

An Organizational Economics Theory of Antigovernment Violence

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The amount of antigovernment violence in the world today is a problem for theories of rational behavior. Theories of conflict which focus on collective entities (states or political organizations) as actors generally assume that these entities weigh the benefits of military victory or political concessions against the costs of defeat or public alienation.¹ Theories of individual participation in antigovernment behavior posit that individuals will “contribute” rebellious behavior when the expected marginal private benefit resulting from their contribution is more than the expected cost.²

However, examination of actual cases gives us little reason to believe that such concrete benefits really arise from the use of political violence by organizations that are considerably weaker militarily than the government they are fighting. Yet such violence continues in countless areas of the world.

This paper seeks to provide one way of resolving this apparent paradox. It will first briefly examine the contemporary record of antigovernment violence employed by small, militarily weak groups (assassinations, terrorism, guerrilla warfare), arguing that it has rarely provided political benefits commensurate with its costs. It will then argue that existing rational actor approaches can not readily be extended in a way that explains the phenomena and is testable. The bulk of the paper will be devoted to showing how concepts derived from the economics of organizations can help generate insights into the motivations behind violent antigovernment behavior while retaining a rationalist mode of analysis.

The Political Effectiveness of Antigovernment Violence

A number of short-term motivations is generally put forward to explain why militarily weak antigovernment groups engage in violence. They include publicizing political demands, undermining the government’s credibility, demoralizing its armed forces, and provoking repressive government action that alienates the public and forces bystanders to take sides.

In order for such motivations to explain violent behavior by rational, utility-maximizing actors, they must be shown to advance their ultimate long-term goals. However, perhaps the most notable characteristic of recent small-scale antigovernment violence is its lack of success in leading to the perpetrator’s political objectives.

Laqueur lists fifty assassinations of heads of state or government since the end of World War II. In not one case was state policy substantially changed.³ Ford likewise, in his lengthy history of political murder, finds that “the history of countless assassinations, examined with an eye to comparing apparent motives with actual outcomes, contains almost none that

produced results consonant with the aims of the doer, assuming those aims to have extended at all beyond the miserable taking of a life."⁴

Gurr has catalogued 335 "episodes and campaigns" from 1961 to 1977 involving "terrorism," which he defines as politically motivated violence conducted by clandestine groups. He concludes that "only a handful . . . appear to have had any lasting effects on national political systems." He adds: "In perhaps half-a-dozen instances in the last 15 years, in the 87 countries being considered, terrorism has been associated with structural changes that might conceivably be said to advance the cause advocated by the terrorist." Even in those cases where change occurred, "other powerful political forces were pushing in the same direction."⁵

Assorted references of a similar sort can be found in the literature. Johnson asserts that terrorism is "usually self-defeating or can be defeated by establishment elites."⁶ Crenshaw states that "few organizations actually attain the long-term ideological objectives they claim to seek, and therefore one must conclude that terrorism is objectively a failure."⁷

The reasons for failure are as numerous as the motivations for engaging in antigovernment violence. Instead of turning the people against the government, violence often turns moderates against the rebels, as seems to be the case with the "sparrow units" of the Philippine NPA.⁸ It unites squabbling political factions to face a common threat, as in the case of the Aldo Moro murder.⁹ Government repression is unleashed, but instead of "accentuating contradictions" it leads to the extermination of the rebels, as in the case of the Tupamaros of Uruguay.

Yet, as Bell notes:

despite the long and often bloody list of failures, despite the frailties of theoretical justification and the clear and present evidence of practical futility in the field, despite the very substantial cost in casualties and the very minimal return in power, for a decade the guerrilla has maintained a central role in the minds of men.¹⁰

One way to deal with this paradox would be to posit that groups turn to violence because all other avenues have been exhausted, an argument which is often articulated by various revolutionary and secessionist groups. Whether this is actually the case (most terrorist groups do not seem to have first attempted to use the ballot box or peaceful demonstrations), such an explanation is insufficient within the rational actor paradigm: the costs of other options do not explain an action unless its benefits can also be shown.

A method of explanation that is consistent with the rational actor paradigm would extend the preferences of actors beyond the goals of substantive political change. One could posit that antigovernment rebels are seeking monetary gains,¹¹ that they release pent-up frustration by attacking their enemy,¹² that they gain an "entertainment" value from rebellion,¹³ or that they seek publicity for its own sake. In a less pejorative vein, one can say they seek social approval from others who espouse rebellious behavior¹⁴ or that they gain self-actualization utilities from acting according to their convictions.

These motivations are plausible but difficult to measure systematically. One obviously can not carry out a telephone or door-to-door survey among terrorists or guerrillas. Even where one can get access to them and ask questions, there are obvious problems of response bias. It is unlikely that active guerrillas will admit that their motives are anything but pure and

entirely political; defecting or captured guerrillas have a tendency to say what they think their interrogators want to hear. Even if honest answers were obtainable, it would not be a straightforward process to translate them into utility functions.

An alternative way of dealing with the problem is to stop treating antigovernment actors as monolithic groups or atomized individuals. Within the literature on revolution and political violence, there is a growing body of analysis which highlights the importance of organizational factors for the dynamics of antigovernment violence.¹⁵ Though most of this analysis tends to be highly eclectic and does not center around any particular theoretical approach, exceptions include Crenshaw's comparison of various types of organizational analysis with rational actor theories of conflict and Oots' efforts to test the effect of the size of an organization and its composition (whether it is a coalition) on its ability to carry out successful terrorist acts.¹⁶

This paper will build upon such work and also upon work in the so-called new economics of organizations, which bases its analysis on how individual incentives and processes within organizations affect collective outcomes.¹⁷ It will be based on the assumption that organization leaders are genuinely interested in achieving the organization's political goals, while members have more heterogeneous motivations. I will not attempt to "get inside the heads" of members or derive exact utility functions but instead will posit relationships between levels of particular motivations and features of the organization.

In the next section, I will discuss underground antigovernment organizations within an agency framework, using the assumption that organization leaders are genuinely interested in maximizing political goals. I will show how the imperatives of internal control create incentives for employing violence as a strategy that are invisible when such organizations are seen as unitary entities.

I will then discuss how the motivations of organization members are affected by the sorts of tactics the organization uses. In particular, I will argue that the prolonged use of violence creates individual material incentives for continuing violence and attracts new members who have an intrinsic interest in the use of violence.

I aim here for nothing so grand as a general "organizational economics" model of antigovernment violence, but rather hope to show that arguments drawn from theories of organizational economics can be used in a productive way to generate hypotheses in an area far removed from their original domain of analysis. The conclusions I draw are not necessarily new or striking, but they show some ways in which to incorporate organizational factors into rational actor analysis of antigovernment political violence. Through this approach I hope to impart greater theoretical regularity to the wide variety of phenomena discussed in policy-oriented writing about terrorism and political violence, while expanding the existing narrow scope of theory-driven, rational choice analysis on the same subject.¹⁸

Control in a Secret, Dispersed Organization

Because of the nature of their activities and their frequent relative weakness, antigovernment organizations must often operate in secrecy. This does not necessarily mean that they have already chosen to employ violence. In most areas of the world, political opinion is restricted

in some way or another. Restrictions may extend to all sorts of opposition or only to particularly sensitive issues, such as religion, ethnicity, and regional secession.

Whether or not leaders of illegal, militarily weak antigovernment organizations find political incentives sufficient to employ violence, there is a number of organizational incentives to do so once they have moved underground.

To prevent detection and infiltration, units within an underground organization need to be dispersed and small. The prototypical and still most common structure for this is the "cell" organization which was developed in the decade leading up to the European revolutions of 1848. Its command line is at least intended to be hierarchical, with each cell composed of a few people (in the classical formulation, five or less). Interactions between units is minimized, as is the information that each unit has about higher or parallel units.

Most modern underground antigovernment organizations are characterized by some variant of this structure. Indeed it is a necessity for those who do not operate from isolated rural areas or a neighboring country refuge.¹⁹

This type of organization is quite effective in carrying out scattered acts of outlawed antigovernment activity without detection. It is hard for the government to track and is quite resistant to infiltration since individual units possess only minimal information about the identity and whereabouts of other units.

Since effective tactics require quick reaction to changing circumstances, decisions often must be made at a relatively low level, though resources and general strategy may come from above. Since cells must be kept below a certain size in order to avoid attention, larger underground organizations tend to be the most dispersed. Often, the leadership of an underground movement may not even be located in the same countries as the active combatants, as is true of the PLO and many of its splinter groups.

But this means that cells to a certain extent have a potential for independent operation. Each cell that breaks off from its superiors forms a ready-made hierarchical tree along with its inferiors. Since low-level cells have little contact with the higher echelons, they can sometimes take orders from the rogue cell without being aware that the cell is acting independently of its superiors.

At the most extreme, there is a tendency among underground organizations to fracture into competing groups once they reach a certain size, the most notable case being the PLO. To be sure, this fracturing may not be due solely to organizational problems; there are often very real differences over tactics and ideology. But the structure of underground organizations makes it much easier for such disagreements to turn into actual splitting. The very dispersion which protects the organization as a whole from the government protects those who fail to cooperate with the leadership from detection and punishment.

Hence the need for dispersion and secrecy cuts against the leaders' desire for central control and discipline. There are extraordinary difficulties in communicating with the rank and file, monitoring their behavior, and punishing members who disobey orders. Under such conditions, leaders must turn to special means for controlling their units that do not risk exposing the organization to government repression. A number of these means involves violence.

In microeconomic theory, principal-agent models deal with situations in which an individual or organization (the "principal") attempts to create a structure of incentives for an employee (the "agent") in a situation where perfect monitoring of the employee's activity is

not possible (“moral hazard”).²⁰ Because monitoring is so difficult in underground organizations, there is a premium on methods that allow the principal (leaders) to shape the incentive structure of the agent (members) without being able to directly observe it.

In very simple algebraic language (which will be more or less maintained throughout this paper), let Q equal the marginal financial benefit a member will receive if the organization succeeds in winning the political goals of its leaders. These are not the individual’s share of the public goods that result from success, but pure selective incentives that result from access to such benefits as high office and property awards.²¹ M is the private financial benefit received from being an organization member, regardless of its success, and V the “expressive” benefit of using violence against the government. In each case, the lower-case version of each letter represents the relative utility weighting that a member places on each kind of benefit. We will assume that individual utility functions are linear: $U = p_s q Q + m M + v V$, where q , m , and v are unknown but q and m are assumed to be greater than zero; p_s is the perceived probability that the organization will succeed. This utility function may be thought of as a time aggregate that extends from the present into the indefinite future.

In this formulation, the individual member need not believe that his contribution will have an appreciable effect on the success or failure of the organization in order to participate. In fact, an individual’s contribution to organizational success is not taken directly into consideration in individual utility functions. This assumption is plausible and avoids some of the issues that have characterized much of the debate on individual participation in collective antigovernment action.²²

Members will make a decision to stay or to return to normal society based on the difference between U and the utility of living in normal society $U' = m M'$.

The decision variable will hence be $U_d = U - U'$, with $U_d > 0$ indicating a decision to stay within the group.

Assuming within a rational actor framework that the leader can not alter any individual’s q , m , or v , he can still affect incentives by raising the amount of a particular unambiguously positive benefit (Q , M) associated with staying in the group or lowering the benefit associated with leaving.

One way of doing so is to “precommit” members to underground life and foreclose their ability to cooperate with the government. This can be done through initiation requirements which require the use of illegal violence. Frantz Fanon once described the initiations conducted by the FLN in Algeria as requiring “irrevocable action.”²³ Decades later, the German Red Army Faction required initiates to participate in a bank robbery as a requirement for entering the group, hence forcing them to make a “formal break with normal life.”²⁴

Initiation violence can be seen in this framework as a way of lowering the reservation wage of the agent, which is the amount of benefit that the agent can receive through other forms of employment. By reducing members’ ability to benefit by living in open society, leaders increase their cost of exit, hence reducing the possibility of organizational fracturing.²⁵

Requiring initiates to perform illegal acts of violence clearly reduces M' . Later attempts to return to society will probably lead to imprisonment, impairing the individual member’s ability to obtain income. In this case, regardless of specific individual weightings, a larger

number of individuals will be motivated to stay in the group rather than defect. In other words, if I is a dummy variable indicating whether or not an individual has committed initiation violence, $\partial U'/\partial I < 0$ and $\partial U/\partial I = 0$, hence $\partial U_d/\partial I < 0$.

A hypothesis that can be drawn from this is that organizations whose members are drawn primarily from upper or middle social strata will be more prone to practice violence as a form of initiation than those whose members are drawn primarily from proletarian or peasant strata. This is because, *ceteris paribus*, individuals who come from upper strata will tend to have a higher reservation wage than those who come from lower strata.

Punishment, if possible, is another means of altering a group member's decision structure. However, punishment incentives in a dispersed underground organization are complicated by fact that leaders can not always detect and punish instances of undesirable behavior.

Suppose there is a private benefit S to individuals in the organization who shirk their duties. This benefit can encompass the private monetary benefit obtained from engaging in freelance operations that hamper organizational goals or the leisure benefit derived from simply neglecting one's duty.

Expected utility for shirking is $U = p_d q Q + m(M + S) + vV - p_d P$, where p_d is the perceived probability of detection and punishment and P is the size of punishment. Hence, if the p_d is zero, all members will engage in shirking as long as the benefit S is greater than zero.

In order to avoid this, organizational leaders must punish detected instances of shirking. However, even if such punishment is carried out, it will not affect the perceived probability of punishment among other members unless the event can be credibly communicated to them. We can plausibly assume that individuals make estimates of p_d based on some function of time, the number of credible reports of punishment they have heard, and the approximate size of the organization. In particular, where c is the number of credible reports that an individual has received, $\partial P_d/\partial c > 0$. Direct reports from superiors will be discounted, since leaders will have an incentive to exaggerate the effectiveness of punishment. And because of the need to maintain secrecy, it will be difficult to allow a large number of members to directly witness an instance of punishment. However, in areas of the world with a well-established popular press, especially horrific examples of violence by organizations against their own members will be well publicized. If the press is reasonably credible, it can provide an unwitting external channel of communication to dispersed members. Members who read reports of punishment in the press will draw estimates of p_d that are greater than zero. In such cases, it is possible that the net benefit of shirking $S - p_d P$ will be negative, where P is the size of the punishment administered, and shirking will not occur.

Instances of exceptionally brutal exemplary punishment can indeed be found among modern terrorist organizations. For instance, the single most brutal act of the Japanese Sekigun (Red Army) was the execution through exposure in the snow of fourteen of its own members who were seen as less than totally committed (through such "crimes" as wearing lipstick or having sex).²⁶ On a larger scale, the Philippine New People's Army regularly executes "informers" based on nothing more than suspicions that they are not acting with sufficient enthusiasm for the cause.

The seeming extremity of these punishments can be understood if they are seen to be fulfilling a communication function as well as an enforcement function against the members involved. Even if their transgressions were not severe and were more than outweighed by the

cost to the organization of the members killed, extreme violence can be seen as rational if it is the only way of credibly communicating to other members that disobedience will be met with punishment.²⁷

A different kind of communication problem for leaders is credibly communicating to cells evidence of the continued existence and vitality of the organization as a whole. Cell members know that they are but a few fighting against the immense might of the state, yet they have little contact with their fellow rebels. Without evidence of the covert actions of other units, they may conclude that the rest of the organization is dormant, that the organization has little chance of succeeding, and that there is little reason to remain in it. Since utility $U = p_s q Q + m M + v V$ and $q, Q > 0$, $\partial U / \partial p_s > 0$. If $p_s = 0$ and the inherent benefits ($m M$ and $v V$) of being in the organization are not high, individuals may choose to drop out.

Similarly to the previous example, we can assume that an individual's perceived probability of success is a positive function of the number of credible reports of organizational action he has received. As before, however, reports from superiors will be discounted, and direct witnessing is impractical because of the need to retain secrecy.

Violent acts can prove the organization's vitality through means that preserve secrecy. Brutal acts of violence against civilians, like those against organization members, are often deemed newsworthy by the mass media, which can function as an external conduit through which the isolated cells may know that the organization is still functioning and that the fight goes on.

Such effects are dramatically illustrated in Omar Cabezas' memoirs of his days as an urban guerrilla.

The decision to join the [Sandinista] Frente had a lot to do, I think, with our practice of compartmentalization, which meant that none of the companeros knew the details of the organization as a whole [The Frente] robbed banks, which all the radio stations reported while the whole country hung on the *beep-beep-beep-beep* of those famous flashes. With news like that going out to the whole country we saw ourselves as much bigger than we really were through the magnifying glass of publicity. That was beautiful stuff. . . . Now here's something interesting: armed actions of any revolutionary vanguard not only strengthen the masses spiritually and politically, I mean, their effect isn't just outside the organization, but within the ranks, too, raising the fighting spirit of the militants. It's an incredibly delicious thing, and you've got to live it to understand it completely. In secret, in total silence, you know who you are: the vanguard.²⁸

A similar effect can be seen in some seemingly illogical border skirmishes carried out by soldiers of Fatah and its affiliated organizations against the Israeli army. In almost all cases, the guerrillas are killed before they can inflict any significant damage. But, as Bell argues, the real benefit of violence to the organization is its effect on morale among Palestinian fighters scattered around the Middle East. The battles show that the PLO is still active as an army and thus have an invaluable propaganda effect on members' beliefs.²⁹

This analysis can clearly be contrasted to explanations of antigovernment violence as a form of publicity-seeking.³⁰ Here, the information flow is directed *within* the organization,

not at the general public. Unlike publicity-seeking, this analysis provides a more clearly rational motivation for rebels to commit acts which might inspire public revulsion.

Furthermore, it explains why rebels may often publicly disavow their acts of violence. Cell members are more likely than the public to have sufficient information to distinguish acts of violence committed by their own group from those carried out by other groups. Because of the negative effect excessive publicity has on public opinion, leaders will want only enough information made public to signal cell members.

The main hypothesis that can be drawn from this analysis of violence as a means of internal organizational communication is that violence (particularly against one's own members) will be more common in countries with a well-developed popular press. Furthermore, in such countries antigovernment organizations will be more likely to publicly disavow violence which they have committed, since its publicity value lies within the group rather than among the masses.

Members' Motives and the Perpetuation of Violence

Though violence as a tactic serves many organizational purposes within dispersed antigovernment groups, it has effects on the motivations of group members that make it difficult for organizational leaders to later revoke violence as a tactic. This discussion does not attempt to devise psychological theories which describe how violence alters the emotional processes of group members. Instead, it concentrates on two economic factors: asset specificity, which ties the private benefits of group members to the use of violence, and adverse selection, which brings into the group individuals whose personal utility functions already contain a high intrinsic valuation of the use of violence.

Since many underground antigovernment organizations have organized their training and operating procedures around acts of violence, there are considerable sunk costs in building such competence, which is not easily transferred to other activities. The low-level guerrilla often has spent his entire life in the jungle or an underground urban cell and possesses no useful skills other than the ability to fire a gun or plant a bomb. His sustenance depends on a continued demand for those who can exercise such skills.

The utility function of members who have spent much of their lives developing competency in using violence can be seen as $U = p_s qQ + m(M + wV) + vV$, where w is the weighting whose value is > 0 . In other words, the private monetary benefit such a member can gain is a positive function of how much violence the organization employs.

These guerrillas have developed a sort of asset specificity, expertise closely tied to a particular enterprise or undertaking.³¹ If the only alternative is a return to normal society, the greater the asset specificity, the greater the guerrilla's incentive to remain within the organization so long as the amount of violence it employs is greater than zero. In other words, since $U_d = U - U'$, $\partial U_d / \partial w > 0$.

However, this is only true if one organization has a monopoly on the use of the type of violence at which the guerrilla is skilful. If the guerrilla is aware of an alternative organization that employs higher levels of such violence, then a rise in the magnitude of w may create an incentive to defect to that organization.

Such a situation can quite easily occur due to the potential for organizational fracturing.

At some point, the leaders of an organization may decide that their political goals have been met or that they can be better fulfilled by nonviolent means. However, if among the next rank of cadres there exists an entrepreneur who seeks to repudiate the change in strategy, he can attract the support of others whose expertise lies in the use of violence. The dispersed nature of the organization makes it difficult for the center to enforce its change, particularly since violence may have been its primary source of discipline.

Those who wish to maintain violent behavior may split into competing factions or may draw in a large part of the old organization, shorn of its top leadership. The latter case brings up the question whether to consider the fracturing a form of goal displacement of the original organization or the formation of a completely new organization. This is a definitional question that is not clearly dealt with in the organizational literature, despite the fact that fracturing is a fact of life in many organizations (political parties, organized religions, professional guilds).³²

Laqueur notes that revolutionary organizations tend to develop an existence "distinct not only from the political movement which originally sponsored them but also, as time passes, quite remote from their original aims." He takes as examples the persistence of the IRA even after the Irish Free State had been established and the persistence of LEHI (the "Stern Gang") after the creation of Israel.³³ The same can be said of the Assassins after subduing the authority of the Seljuk sultans,³⁴ the Chinese triads after fall of the Manchus,³⁵ and the Ku Klux Klan after its official disbandment by founder Nathan Bedford Forrest. In each case, large subunits of the original organization continued to employ violence after the original political goals of the organization had been accomplished or leaders had deemed violence unnecessary.

As noted earlier, the very dispersion and secrecy of these groups made it difficult for leaders to assert central control when implementing a change in tactics. As Annan says of the Ku Klux Klan: "The chain of command could have worked if the Klan had not been a hidden organization; but as it was, Forrest could not hold accountable any local Klan for senseless outrages committed by hooded riders in its area, because local Klansmen could always claim that the guilty hooded riders might have been Negroes in disguise."³⁶

Because of this effect, we should expect that organizations which use violence for a prolonged period should be more prone to problems of fracturing than those who do not. Specifically, there should be splitting off between the leadership, which emphasizes the original goals of the organization, and those who have an interest in changed goals that maintain the use of violence as a tactic.

Another way in which organized antigovernment violence tends to be self-perpetuating has to do with recruitment rather than acquired skills. Recruits into antigovernment organizations can be attracted by the tactics as well as the political goals of the organization. An organization that practices violence will attract individuals who gain gratification from violence, whether the violence is general or directed against a particular target. In other words, given the utility function $U = p_s q Q + m M + v V$ and independent distributions among society of the weightings q , m , and v , and given that V is probably higher for membership in a violent underground organization than perhaps any other profession, we can expect that the mean level of v will be considerably higher among those who choose to join such an organization than among those who choose not to.

This is the problem of "adverse selection" which arises in recruiting because of

“unobservability of the information, beliefs and values on which the decisions of others are based.”³⁷ The leader of an organization has no way of determining a priori whether an individual is joining because of his interest in the organization’s goals or because of his interest in the organization’s tactics.

The deviation of v from the norm among recruits should be especially pronounced among urban revolutionary groups in developed countries, where the probability of political success p_s is generally relatively small and there are better possibilities of private income M outside of the group. Though it is difficult to compare revolutionaries in different parts of the world, investigation of the backgrounds and personalities of German leftist terrorists seems to indicate that they are motivated more by alienation and resentment against society in general than by specific political objectives.³⁸

Individuals who have developed skills in violence have a clear incentive to continue practicing it even after it ceases to serve the political goals of the organization. Hence a decision by an organization’s leadership to turn away from violence may trigger fracturing. The phenomena of both asset specificity and adverse selection suggest that the hard core of rebels which persists in violence after the rest of an organization has changed course may do so because they are less, not more, ideologically committed than others.

Conclusion

To summarize, antigovernment leaders turn to violence in order to solve a number of informational problems: imperfect monitoring of cells, difficulty in communicating examples of punishment, and difficulty in communicating the organization’s activities. Violence solves these problems in ways that do not threaten the secret and dispersed structure necessary to maintain an underground antigovernment organization. However, use of violence as a tactic creates problems of asset specificity and adverse selection that make it difficult for the leaders to change tactics and maintain the integrity of the organization.

A number of hypotheses has been suggested that can be checked empirically.

1. Underground antigovernment organizations which draw members from the middle or upper classes are more prone to use violence as a form of initiation than those that recruit from the poorer strata of society.
2. Organizations in countries with a well-developed popular press should engage in more frequent acts of violence than those in countries where the press is restricted or poorly developed.
3. Violence directed outside of such organizations should be disavowed more frequently in countries with a well-developed popular press.
4. Organizations whose units are geographically dispersed should be expected to engage in more frequent acts of violence than those that are concentrated within a small area.
5. Organizations that use violence for a prolonged period should be more likely to fracture over decisions about tactics.
6. Organizations in developed countries should be more likely to fracture or persist in violence long after specific political grievances have been met.

While testing some of these hypotheses (2 and 4) requires certain information about the internal organization of groups as well as their stated purposes, this information is no more

difficult to obtain than the ratios of military strength or the mechanisms of government response that are necessary for more conventional rational actor models. Nor does it require getting "inside the heads" of antigovernment actors. Investigation of these hypotheses will shed light on shortcomings of the above analysis and point the way to more nuanced investigation of the organizational determinants of rational revolutionary behavior.

NOTES

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9. Ford, p. 315.
10. J. Bowyer Bell, *The Myth of the Guerrilla* (New York: Alfred A. Knopf, 1971), p. 244.
11. Richard M. Kirk, "Political Terrorism and the Size of Government: A Positive Institutional Analysis of Violent Political Strategy," *Public Choice*, 40 (1983), 41-52.
12. An extensive literature spawned by Ted R. Gurr's *Why Men Rebel* (Princeton: Princeton University Press, 1970), has investigated this and related themes.
13. Tullock, p. 91.
14. Edward N. Muller and Karl-Dieter Opp, "Rational Choice and Rebellious Collective Action," *American Political Science Review*, 80 (June 1986), 471-487.
15. See Peter Merkl, ed., *Political Violence and Terror* (Berkeley: University of California Press, 1986); Rapoport, ed., *Inside Terrorist Organizations*.
16. Crenshaw, "Theories of Terrorism," pp. 13-31; Kent Oots, *A Political Organizational Approach to Transnational Terrorism* (New York: Greenwood Press, 1986).
17. For a thorough review of this literature, see Terry Moe, "The New Economics of Organization," *American Journal of Political Science*, 28 (November 1984), 739-777.
18. According to one writer, the study of terrorism "is widely recognized as theoretically impoverished." Martha Crenshaw, "Current Research on Terrorism: An Academic Perspective," *Studies in Conflict and Terrorism*, 15 (1991), 1. Another writer characterizes writing on terrorism as "'current thinking' and interpretations [rather than] formal propositions which have been operationalized and tested empirically." Alex Schmid, *Political Terrorism* (Amsterdam: North-Holland Publishing Company, 1983), p. 160. While this indictment is exaggerated—testable hypotheses can be found in the literature—it is true that few efforts have been made to enclose generalizations within a common analytical framework.
19. Merkl, in discussing different types of terrorist and guerrilla movements, classifies six of nine as being made up of underground cells. The other three are made up of small guerrilla or paramilitary units. Peter Merkl, "Collective Purposes and Individual Motives," in Merkl, ed., *Political Violence and Terror*, pp. 342-343.

20. An early and well-known use of this framework is Armen A. Alchian and Harold Demsetz, "Production, Information Cost, and Economic Organization," *American Economic Review*, 62 (December 1972), 777-795.
21. In Olson's sense. See Mancur Olson, *The Logic of Collective Action* (Cambridge, Mass.: Harvard University Press, 1971), pp. 51, 133-134.
22. See Barbara Salert, *Revolutions and Revolutionaries* (New York: Elsevier, 1976), pp. 33-38, for a discussion of some of these debates.
23. Frantz Fanon, *The Wretched of the Earth* (New York: Grove Press, 1968), p. 67.
24. Klaus Wasmund, "The Political Socialization of West German Terrorists," in Merkl, ed., *Political Violence and Terror*, pp. 214-215.
25. While revising this paper, I came across writing by Wardlaw which discusses some of the same phenomena I cover in this section, though more briefly and not within an explicitly theoretical framework. He should be credited with prior discovery. See Grant Wardlaw, *Political Terrorism: Theory, Tactics and Counter-Measures*, 2nd ed. (Cambridge: Cambridge University Press, 1989), p. 40.
26. Ovid Demaris, *Brothers in Blood: The International Terrorist Network* (New York: Charles Scribner's Sons, 1977), pp. 20-29.
27. Sometimes the two procedures of initiation and discipline are combined into one by forcing recruits to participate in the murder of "traitors." For instance, two new young members of the Sekigun were ordered to murder their own brother to demonstrate their devotion to the cause. See Demaris, p. 29.
28. Omar Cabezas, *Fire from the Mountain: The Making of a Sandinista* (New York: Crown Publishers, 1985), pp. 13-14.
29. Bell, pp. 201-206.
30. For example, Benjamin Netanyahu, *Terrorism: How the West Can Win* (New York: Farrar, Strauss and Giroux, 1986), p. 229.
31. Oliver Williamson, *The Economic Institutions of Capitalism* (New York: Free Press, 1985), pp. 53-63.
32. Sociological discussions of goal displacement generally focus on how organizations change goals in order to adapt to a changing environment, for example, the discussion of cooptation in Phillip Selznick, "Foundations of the Theory of Organization," in Jay Shafritz and Steven Ott, eds., *Classics of Organization Theory* (Chicago: Dorsey Press, 1987), pp. 127-130. However, these discussions focus on shifting external sources of power and resources rather than on how changes in the environment affect the relationship between intraorganizational procedures and objectives.
33. Lacqueur, p. 95.
34. Ford, pp. 102-103.
35. Jean Chesneaux, *Secret Societies in China in the Nineteenth and Twentieth Centuries* (Ann Arbor: University of Michigan Press, 1971).
36. Annan, p. 273.
37. Moe, p. 754.
38. Wasmund, pp. 201-209.