americans may differ somewhat in their assessments of the likelihood that al Qaeda or another jihadist group will succeed in acquiring or fabricating a major weapon of mass destruction – most likely an improvised nuclear device or a highly dangerous, weaponized pathogen – there is little disagreement among experts about whether the intention to do so exists. The jihadist movement has a strong desire to inflict mass casualties coupled with the determination of terrorists to outdo themselves with each subsequent attack. With such a strong interest in catastrophic violence, radical Islamists continually look for novel ways to achieve massive destruction. The terrorists also appear to possess the determination and patience to undertake long-term planning to acquire and use such weapons.

Both Europeans and Americans admittedly view such a catastrophic attack as a relatively low probability event, though how low is a matter of some debate. Still, bearing in mind al Qaeda’s expressed intent to acquire nuclear capabilities, policymakers on both sides of the Atlantic must place a priority on preventing a nuclear attack and allocate resources accordingly.

Especially worrying is recent evidence that suggests that al Qaeda and other groups are increasingly interested in acquiring biological weapons. (The impetus came, ironically, from the terrorists’ reading of Western media accounts of the potential destructiveness of the weapons and our societies’ vulnerabilities to them. This is just one of a number of indications of the feedback loop connecting Western anxieties and jihadist strategy – a seeming inevitability in a globalized world.) The growth of the global biotechnology industry, as well as the diffusion of biological research, translates into an increasing potential for terrorist groups to acquire these weapons.

Al Qaeda has been attempting to acquire and use weapons of mass destruction in their jihadist cause almost since the group’s inception. Viewing the United States as the power behind Middle Eastern regimes, al Qaeda believes that causing massive bloodshed is the only way to force a change in U.S. policy. The next logical step, which appears to have been made, is to do so by striving to use an unconventional weapon to attack either the
United States or its allies. A WMD attack would cause maximum disruption, maximum casualties, and corresponds well to al Qaeda’s apocalyptic mentality.

Al Qaeda members have repeatedly met with different officials and scientists in order to understand how to acquire and use nuclear weapons in their jihad. Recovered documents suggest they are actively pursuing a nuclear capability. Although these documents mostly reflect a crude understanding of nuclear weapons design, some are relatively sophisticated. Any previous ambiguity regarding the use of WMD according to Islam has also now been clarified. The “Treatise on the Legal Status of Using Weapons of Mass Destruction against Infidels” establishes the intellectual and moral framework for these attacks against non-Muslims.

Three years after September 11, and with jihadists having expressed a desire to carry out a much larger-scale operation, one major question arises: why haven’t there been any other major attacks? Is al Qaeda in the middle of a planning cycle? Or is the acquisition and use of a weapon of mass destruction too difficult? While it is certainly to be hoped that the international community has made it impossibly difficult to acquire WMD, these are open questions that need to be investigated more thoroughly.

Thus far, there is no evidence that al Qaeda has acquired either a nuclear or significant biological weapons capability. Given the large number of scientifically capable members, however, the possibility that the group or some other jihadist group will acquire WMD will grow over time. Al Qaeda itself has taken numerous blows from post-September 11 counterterrorism efforts, and its capabilities have probably been diminished. But these positive results have been undermined by the galvanizing effects of September 11 and subsequent attacks in Europe, the Middle East, and South East Asia on Islamist groups around the world.

Overall, there has been a process of both splintering and energizing. Given how many of the newly galvanized groups are appearing in the developing world – with little exposure to al Qaeda training under bin Laden in Afghanistan – it is a reasonable assumption that most of these terrorists have lower technical skills than al Qaeda trainees. In light of the mobilization of European radicals, however, it is entirely possible that a new cell or organization could emerge with superior skills. In short, the WMD threat is not going away, and as barriers to entry for, say, biological weapons fall, the conclusion of participants in the Transatlantic Dialogue on Terrorism is that the overall danger is growing.
**UNDERLYING DRIVERS AND POTENTIAL REMEDIES**

While the first session of the Transatlantic Dialogue on Terrorism found general agreement among European and American policy experts on the severity and resilience of the threat from Islamic extremism, there is a general perception that transatlantic differences are most noticeable over the best way to neutralize it and reverse its spread. We chose, therefore, to focus the second and third sessions of our dialogue on transatlantic perspectives of four key factors that contribute to the radicalization of an ideology, and in particular, the militarization of Islam. Those four factors – poverty, the role of Muslim NGOs, demographics, and the radicalization of education – can dramatically influence Muslim values and communities and trigger major ideological shifts. Because certain policy choices can also have a significant impact on the growth and spread of extremism, we dedicated part of sessions two and three to the Middle East Peace Process. Our assumption was that the success of future transatlantic strategies for combating terrorism rests on whether or not the two sides of the Atlantic can reach a common understanding of how all of these key drivers come together to fuel radical Islamism. Only then can a constructive transatlantic dialogue begin.

**Poverty and Development Assistance**
The international community has long debated the degree to which poverty can be linked to the growth and spread of terrorist groups. While our dialogue did not seek to resolve this debate, we did consider ways in which poverty could contribute to the spread of jihadist terrorist groups within failing and failed states. Participants recognized that the lack of economic opportunity can often serve as a driving force toward extremism in places where there are weak political and legal institutions and governance, lack of economic and financial transparency, and isolated populations, whether that isolation is physical, social, or political. In these areas, poverty is viewed as a “push” value - a catalyst that can steer people towards terrorist groups and activities they might not otherwise choose under better societal circumstances.

Despite a common recognition of the importance of addressing poverty as part of a wider strategy to reduce the appeal of radical Islamist violence, there are divergences in European and American attitudes on the use of development assistance as an instrument in the war on terrorism. U.S. policy makers currently believe that development assistance can play a supporting role to more tactical counter-terrorism operations, while Europeans tend to consider success in countering radical Islamic groups as only a secondary benefit of assistance. Their primary goal is to alleviate the suffering from poverty around the world with the hope that lessening the lure of radicalism will be a by-product of their efforts.

Recent changes in U.S. aid programs as compared to current development assistance policy in the United Kingdom exemplify these differences. Prior to September 11, U.S. development policy focused on sustainable development and traditional programs of poverty reduction, but they were by no means an integral part of broader U.S. security strategy. The U.S. government has since significantly stepped up monetary support of
assistance programs, granting a robust budget increase to the U.S. Agency for International Development (USAID). In 2001, USAID received $7.8 billion in funding; in 2003 the agency’s budget soared to $12.6 billion, a 38% increase.\(^1\) This increase highlights the hope that U.S. development assistance might play a key role in combating terrorism through programs to prevent failed states and reverse the course of economically motivated radicalization.

U.S. officials see a secondary benefit to the revamped programs as well; they believe that a new emphasis on development assistance can minimize the appearance of American hubris and help promote a positive, multilateral agenda for the Muslim world. The hope in this case is that an increase in U.S. foreign aid will foster good governance, encourage countries to become coalition partners, and create future leaders on whom the U.S. can rely as allies and work cooperatively with on security issues. The emphasis of these programs, therefore, is on countries with whom the United States is already engaged in the war on terrorism, including Afghanistan, Iraq, and Pakistan.

European aid organizations take a slightly different approach to the question of development assistance as a tool in the war on terrorism. They believe they can make a difference in the effort to combat terrorism but they remain committed to poverty reduction as their primary goal. For example, the Department for International Development (DFID), the UK’s equivalent of USAID, made very few changes to its aid programs after September 11 and continues to focus on poverty reduction in all corners of the world without any special concentration on those regions that tend to be hotbeds of terrorist activity. While they believe their foreign aid programs can have a positive impact on the extended war on Islamic extremism, they will not allow resources for this effort to be diverted as part of a short-term counter-terrorism strategy. As such, DFID takes a long-term view that supporting institution-building and economic growth outside the current security hotspots will save new regions from becoming states that could breed terrorism five to ten years down the road. This difference in approach demonstrates that DFID holds a markedly different definitional view of terrorism – it acknowledges Islamic extremism as a grave threat, but also views far leftist groups in Latin America, ethno-separatists movements, and violence perpetrated by states as similarly dangerous.

**Muslim NGOs**

Despite the differences in attitudes regarding how and when to use development assistance in the war on terrorism, European and American experts at our dialogue expressed a strong interest in using at least portions of their foreign aid to address the phenomenon of radical Muslim non-government organizations (NGOs). These organizations are one of the key tools used by jihadist groups to spread their ideology. By providing social services that the state often cannot, they draw in loyal and fresh recruits who are often desperate for any form of assistance.

While Americans and Europeans agree that reducing the power and influence of these Muslim NGOs is critical, neither side of the Atlantic has found an effective way to do so.

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Routing assistance to a population without coming into direct competition with local NGOs is extremely challenging. Western NGOs bring problems such as proselytization and the risk of having Westerners in country. They are also often far behind the radical organizations in terms of building a clientele and a place in the country.

Trying to work directly with the radical NGOs is equally challenging. USAID has tried to increase its cooperation with moderate Muslim NGOs, but has had little success influencing their politics. DFID tried another route. It spent considerable time in the 1990s working to strengthen state capacities to compete with the radical NGOs, but failed to alter the influence of those organizations in any substantive way.

One solution might be to support the work of international NGOs as opposed to U.S. or European run groups. These international NGOs could then partner with a strong contingent of local Muslim organizations, which might enable them to provide services instead of more radical groups.

Demography
It is said that revolution is carried on the backs of young men. The explosive growth of the youth cohort coming of age in the Islamic world is an extraordinary trend that could have significant security ramifications in the greater war on terrorism. This youth bulge signals a demographic shift that will be a revolutionary development in the rise and spread of Islamic fundamentalism, especially in Muslim countries that combine persistent lack of opportunity with a lack of legitimacy for their political institutions.

Ample evidence suggests that periods of rebellion and civil strife occur in tandem with periods of unusually large youth bulges most notably when they coincide with high unemployment rates and a scarcity of resources. For example, in the 1990s, countries in which young adults composed 40% or more of an entire population were more than twice as likely to experience an outbreak of civil conflict than those below this level. As a result, a major challenge for the transatlantic partners in the coming years will be to address the demographic challenge throughout the Middle East.

The Transatlantic Dialogue on Terrorism spent part of its third session looking at the results of a recently released study, “The Security Demographic,” conducted by Population Action International. The study examines the influence of certain stress factors and the likelihood of conflict associated with the combination of two or more of these trends – youth bulge, urban population growth, and resource scarcity. The four countries most associated with the spread of Islamic fundamentalism and recruitment by organizations linked to al Qaeda – Iraq, Afghanistan, Pakistan and Saudi Arabia – all have two or more of the above stress factors that lead to demographic risk of conflict. Pakistan, for example, has an unemployment rate of nearly 40% among its youth

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3 Ibid.
population aged 15 – 20. This could lead to a surge of violent extremism, exacerbated by the lack of professional and recreational opportunities as well as a growing gender gap.

Despite the seriousness of the issue, European and American experts agree that demographic issues are rarely given much weight by political leaders. Instead, there is a tendency to deny or delay reaction to these issues because readily available solutions do not exist. However, combating the trends that can contribute to the growth of Islamic extremism requires elected officials to create a bold, long-term vision, and commit substantial financial and human resources to deal with the challenges associated with demographics.

Governments in North America and Europe should commit to programs that invest in training and job creation, promote entrepreneurship, support family planning services and female education, and increase access to economic opportunity for both male and female populations so that the youth bulge can become an asset in countries where there is a glut of employment. Iran can be singled out as a hopeful, if cautious and incomplete example of the possibility of countries to engage in a democratic transition even with the youth population gaining in momentum and size.

**Radicalization of Education**

There was broad agreement among the participants in the Dialogue that education can be a critical factor in either the growth or decline of radicalism. The madrassas in Pakistan and Southeast Asia tend to be, by and large, benign institutions, but a significant number of these schools are a breeding ground for Islamic fundamentalism.

Madrassas in Pakistan underwent a transformation of purpose during the 1980s. The tithe was made available for local religious leaders’ discretionary spending, and much of that funding went to the local religious schools. Although only a relatively minor percentage of madrassas can be accused of prepping students for jihadism and terrorist acts, some are clearly used as recruiting stations by Islamist groups. Certain schools even offer weapons training and their graduates have gone on to fight in Kashmir and Chechnya. In Pakistan, the madrassas, mosques, and jihadi sectarian groups form a dangerous triangle of terrorist breeding grounds and reinforce each other’s messages of anti-Westernism and anti-secularism.

Madrassas are seen as a “draw” factor for terrorist groups. Like radical Muslim NGOs, these schools are part of a private social sector that frequently provides services the state cannot, such as room and board or additional monetary assistance for families of students. Indeed, the loyalty of the public shifts towards those who can deliver the greatest economic opportunities. While madrassas are not necessarily the most important factor contributing to Islamic extremism, when viewed in tandem with the coming youth cohort and the lack of quality secular education, they can lead to greater recruitment by

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terrorist groups in these countries and a strengthened Islamist ideology in the youth bulge.

Similarly, in Southeast Asia, there is a small but troublesome proportion of madrassas that have links to Islamist groups – about 100 to 120 are of particular concern. Jemaah Islamiyah (JI) has used its authority and resources to set up schools in Indonesia, Malaysia, Thailand, and the Philippines. While JI has been known to do the majority of its recruitment at secular universities, there are cases when it sends its talent scouts to mosques and madrassas.

Reforming education in these countries is a long-term project, one that both sides of the Atlantic have found particularly challenging. Most countries like Pakistan simply do not have the resources necessary to crack down on the small number of madrassas that train and harbor young terrorists. Furthermore, if the West were to try to exert a heavy hand in the educational processes of these countries, it would only catalyze a serious ideological backlash. For that reason, financial resources and innovative strategies for tackling the educational challenge are both in short supply. For example, in 2002 the United States pledged $100 million over the five years to the Pakistanis for educational reform programs, which is a minimal amount when compared to the total $3.5 billion annual U.S. aid package to Pakistan. President Bush also offered a six-year, $157 million plan to Indonesia last year for education assistance, clearly a positive step forward, but still insufficient compared to the sums the United States spends on other programs aimed at reducing the spread of jihadist terrorist groups.

**The Middle East Peace Process**

There is a polarized debate on whether a linkage exists between the success of the Middle East peace process and the war on terrorism. Both the Arab world and many countries in Europe believe that the rise of Islamic extremism is inherently tied to the success of the Middle East peace process, and some even see it as the most important factor to be addressed. One European commentator made the analogy that the Middle East is a cancer and Iraq and Afghanistan are emblematic of the tumor metastasizing.

The United States also considers the Arab-Israeli conflict to be a contributing factor to the overall success of the war on terrorism. However, in the eyes of many U.S. policymakers (from both political parties), its resolution is not imperative within the larger context of its war against international terror. Supporters of this position cite the fact that periods of great success in the peace process over the last decade have often coincided with increases in terrorist activity. That particular linkage is easy to understand – it is a clear objective of terrorist groups to try to derail the peace process and inflame hardliners in Israel who can block its progress and simultaneously mobilize the radicals.

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Whether the Palestinian issue is a substantive factor in the ideology of Islamist terrorism or whether it merely plays a symbolic role has been another subject of transatlantic debate. It is hard to know, for example, exactly how deep the linkages between the Palestinians and al Qaeda run. Some believe that the Palestinians realize that an association with al Qaeda is not productive for their overall cause and that, while Osama bin Laden has been known to reference the Palestinian cause, it is largely rhetorical. What seems more certain is the fact that the Palestinian cause is an attractive symbol for a disenfranchised youth elsewhere in the world and therefore a powerful recruiting tool.

Regardless of the linkages debate, most of the participants of the transatlantic dialogue on terrorism agreed that the stakes are too high in the Middle East to fail to move the peace process forward. Unfortunately, though, there was also consensus that advances in the peace process are now waning from a lack of investment in its success from all sides. With Iraq eclipsing virtually all other security concerns, the United States has failed to dedicate the necessary resources and attention to the Middle East peace process, which in turn has given the Arab world an excuse for inaction. And Europe, recovering from one of the most dramatic rifts in transatlantic history and lacking viable alternatives, has also failed to bring real traction to the issue.

**Soft vs. Hard Power Instruments**

Participants in our dialogue agreed that confronting the challenge of international terrorism could only benefit from increased transatlantic dialogue and cooperation on all of the factors listed above. They recognized, however, that several problems stand in the way. The first, mentioned above, is that both the United States and Europe already have extensive programs in place – whether they be in the field of development assistance, trade liberalization, or social planning – and bringing these into some form of deliberate synchronization will take a great amount of time and effort.

Second, they were concerned that the weakened state of the overall transatlantic relationship at both the elite and public levels might make such cooperation all the harder to achieve. Recent polls such as the Pew Global Attitudes Project and Transatlantic Trends conducted by the German Marshall Fund show that Americans – at both the elite and public level – remain much more comfortable relying on a full spectrum of counter-terrorism instruments, including the use of force, when dealing with the new threat of international terrorism. Europeans, while generally quite comfortable with the use of force in theory, stress that is should only be used when absolutely necessary (with limited indications where such red lines exist), with a preference for forms of engagement or soft power in the interim. On this count, the U.S. decision in 2002-2003 to overthrow Saddam Hussein as part and parcel of its approach to lessening the long-term threat of international terrorism has contributed to a dramatic collapse in European support not only for U.S. leadership on the world stage, but also, specifically, for U.S. leadership in the war on terrorism. The Pew figures confirm this point dramatically.

This brings us to the third point of concern. Americans worry that cooperation in the war on terrorism can only be sustained for a short duration when such divisiveness persists in the broader transatlantic relationship. In contrast, European policymakers, even those
whose relations with the United States are most strained, like the French, often give the impression that the political and operation spheres can be kept separate, and that political disagreement over Iraq, for example, should not be allowed to undermine transatlantic cooperation in the specifics of combating international terrorism.

On balance, participants in the dialogue believed that continued high-level political tension might not unduly weaken efforts to strengthen operational aspects of transatlantic counter-terrorism, including intelligence sharing. However, this tension might limit the commitment of U.S. and European policymakers toward developing innovative new transatlantic approaches to help tackle the underlying contributing factors to the rise of Islamic radicalism, discussed above.
CONCLUSION

During the course of this Transatlantic Dialogue on Terrorism, we found, on balance, that there were broad areas of agreement among U.S. and European experts on terrorism, counter-terrorism, radical Islam, and security. Thus, for example:

- European and American experts differ little in their assessment of the gravity of the threat – and, against expectations, some Europeans take a more downbeat view of the evolution of the threat than do some Americans.

- There was wide agreement that the search by jihadist terrorist groups for weapons of mass destruction is an especially worrying trend that deserves the full attention of policymakers on both sides of the Atlantic.

- While it is often said that Americans see the struggle against terror as a ‘war’ that will end in victory or defeat, and Europeans are more apt to speak of managing a long-term threat, in fact, the differences among discussants on this fundamental question were minimal and more often rhetorical.

- The ideological nature of the new terrorism and the search by its adherents for technologies and capabilities of great destructiveness suggest that this threat will be an enduring phenomenon that cannot be decisively defeated by a series of arrests or military actions. It was widely agreed that, although the effort to stop terrorists must remain unrelenting, there are no quick fixes, nor are there likely to be any singular, decisive moments.

- Differences of opinion in the broader public on these issues reflect differing political contexts and cultural characteristics that have little to do with the terrorist phenomenon. They are, however, indicative of the extent to which political leaders in the United States and Europe have failed to bridge the gap and build a sense of common purpose.

- The commonality of understanding of the threat and potential for joint action between the United States and its European partners is reflected by the fact that intelligence and law enforcement cooperation between the United States and European countries is, by general consent and in general, excellent.

- At the same time, both European and U.S. experts are candid in acknowledging that we still have a very limited understanding of the origins of the jihadist movement and of the ideological dynamics that sustain it.

Importantly, therefore, the most substantive transatlantic differences revolve not around the straw man of a U.S. preference for military solutions against terrorism and a European preference for tackling the “soft” root causes, but rather around how
specifically to address some of the underlying causes of the rise of the new terrorism. For example:

- What is the most effective way to use development assistance as an instrument in combating terrorism? Should the United States and countries in Europe focus on regions that might breed terrorism in the future or on the current list of countries that are known to be spreading jihadist ideology such as Saudi Arabia, Pakistan, and Iran?

- How can the West best deal with the problem of NGOs that provide social services and spread a radical Islamist ideology? Is it through building state capacity? Building international NGOs to compete with the local, radical NGOs? Should Western governments support moderate Islamist or foreign NGOs as competitors?

- How can the United States and Europe push forward a reform agenda for education in Muslim countries with insufficient state resources without setting off a cross-cultural firestorm?

- How can policymakers in both Europe and the United States be encouraged to tackle long-term demographic challenges? Is job creation the best chance the West has to prevent the youth bulge from breeding extremism? If so, what does this mean for U.S. and European approaches to their regional and multilateral trade and investment initiatives? How can the United States and Europe best promote family planning and female education without overstepping cultural boundaries?

- What steps can Europe and the United States take together to prevent WMD from getting into the hands of radical Islamist groups?

- It is important to note, however, that the transatlantic differences are not all in such tactical areas. Both U.S. and European leaders and experts are well aware that coming to some conclusion on the Arab-Israeli peace process could have a significant long-term effect on the vitality of the new terrorism, notwithstanding the separate and unique drivers that have led to its rise. That said, how should the international community revitalize interest and commitment to the Middle East Peace Process? Does the initiative need to come from the United States, Europe, or the Arab world more broadly?

Some of these questions are already the focus of transatlantic debate. Others, however, are only now being posed. This means that we are a long way from having a reliable compass – a set of comprehensive understandings to guide policymaking – that will help us address these and many more fundamental questions for dealing with the long-term problems of Islamic radicalism. If we are to begin this work effectively, governments on both sides of the Atlantic need to make such a common agenda a top priority of the work of the transatlantic community. Closing the transatlantic differences over questions such
as the Middle East Peace Process or how to engage Iran are clearly essential. But crafting real-world approaches to confront the phenomenon of international terrorism will also require a new level of coordination across the full spectrum of government policy-making in Europe and the United States.