Defence and Peace Economics

ISSN: (Print) (Online) Journal homepage: https://www.tandfonline.com/loi/gdpe20

Immigration Policy and Terrorism: An Empirical Analysis

Seung-Whan Choi

To cite this article: Seung-Whan Choi (2021) Immigration Policy and Terrorism: An Empirical Analysis, Defence and Peace Economics, 32:3, 271-295, DOI: 10.1080/10242694.2019.1659577

To link to this article: https://doi.org/10.1080/10242694.2019.1659577

Published online: 29 Aug 2019.

Submit your article to this journal

Article views: 1130

View related articles

View Crossmark data

Citing articles: 4 View citing articles

Full Terms & Conditions of access and use can be found at
https://www.tandfonline.com/action/journalInformation?journalCode=gdpe20

DEFENCE AND PEACE ECONOMICS
2021, VOL. 32, NO. 3, 271–295
https://doi.org/10.1080/10242694.2019.1659577

Routledge
Taylor & Francis Group

ARTICLE

Check for updates

Immigration Policy and Terrorism: An Empirical Analysis

Seung-Whan Choi

Department of Political Science (MC 276), University of Illinois at Chicago, Chicago, IL, USA

ABSTRACT

Though populist politicians deem the terrorist threat as a reason for restrictive immigration policies, existing studies neglect to explore the systematic connection between immigration and security. This study offers a novel theoretical argument about the effect of terrorism on immigration policy and then conducts a first-cut empirical analysis. Based on a battery of statistical tests performed against pooled panel data on immigrant-receiving countries that are attractive to low-skilled workers due to high wages, this study shows evidence that terrorist threats are actually unrelated to restrictive immigration policies.

ARTICLE HISTORY
Received 4 February 2019
Accepted 19 August 2019

KEYWORDS
Immigration policy; terrorism; economic causes; scapegoating; populism

JEL CLASSIFICATION
H56; D74

The events of 11 September 2001 have led to a plethora of terrorism-related research. Accordingly, exploring the causes and effects of terrorist activities has become an active line of inquiry for many security scholars and policy-makers (e.g. Choi 2019; Piazza 2018, 2011; Piazza and Choi 2018; Acosta 2014; Choi 2010; for a comprehensive review of terrorism, see Krieger and Meierrieks 2011; LaFree and Ackerman 2009). Concerning the consequences of terrorism, researchers have focused on the negative effect of terrorist events on the national economy and/or tourism (e.g. Bassil, Saleh, and Anwar 2019; Llorca-Vivero 2008). That said, researchers have yet to systematically examine another important consequence of terrorism: immigration policy. This is due to the necessity for developing a policy option that could effectively deal with the rising political tensions surrounding the issue and increasing xenophobia within the public sphere. Many politicians and native-born citizens indeed blame immigrants for terrorist attacks on their soil; however, existing studies offer a little to no systematic research on whether terrorist attacks result in restrictive immigration policies (e.g. Schmid 2016; Boswell 2007).

A growing number of European leaders have adopted anti-immigration sentiment in the midst of a series of terrorist events such as those in Paris, Brussels, Nice, Bavaria, and Munich (Stokes 2016). For example, Marine Le Pen and Beata Szydło, two right wing European political leaders, labeled immigrants collectively as security risks. Note the remarks of Szydło: 'I hear in Europe very often: do not connect the migration policy with terrorism, but it is impossible not to connect them' (Henley 2017). America is no exception to the global wave of right-wing populism: immigrants are viewed by some as a threat to the national security of the U.S. (Valeriano and Powers 2010). Invoking national security, President Donald Trump issued an executive order on 27 January 2017 temporarily blocking entry of citizens of seven Muslim-majority countries. The first section of the executive order highlighted the presumed security that Islamic countries posed because of the extremist group al-Qaeda. He asserted that al-Qaeda exploits U.S. immigration policy. 'Perhaps in no instance was that more apparent than the terrorist attacks of 11 September 2001, when State Department policy prevented consular officers from properly scrutinizing the visa applications of

CONTACT Seung-Whan Choi whanchoi@uic.edu Department of Political Science (MC 276), University of Illinois at Chicago, 1007 West Harrison Street, Chicago, IL 60607-7137, USA

© 2019 Informa UK Limited, trading as Taylor & Francis Group

several of the 19 foreign nationals who went on to murder nearly 3,000 Americans' (New York Times 2017). The President argued that the travel ban would deter future terrorist attacks on American soil and thus be proven as an effective measure in protecting the lives and property of the American people.

These episodes reported in popular media outlets have stirred a heated debate on whether increased terrorist threats necessitate restrictive immigration policies. However, current scholarship has not yet offered a systematic empirical analysis of the terrorism and immigration policy nexus. One can attribute the lack of quantitative research to the scarcity of immigration policy data that could help assess the content of actual immigration laws as well as executive policy discretion over deportation and enforcement. Relying on a recently compiled dataset regarding immigrant-receiving countries (that are attractive for low-skilled immigrants due to high wages), this study conducts a battery of first-cut empirical analyses of the terrorism and immigration policy connection. The results show no supporting evidence for the link between a series of terrorist events and the adoption of restrictive immigration policies. Although politicians often use terrorist threats as part of their mobilization strategy, it seems that their campaign promises generally do not lead to actual outcomes. Moreover, their attempts to impose immigration restrictions in day-to-day governance appear to be unsucceessful due to opposition from domestic forces.

The next section provides a conceptual framework on the relationship between terrorism and immigration policy. This study then designs a statistical model for empirical testing and segues into a discussion of estimated results. The concluding section briefly summarizes the main finding of this study and puts forth a suggestion for future research.

Terrorist Attacks, Economic Conditions, and Immigration Policy: Scapegoating Others

It should be noted at the outset that immigrant-receiving countries can be terrorized by either domestic or transnational actors.[1] As Hassner and Wittenberg (2015) point out, countries are likely to restrict immigration policies when they become direct victims of domestic and/or transnational terrorist events that occur within their territory. An exemplar is found in President Donald Trump's security initiatives regarding future terrorist threats. He has cited the danger of America's home-grown terrorists whom may be the first, second, and/or third generations of immigrants (Choi 2018b) as well as transnational terrorist organizations such as al-Qaeda and ISIS (New York Times 2017). In his mind, both domestic and transnational terrorists are likely to exploit U.S. immigration policy. Thus, the following theoretical discussion advances without differentiating between domestic and transnational terrorism.

Scholars and policy-makers used to consider immigration as a resource rather than an issue of national security. However, especially after the 9/11 terrorist attacks, immigration has been transformed into an urgent security concern in receiving countries (see Rudolph 2003). Many political leaders consistently show uneasiness with ethnically, culturally, and/or religiously distinctive minority populations whom their citizens fear, among other things; they view these minorities as a potential source for terrorist threats in the wake of 9/11. The most alarming news is that populist politicians foster xenophobia by branding immigrant workers as terrorist sleeper cell members – scapegoating them in order to distract the public from other pressing politico-economic and security problems. Along this line, Phizacklea (2011, 291) maintains that 'in the face of an increased securitization-migration nexus … migrants are cast as a cultural/criminal/terrorist threat.' Her observation highlights the rationale for this sort of political scapegoating – politicians try to boost their policy platforms and popularity by rhetorically blaming terrorist-related incidents to mass immigration.

This empirical study examines the question of whether terrorism is a driving force for the adoption of restrictive immigration policies. This examination starts with the assumption that when faced with security-economic difficulties, political leaders willingly resort to scapegoating

in order to maximize their chances of election/re-election (Bueno de Mesquita et al. 2003). In particular, when a country experiences a series of terrorist events, political leaders are motivated to blame immigrant workers as sources of insecurity for their political gains. At the same time, mass media cease functioning as disinterested reporters and instead start to sensationalize terrorism as a grave national security issue. The politicking of leaders and media render average citizens significantly more fearful, thereby making them susceptible for scapegoating gambits.

When national security becomes a salient issue due to a growing threat of terrorist attacks, the public starts to question political leadership. To deflect public blame and escape possible political fallout, leaders engage in designating in-groups and out-groups, targeting minority and marginalized groups. That is, resorting to scapegoating is deliberate political maneuvering of politicians who wish to get (re-)elected (Bueno de Mesquita et al. 2003). A good example is the speech of former U.S. President George W. Bush at the launch of his anti-terrorism campaign after 9/11: 'every nation in every region now has a decision to make. Either you are with us, or you are with the terrorists' (CNN 2001). Fifteen years later, Donald Trump echoed George W. Bush's 'with us or against us' narrative in his presidential campaign: owing to potential terrorist attacks, 'countries in which immigration will be suspended would include places like Syria and Libya. And we are going to stop the tens of thousands of people coming in from Syria' (New York Times 2016). Without doubt, these two politicians' scapegoating strategy helped increase the likelihood of their political success (Bueno de Mesquita et al. 2003).

Leaders know that frightened people are likely to fall for a scapegoating strategy in the hope of preserving security. As many psychologists point out (e.g. Esses et al. 2001; Tajfel et al. 1971), people have an implicit preference for their in-group over out-group, which becomes explicit when they feel that their security is threatened. In times of a security crisis, people tend to see security problems as zero-sum: the more the other group gains, the less one's own group gains. This means that native-born populations turn against immigrants in the midst of a security crisis in that they perceive immigrants as a threat to the well-being of their group (Cochrane and Nevitte 2014). Passini, Palareti, and Battistelli (2009, 3) are on the same page: 'in our opinion, from a psychosocial perspective, the war vs terrorism [by immigrants] antinomy is consistent with the ingroup vs. outgroup antinomy.' In times of growing terrorist threats, the public becomes startled and starts to see their own security compromised by other group members such as immigrants simply because they are not considered to be one of their own. A series of terrorist attacks will predispose native-born populations to accept the scapegoating, by populist politicians, of immigrants. Accordingly, native-born populations become vulnerable to believe the scapegoating accusations. With help of mass media, leaders urge average citizens to further turn against immigrants by implementing discrimination and opposition to policies and programs that may benefit those other group.

Marine Le Pen of France, for example, based her entire campaign around scapegoating immigrants (Chrisafis 2016).

> The climate in France has worked in her favour. In a country where more than 230 people have been killed in terrorist attacks in a little more than 18 months, and where more than 3 million people are jobless after decades of mass unemployment, there is a growing audience for her hard line on security and national identity and her targeting of Islam and immigration.

Patrick Kennedy, an American politician and mental health advocate, once said 'terrorists try to manipulate us and change our behavior by creating fear, uncertainty, and division in society' (Congressional Record, 2005). Fear and anxiety are obvious emotional reactions to terrorist events, which can drive people to the right on immigration policy. As people are affected by terrorist attacks on very personal levels (e.g. through the loss of life, property, or job), their attitudes toward immigration and/or the presence of immigrants become negative, pessimistic, and skeptical (Huysmans 2006). A national survey illustrates this point well: 68% of Americans, after the fact, strongly criticize the enforcement of immigration laws and border controls for the 9/11 attacks,

despite that fact that the terrorists responsible for the attack entered the U.S. legally as visa students and not as immigrants (Givens, Freeman, and Leal 2009; Adelman 2002).

When threatened by a series of terrorist events, people are inclined to support their political leaders in introducing harsh security legislation (Davis and Silver 2004; Lerner et al. 2002). In response to public demand, populist politicians likely have a momentum to use foreign nationals as a scapegoat. Politicians are likely to hide the information that their security apparatus had critical information on potential terrorist suspects prior to attacks but still failed to act on it in a timely manner. Politicians are likely to deny their own failures in that their primary goal is to stay in power as long as they could (Levitan 2017; Mearsheimer 2011; Bueno de Mesquita et al. 2003). Foreign workers have little power and very few avenues through which they can make their voices heard; this makes them an easy target for political scapegoating as they have very little recourse (Choi 2016). In short, it is not uncommon that politicians exploit the public's fear of terrorism and scapegoat immigrants under the pretense of preserving public safety.

Many world leaders across the spectrum – e.g. French President Francois Hollande (the Bastille Day attacks in Nice), American President Donald Trump (Muslim American terrorists, though many of them are second or third generation), Chinese President Xi Jinping (Uyghur Muslim terrorists, though most of them come from Xinjiang), and Russian President Vladimir Putin (Chechen terrorists, though most of them come from Chechnya rather than the outside of Russia) – engage in scapegoating as a way of advancing a political agenda. Many European cabinet members also jumped on the scapegoating bandwagon during the recent immigration/refugee crisis in Europe though there was no clear evidence for any terrorism and immigration link. For example, Waterfield (2015) notes that the statement of Greek defense minister Panos Kammenos is an excellent example of this type of scapegoating where he said 'if Europe leaves us in the crisis, we will flood it with migrants, and it will be even worse for Berlin if in that wave of millions of economic migrants there will be some jihadists of the Islamic State too.' Similarly, Gazzetta del Sud (2015) reports the Italian foreign minister Paolo Gentiloni saying that there was a 'risk that terrorists could be among the waves of thousands of migrants who arrive in Italy from North Africa every year. There are considerable risks of terrorists infiltrating immigration.'

Several scholarly works reflect similar sentiments and perspectives on terrorism and immigrants. For example, Dreher, Gassebner, and Schaudt (2017) and Bove and Böhmelt (2016) maintain that inflows of immigrants are positively associated with terrorist activity. It should also be noted that in each country, populist politicians may come up with different scapegoating strategies, depending on the origins of immigrants. For example, Saudi Arabia takes immigrants mainly from (culturally and religiously similar) Middle Eastern countries and its primary labor migration is related to the oil sector. Migration to Spain is more likely to come from less culturally proximate Africa and be of a humanitarian rather than labor nature. Thus, feelings of foreign threat may be stronger in Spain compared to Saudi Arabia and thus scapegoating may be a more promising strategy.

Even though mass media should follow the professional norms of objectivity and balanced reporting, all too often they play the politically correct card in reaffirming/popularizing the scapegoating strategies of political leaders through their own portrayals of the politicians and the immigrants. Deliberate framing of immigrants as threats generates more revenue from readers and viewers who come to expect a certain fear-mongering narrative (Graber 2003). For example, the press in France and Greece frequently portray 'the image of "foreigner" as a source of key social threats, thereby fueling widespread fear and anxiety over security and identity related [immigration] issues' (Tsoukala 2011, 192). Under these circumstances, terrorist attacks provide an opportunity for politicians and the mass media to enforce and reinforce the connection between terrorism and immigration, which is likely to be supported by an apprehensive public. In short, as long as politicians' scapegoating and the media's sensationalism are in-sync with the popular sentiment against immigrant workers in the wake of terrorist attacks, countries should be able to enact strict immigration laws and regulations.

H_1: All other things being equal, countries are likely to have restrictive immigration policies as terrorist threats increase.

Scapegoating strategy are likely to escalate during economic downturns coupled with a series of terrorist events. Typical symptoms of economic difficulties include a high unemployment rate and banking crisis (Choi 2019, 2016; Cochrane and Nevitte 2014; Bertoli, Moraga, and Ortega 2011; Piazza 2006). The point when disgruntled immigrants are disposed to seek terrorist violence is when they lose the jobs or opportunities. Unemployed immigrants have to make dramatic adjustments in their lives, worrying about a home mortgage, car payments, credit card bills, child care, etc. (Cochrane and Nevitte 2014). When a country undergoes a large number of defaults and financial institutions and corporations face great difficulties repaying contracts (e.g. during the financial crisis of 2007–2008), immigrants have fewer means to survive and thus are likely to cross over to the terrorist sector (Bertoli, Moraga, and Ortega 2011). Poor economic conditions also affect average people when they are fired from their positions and deprived of access to credit and savings during a banking crisis. When native-born citizens experience a series of terrorist event as well as economic hardships, they are bound to look for other people or parts of society to blame – immigrants (Choi 2016; Piazza 2006).

Several existing studies provide evidence for blaming minority groups in times of economic crises and terrorist events. By analyzing public opinion data on economic attitudes, Caplan (2007) shows that voters often blame foreign entities for their economic difficulties. Economically distressed people are likely to direct their grief at foreigners, thereby providing an opening for politicians to exploit the public mood for their own political gains. 'After all, *no* politician benefits from the affection of foreigners who cannot vote' (Weede 2003, 312, the emphasis in the original). Political exploitation comes forward especially in case that politicians suffer from low job approval ratings owing to a sluggish national economy. Accordingly, they become keen to adopt a scapegoating strategy by blaming immigrant workers as both terrorists and economic threats. In doing so, they try to boost their popularity rather than work hard to improve the wellbeing of the public (James and Hristoulas 1994).

Argentine President Mauricio Macri indulged in scapegoating when he signed an executive order on 30 January 2017, amending Argentina's immigration law to speed up the deportation of foreign nationals who have committed crimes or who are believed to be members of terrorist networks. It should come as no surprise that this executive order came after the President's popularity had plummeted after almost 193,000 Argentine workers became jobless and the banking industry scored poorly (Telesurtv.net 2017). Note that the executive order was a direct result of taking advantage of public fear about terrorist threats. Argentina had fought against ISIS and other global terrorist organizations as well as their financing networks operate for years (United States Department of State 2017). This case demonstrates how politicians resort to pursue scapegoating as a way to divert the preexisting anger of the public away from themselves and toward foreign workers in times of terrorist threats and economic crises.

H_2: All other things being equal, countries are likely to have restrictive immigration policies when they become alarmed with terrorist events and economic distress.

Research Design

Based on 23 immigrant-receiving countries that are attractive destinations for low-skilled workers, this study constructs a cross-national, time-series dataset during the period from 1970 to 2010.[2] This pooled panel data structure designates the country-year as the unit of analysis. When missing observations occurred in the data collection, the information in previous years or various statistical

documents were consulted to fill them. The baseline model[3] that is built to test the determinants of immigration policy is as follows:

$$\begin{aligned} \textit{Immigration Policy}_{it} = {} & \beta_0 + \beta_1 * \textit{Terrorism}_{it-1} + \beta_2 * \textit{Banking Crisis}_{it-1} + \beta_3 * \textit{Democracy}_{it-1} + \beta_4 * \textit{Labor Force with} \\ & \textit{Tertiary Education}_{it-1} + \beta_5 * \textit{Fertility Rate}_{it-1} + \beta_6 * \textit{Population}_{it-1} + \beta_7 * \textit{Ethnic Exclusion}_{it-1} \\ & + \beta_8 * \textit{Natural Resource Income}_{it-1} + \beta_9 * \textit{GDP per capita}_{it-1} + \beta_{10} * \textit{Unemployment}_{it-1} \\ & + \beta_{11} * \textit{Government Ideology}_{it-1}\ \beta_{12} * \textit{Immigration Policy}_{it-1} + \varepsilon_{it} \end{aligned}$$

where subscript $i = 1, \ldots, N$ indicates the country and subscript $t = 1, \ldots, T$ indexes the time period. $\textit{Immigration Policy}_{it}$ is the dependent variable; β_0 is a constant term; β_1 through β_{12} are coefficients for independent variables; and ε_{it} is an error term. To ensure the causal time order that the events of the remaining explanatory variables occurred before the outcome variable, all the variables on the right-hand side are lagged by one year.[4]

Empirical data that assesses the quality of immigration policy with respect to actual immigration laws, regulations, and the executive's policy discretion is scarce. Peters (2015) is one of a few ambitious researchers who attempted to quantify the quality of low-skilled immigration policy in 19 democratic and autocratic countries over a long time period. Following Peters' step, Shin (2017) updated and expanded Peters' data collection, adding four more countries. Upon analyzing the immigration policy of autocratic countries, Shin (2017) reports that tyrants are likely to liberalize immigration policy when they need replacements for their domestic workforce, who enjoy the redistribution of resource rents by their governments and therefore are reluctant to take low wage jobs.

In operationalizing the dependent variable – immigration policy, this study combines the two datasets compiled by Peters (2015) and Shin (2017) and totals 23 immigrant countries that were made publicly available upon publication. In his sample data, Shin chooses only the autocratic regime periods which occurred in each of his 13 countries. In doing so, he focuses his analysis on the behavior of autocratic leaders. This study, however, expands the scope by including both democratic and autocratic regimes across the given 13 countries and then adds 10 democratic countries from Peter's study. This expansion helps us find general patterns about the relationship between terrorism and immigration policy, whether a country is considered a democratic or autocratic regime. Nonetheless, it is intriguing to see whether the same general patterns reemerge when the sample is divided into distinctive political systems: autocratic versus democratic. These additional robustness tests are discussed in the next section.

The sample data for this study includes five European liberal economies (France, Germany, Netherlands, Switzerland, and United Kingdom), nine settler countries (Argentina, Australia, Brazil, Canada, Chile, New Zealand, South Africa, United States, and Venezuela), five Asian economies (Japan, Singapore, South Korea, Taiwan, and Hong Kong), two oil-rich monarchies (Saudi Arabia and Kuwait), and two other countries (Spain and Botswana).[5] Although one might prefer more countries in the sample, only those with publicly available data are used in this study due to the precautionary remarks: 'it is extremely difficult to obtain primary and secondary sources on immigration policies of [other] countries' (Shin 2017, 23) and 'finding data on immigration policies is highly time and labor intensive and, thus, not all states could be studied' (Peters 2012, 3).

Nonetheless, as immigration becomes a salient issue, several scholars attempt to amass more cross-country data in order to shed light on the general development of immigration-related legislations and their various components (e.g. Helbling and Kalkum 2018; Helbling et al. 2017; Beine et al. 2016; de Haas, Natter, and Vezzoli 2014). Their efforts have resulted in the Immigration Policies in Comparison (IMPIC) database that compiles migration policies for 33 OECD countries during the period 1980–2010. The database is comprehensive in the sense that it contains multiple subcomponents on specific aspects of immigration control. But it has its own downside in that it does not include non-OECD countries such as Venezuela and Saudi Arabia. Because this study is interested in finding the general pattern of the terrorism and immigration policy nexus beyond OECD countries, it utilizes the combined dataset of Peters (2015) and Shin (2017). This choice begs

the question: how comparable are the IMPIC database and the combined dataset? To answer the question succinctly, this study evaluates the effect of terrorism on the IMPIC's immigration policy index (AvgS_ImmPol) after selecting those countries that appear in both data collections.[6] Appendix 1 shows the estimated results that virtually coincide with those reported in the next section, Empirical Results: terrorist activity has no bearing on the restrictiveness of immigration policy. The fact that the two data collections produce compatible results lends support to the choice of the combined dataset of Peters (2015) and Shin (2017) for this study.

Use of the 23 sample countries meets two criteria that the literature deems important in studying the cross-border phenomenon: (a) the wage differential between migrant-receiving and migrant-sending countries and (b) the spread of economic development to rapidly developing countries (Ortega and Peri 2013; Massey 1990). Economically disadvantaged countries are not prime destinations for foreign workers, so their immigration policy is not pertinent to our empirical inquiry. For example, African countries such as Zimbabwe and Somalia are not good candidates for our immigrant country sample due to their poor economic conditions and lack of desirability, while South Africa (one of the world's leading mining and mineral-processing countries) and Botswana (one of the fastest growing economies in the world) are desirable. It is reasonable to assume that many Zimbabweans and Somalis desire to migrate into more economically stable countries in the region. Megan Lindow and Alexandria Perry (2008) of *Time* magazine produce related supporting evidence: Zimbabwean Lindi Moyo, 26, left her homeland for South Africa 'because there is no work, and no food.'

Given that the U.S. and Europe have ignited the recent debates on the relationship between terrorism and immigration, the inclusion of highly industrialized economies is also crucial. The developed countries are also theoretically interesting because many of them are afraid to flood their countries with poor immigrants from Africa, Asia, Eastern Europe, and Latin America. The developed countries are particularly alarmed at the potential that low-skilled immigrants may join terrorist organizations to settle grievances. Consequently, the developed countries should be more inclined to add more layers of new restrictions applying primarily to unskilled immigrants from underdeveloped and developing countries.

The combined dataset of immigration policy assesses the restrictiveness of national immigration policy in twelve areas: (a) entry discrimination based on nationality, (b) entry discrimination based on skills or income, (c) ease of naturalization or citizenship acquisition, (d) immigrant rights such as political, legal, or welfare rights, (e) number of refugees allowed to enter, (f) ease of gaining asylum, (g) visas or government programs, (h) labor-market restrictions for immigrants, (i) deportable offenses and administrative processes, (j) border enforcement or employment screening, (k) sponsorship by citizenship and restrictions, and (l) percentage of population allowed to enter annually. The immigration policy variable is a composite index that measures how restrictive low-skilled workers enter a country in any given year, based on the twelve criteria. The use of the immigration policy toward low-skilled workers as the dependent variable is essential for this empirical investigation given that Bandyopadhyay and Sandler's (2014, 122) game theory model predicts that a nation 'can curtail its terrorism at home by limiting unskilled labor quotas.' Since unskilled immigrants are less likely to be gainfully employed with a better quality of life and more likely to cross over to the terrorist sector, terrorist organizations likely recruit them to hit targets inside the host country. Accordingly, restricting inflows of unskilled immigrants likely reduces the labor pool of terrorist organizations and their potential attacks. The policy data span goes from −1.83 (most restrictive) to 0.80 (most liberal), varying across countries and across years.[7]

As the dependent variable – immigration policy – is continuous, the estimation method is an OLS regression with bootstrap standard errors.[8] When an OLS regression is run with pooled panel data, without accounting for fixed-effects that can control for omitted variables, (which differ between countries, but are constant over time) it may produce biased estimates. Indeed, Green, Kim, and Yoon (2001, 442) argue that 'analyses of pooled cross-section data that make no

allowance for fixed unobserved differences between [countries] often produce biased results.' Following Green, Kim, and Yoon's methodological insights, this study includes, additionally, country fixed-effects to capture the unique political and cultural characteristics of each country. Year dummies are also included to account for unobserved factors that change over time within countries and may be correlated in such a way that the effect of terrorism is underestimated.

The main independent variable – terrorism – comes from two-related sources: Enders, Sandler, and Gaibulloev (2011) and Gaibulloev, Piazza, and Sandler (2017). Using the same criteria, the two studies systematically separated LaFree and Dugan's (2007) Global Terrorism Database (GTD) into domestic and transnational terrorist attacks. For the purposes of this study, terrorism is defined as 'the threatened or actual use of illegal force, directed against civilian targets, by non-state actors, in order to attain a political goal, through fear, coercion or intimidation' (LaFree and Ackerman 2009, 348). To ensure the robustness of findings, this study operationalizes terrorism in six different ways: (a) the total number of terrorist incidents, which consists of a sum of domestic and transnational attacks, (b) the total number of domestic terrorist incidents, (c) the total number of transnational terrorist incidents, (d) the total number of terrorist casualties that combine domestic and transnational terrorist casualties, (e) the total number of domestic terrorist casualties, and (f) the total number of transnational terrorist casualties.

The distinction between terrorist incidents and casualties is made to explore a specific political phenomenon. Politicians, media, and the public may become more concerned with a terrorist event involving a group of people killed or injured than with a casualty-free terrorist incident, thereby heightening demand for quick restrictive action against immigrants. Alternatively stated, the frequency of terrorist incidents fails to measure the differing magnitude (in terms of resulting deaths and injuries) of each terrorist event. Recognizing this limitation, this study develops casualty variables which combine the total number of persons killed and injured in terrorist attacks, capturing the unequal degree of severity in each terrorist event on the restrictiveness of immigration policy.

In addition to the six terrorism variables, this study also creates a dummy variable in order to examine the impact of post-9/11 rhetoric on immigration policy. Previous studies assert that 9/11 has led to restrictive immigration policies such as a zero-tolerance approach to immigration offenses and tougher controls on borders (Messina 2014). The years after 2001 are coded as '1' and those before as '0'.

There are scores of possible confounding factors that may also affect the restrictiveness of immigration policy: banking crisis, unemployment, GDP per capita, democracy, labor force with tertiary education, fertility rate, population, ethnic exclusion, natural resource income, government ideology, and past immigration policy.

As noted earlier, as economic conditions deteriorate, politicians are likely to scapegoat immigrants and introduce restrictive immigration policy (Cochrane and Nevitte 2014; Weede 2003). Banking crises are regarded as a major symptom of poor economic conditions. This study operationalizes them on the basis of Laeven and Valencia's (2013) banking crises database. When a country is going through banking crises, the variable is coded as '1'. Otherwise, the variable is coded as '0'. Unemployment is another indicator of unfavorable economic conditions. The unemployment rate variable is obtained from the World Bank's *World Development Indicators 2017*.

As opposed to banking crises and unemployment, an increase of GDP per capita is likely to produce a favorable environment for immigration since it creates high demand for labor in growing economic sectors (Morley 2006). For example, as the East Asian Tigers enjoyed economic booms, they loosened immigration policies to attract low-paying workers from neighboring countries. Foreign nationals who look for better job opportunities and higher wages outside their home country tend to flock into labor-intensive manufacturing sectors where domestic laborers are reluctant to work because the jobs are dirty, dangerous, and difficult (Shin 2017; Kaur 2007). GDP per capita is gathered from the World Bank's *World Development Indicators 2017*.

From the perspective of human rights promotion, protecting the rights of immigrant minorities should prevail more often in democracies rather than autocracies (Walsh and Piazza 2010; Piazza and Walsh 2009). The democracy variable is collected from the Polity dataset which provides an eleven-point additive score for democracies and autocracies in order to assess the overall quality of democratic political systems. Each additive score goes from 0 to 10. Subtracting the autocracy score from the democracy score gives a composite democracy index, ranging from full autocracy (−10) to full democracy (+10) (Marshall and Jaggers 2014). Alternatively, this study also considers Cheibub, Gandhi, and Vreeland's (2010) democracy variable that is dichotomous, denoted as '1' for democracy and '0' for autocracy. The estimated results from Polity (continuous measure) and democracy (dichotomous measure) are virtually identical, so this study reports only the former to save space.[9]

Contrary to popular belief, several previous studies uncover that many people become politically conservative during their college years (e.g. Astin 1993). Hatton and Williamson (2005) demonstrate that when college-graduates work in low-wage jobs,[10] their opinions tend to become conservative and unfavorable toward immigration issues when they lose job opportunities to immigrant workers who cause downward wage pressure.[11] But it is equally likely that immigrants from poorly developed countries put employment pressures on less-educated, lower skilled workers in the host country. Thus, this study remains agnostic about the effect of labor force with tertiary education. Data for labor force with post-secondary education is gathered from the World Bank's *World Development Indicators 2017*. Labor force with higher education represents the share of the total labor force that has attained or completed tertiary education as their highest level of education.

Countries with low birthrates experience population decline and expect to have higher proportions of older citizens in the future. Such countries are likely to undergo a shortage in the domestic workforce which may lead to a loss of economic growth. Bringing more immigrants to the population is one of the ways to address a nation's shrinking workforce stemming from a low fertility rate. For example, concerned with low birthrates, Australia has actively involved in inducing international migration to keep steady economic growth. In 2008, international migration accounted for nearly half of Australia's population growth (Hugo 2008; Kaur 2007; Coleman 2006). Collected from the World Bank's *World Development Indicators 2017*, total fertility rate is the number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with age-specific fertility rates of the specified year.

An increasing population prevents labor shortages. This means that highly populated countries can enjoy an adequate level of labor force based upon their own citizens and thus they are unlikely to make adjustments in immigration policy (Ley and Hiebert 2001). The population change variable is calculated after taking the first difference of the total population and then a logarithm of the first differenced figures to make a positively and negatively skewed distribution more normal.[12] The data comes from the World Bank's *World Development Indicators 2017*.

In certain parts of the world, the majority of the population, while unspoken, prefers to see the minority groups suffer from disadvantages in income, housing, employment, and unequal access to government social services. In response, political leaders like to deny the political rights of minority groups (Wimmer, Cederman, and Min 2009; see also Acosta and Childs 2013; Piazza 2011). Under this circumstance, political leaders shape public policies which favor the majority population and restrict immigration policy for foreign nationals. Ethnic exclusion is the logged percentage share of the excluded population in the total population that is ethnopolitically irrelevant; this variable is garnered from the Ethnic Power Relations (EPR) dataset.[13] Being ethno-politically irrelevant means that a situation in which ethnic groups are capable of achieving only a nominal level of political efficacy or are subjected to intentional political discrimination due to their ethnic background. Ethnic exclusion occurs when a particular ethnic group's members are barred from service or representation in any branch of government (Wimmer, Cederman, and Min 2009).

When countries generate abundant natural resource income and redistribute it to native-born citizens, they are likely to experience a shortage of labor force at low-skilled positions. These domestic workers with redistributed income have less incentive to take low paying jobs. This situation creates an opportunity for foreign nationals who wish to move into those countries in the hope of having better economic opportunities and higher wages relative to their home country. Accordingly, countries with a short labor supply are likely to open up immigration policy for migrant workers who can complement domestic workers at low-paying positions (Shin 2017). The natural resource income variable is measured as the total revenue from natural resource production divided by total population. Natural resources include fuel (oil, gas, and coal) as well as valuable minerals (i.e. gold, diamond, silver, and copper). By multiplying and taking the log of the production quantity of each resource by its real-world price in 2007 U.S. dollars, this study obtains the value of natural resource production. The data for natural resource income is obtained from Shin's (2017) study.

When nationalist and/or right-wing political leaders are in power, they are more likely to push for strict anti-immigration policies. Their politics taps into anxieties over the influence of immigrants, which often gives them electoral success and a surge in popularity (Henley 2017; Stokes 2016; Valeriano and Powers 2010). The government ideology variable captures to what extent the incumbent government promotes a nationalist, conservative, and/or right-wing ideology. The data is collected from the Varieties of Democracy (V-Dem) Project 2019.[14]

Although some immigration policy may take a drastic turn, past policy is the most important foundation of a country's current immigration policy. Thus, the best predictor of today's policy should be yesterday's policy (Shin 2017). The past immigration policy variable is operationalized as a lagged term for immigration policy. There is a possibility that the lagged dependent variable may soak up the explanatory power of other theoretically interesting independent variables (Achen 2000). However, when the lagged dependent variable is excluded from the model specification, the main results do not change in any meaningful way and thus are not reported in order to save space.

Descriptive statistics for all variables used in the study are produced in Appendix 2.

Empirical Results

This section is divided into five parts: graphical presentation, baseline analysis, robustness tests, interaction effect analysis, and reverse causality.

Graphical Presentation

Before delving into multivariate statistical analysis, this study presents the visual patterns of terrorism and immigration policy – how strongly the relationship between the two factors fluctuates over time or whether it changes at all. As shown in Figure 1,[15] the two factors seem to be unrelated to each other. While the restrictiveness of immigration policy among the 23 sample countries is on the decrease over the past four decades, total terrorist activities themselves have ups and downs, whether be measured in incidents or casualties. These visual patterns do not provide support for the first hypothesis of this study – countries are unlikely to restrict immigration policy even when terrorist threats rise.

Baseline Analysis[16]

Table 1 lists seven baseline models of immigration policy. Each model is identical, except that the main predictor, terrorism, is measured differently: total terrorist incidents, domestic terrorist incidents, transnational terrorist incidents, total terrorist casualties, domestic terrorist casualties, transnational terrorist casualties, and September 11. When evaluating the short-term effect of

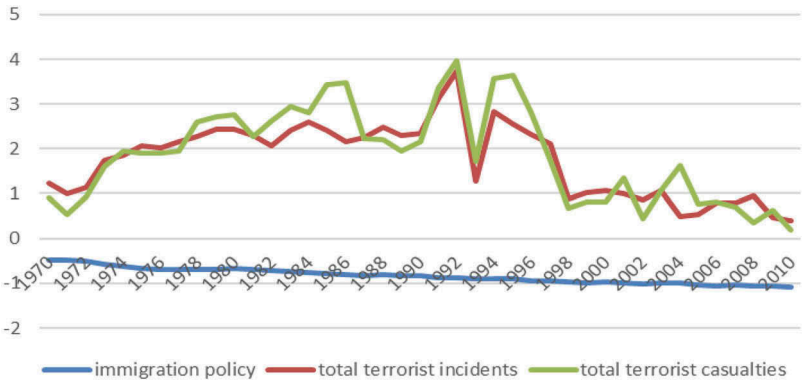

Figure 1. Terrorism and immigration policy.

terrorism on immigration policy that can be inferred from the magnitude of the terrorism coefficient, this study notices that all the terrorism variables except for one are trivial and, more importantly, they are not significantly different from zero across the board. This result implies that regardless of measures of terrorist violence, the hypothesis about the terrorism and immigration policy connection is hardly supported by the data. Another interesting question is whether the impact of terrorism may increase in the long-run as the cumulative effects of multiple attacks set in. By using the formular, $\beta_1/(1 - \beta_{12})$,[17] this study calculates the long run effect of terrorism on immigration policy. Though insignificant, there is a minor decreasing, not increasing, effect during the period from 1970 to 2010. For example, the long-term effects of total terrorist incidents and casualties on immigration policy amounts to −0.001 and −0.018 (as compared to −0.000 and −0.002 of the short-term effects). Note that these negative long-term effects are consistent with the overall decreasing trend of immigration policy identified in the graphical presentation of Figure 1.[18]

Among the confounding factors, the past immigration policy[19] alone appears to be associated with restrictive immigration policy in a consistent manner. This indicates that political leaders are likely to make amendments to existing immigration laws and tweak existing practices in a more restrictive way in order to meet their political goals. The other control variables such as democracy, labor force with tertiary education, and natural resource income fail to exert an independent effect on immigration policy.

The overall results suggest that immigrant-receiving countries do not significantly alter their policies after terrorist attacks;[20] in fact, there are no conspicuous actions taken against low-skilled immigrants, whether in the short or long run. Put differently, even though populist politicians try to scapegoat migrant workers, it does not materialize into an effective legislation because their mobilization efforts appear to fail to garner sufficient support from the media and the public.[21]

Robustness Tests

Table 2 provides three sets of robustness tests for the 'null' findings pertaining to the terrorism variables reported in Table 1. Models 1 and 2 re-estimate Models 1 and 2 of Table 1 after dropping two oil-rich monarchies: Kuwait and Saudi Arabia. These oil-rich monarchies host large populations of migrant workers, so they may disguise the true underlying impacts on immigration policy in the estimation. However, the re-run results remain the same: terrorist events exert no influence on immigration policy. None of the control variables except for past immigration policy emerges as a significant predictor of restrictive immigration policy across the board in a consistent manner.

Table 1. Effect of terrorism on immigration policy: baseline models.

	Total Terrorism		Domestic Terrorism		Transnational Terrorism		September 11
Variable	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Total Terrorist Incidents$_{it-1}$	−0.000						
	(0.004)						
Domestic Terrorist Incidents$_{it-1}$			0.002				
			(0.005)				
Transnational Terrorist Incidents$_{it-1}$					−0.003		
					(0.006)		
Total Terrorist Casualties$_{it-1}$		−0.002					
		(0.002)					
Domestic Terrorist Casualties$_{it-1}$				−0.000			
				(0.003)			
Transnational Terrorist Casualties$_{it-1}$						−0.006*	
						(0.003)	
September 11$_{it-1}$							−0.013
							(0.037)
Banking Crisis$_{it-1}$	0.037	0.038*	0.036*	0.037	0.038	0.037	0.037
	(0.021)	(0.017)	(0.018)	(0.020)	(0.022)	(0.022)	(0.020)
Democracy$_{it-1}$	−0.002	−0.002	−0.002	−0.002	−0.002	−0.002	−0.002
	(0.003)	(0.002)	(0.003)	(0.003)	(0.003)	(0.003)	(0.003)
Labor Force with Tertiary Education$_{it-1}$	−0.000	−0.000	−0.000	−0.000	−0.000	−0.000	−0.000
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Fertility Rate$_{it-1}$	0.010	0.009	0.011	0.010	0.009	0.008	0.010
	(0.008)	(0.007)	(0.009)	(0.008)	(0.007)	(0.009)	(0.007)
Population$_{it-1}$	−0.002*	−0.002	−0.002	−0.002	−0.002	−0.001	−0.002
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Ethnic Exclusion$_{it-1}$	0.007	0.007	0.006	0.007	0.006	0.007	0.007
	(0.015)	(0.011)	(0.013)	(0.014)	(0.021)	(0.017)	(0.018)
Natural Resource Income$_{it-1}$	0.002	0.001	0.002	0.002	0.001	0.001	0.002
	(0.008)	(0.007)	(0.006)	(0.008)	(0.007)	(0.008)	(0.008)
GDP per capita$_{t-1}$	0.002	0.001	0.002	0.002	0.002	0.001	0.002
	(0.024)	(0.015)	(0.019)	(0.021)	(0.023)	(0.023)	(0.019)
Unemployment$_{it-1}$	−0.001	−0.001	−0.000	−0.001	−0.001	−0.001	−0.001
	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)	(0.003)
Government Ideology$_{it-1}$	0.013	0.014	0.012	0.013	0.013	0.014	0.013
	(0.043)	(0.030)	(0.043)	(0.039)	(0.036)	(0.035)	(0.049)
Immigration Policy$_{it-1}$	0.890***	0.890***	0.890***	0.890***	0.890***	0.889***	0.890***
	(0.032)	(0.033)	(0.032)	(0.028)	(0.029)	(0.033)	(0.031)
Constant	−0.158	−0.142	−0.165	−0.158	−0.155	−0.139	−0.146
	(0.238)	(0.150)	(0.209)	(0.222)	(0.243)	(0.232)	(0.189)
R^2							
within	0.902	0.902	0.902	0.902	0.902	0.903	0.902
between	0.997	0.997	0.997	0.997	0.997	0.998	0.997
overall	0.968	0.969	0.968	0.968	0.969	0.969	0.968
Observations	926	926	926	926	926	926	926

Bootstrap standard errors, *p < .10, **p < .05, ***p < .01, two-tailed tests.

As discussed, Shin (2017) contends that autocratic leaders are likely to open immigration when they have more internal capacity to generate natural resource income for redistribution in favor of their native-born populations. This new finding helps us better understand the politics of immigration policy in autocratic countries. However, the natural resource income variable in Table 1 in this study does not pass the conventional significance level tests. The reasons may include that the sample period is similar, but not exactly the same;[22] the sample does not differentiate autocratic regimes from democratic regimes. Models 3 and 4 display estimated results for autocracies only. The natural resource income variable in both models emerges as no significant and positive determinant of immigration policy. But note that the insignificance of terrorism still remains the

Table 2. Effect of terrorism on immigration policy: robustness tests.

	Without Kuwait and Saudi Arabia		Autocracies only		Democracies only	
Variable	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Total Terrorist Incidents$_{it-1}$	0.000		−0.008		−0.001	
	(0.003)		(0.011)		(0.004)	
Total Terrorist Casualties$_{it-1}$		−0.002		−0.008		−0.001
		(0.002)		(0.006)		(0.002)
Banking Crisis$_{it-1}$	0.041*	0.041*	0.019	0.019	0.053	0.053
	(0.020)	(0.018)	(0.052)	(0.063)	(0.030)	(0.032)
Democracy$_{it-1}$	−0.002	−0.002	−0.002	−0.002	−0.018	−0.018
	(0.003)	(0.002)	(0.012)	(0.012)	(0.014)	(0.013)
Labor Force with Tertiary Education$_{it-1}$	−0.000	−0.000	−0.055	−0.060	−0.000	−0.000
	(0.001)	(0.001)	(0.039)	(0.046)	(0.001)	(0.001)
Fertility Rate$_{it-1}$	0.021	0.019	−0.065	−0.076	−0.000	−0.000
	(0.014)	(0.014)	(0.056)	(0.058)	(0.023)	(0.023)
Population$_{it-1}$	−0.001	−0.001	0.001	0.002	−0.000	−0.000
	(0.001)	(0.001)	(0.003)	(0.004)	(0.001)	(0.001)
Ethnic Exclusion$_{it-1}$	0.006	0.007	0.096	0.101	−0.017	−0.017
	(0.013)	(0.011)	(1.707)	(1.107)	(0.053)	(0.048)
Natural Resource Income$_{it-1}$	0.004	0.003	−0.035	−0.040	−0.014	−0.014
	(0.007)	(0.007)	(0.074)	(0.080)	(0.011)	(0.013)
GDP per capita$_{t-1}$	0.018	0.017	−0.219	−0.252	0.024	0.025
	(0.024)	(0.022)	(0.166)	(0.177)	(0.055)	(0.045)
Unemployment$_{it-1}$	0.001	0.000	−0.054***	−0.054*	−0.000	−0.000
	(0.002)	(0.002)	(0.016)	(0.022)	(0.003)	(0.003)
Government Ideology$_{it-1}$	0.011	0.012	−0.099	−0.099	0.054*	0.054
	(0.044)	(0.041)	(0.111)	(0.205)	(0.025)	(0.031)
Immigration Policy$_{it-1}$	0.890***	0.890***	0.670***	0.658***	0.835***	0.836***
	(0.035)	(0.026)	(0.089)	(0.090)	(0.033)	(0.029)
Constant	−0.361	−0.337	4.118	4.624	−0.218	−0.224
	(0.260)	(0.237)	(5.263)	(3.214)	(0.533)	(0.519)
R^2						
within	0.903	0.903	0.840	0.844	0.884	0.884
between	0.997	0.998	0.047	0.027	0.983	0.983
overall	0.964	0.965	0.117	0.089	0.953	0.953
Observations	840	840	161	161	679	679

Bootstrap standard errors, *p < .10, **p < .05, ***p < .01, two-tailed tests.

same in both models. It appears that autocratic leaders do not, in any meaningful way, block or loose the inflow of low-paying foreign workers.

Models 5 and 6 report coefficients and standard errors estimated only for democratic political regimes. Once again, the terrorism variables in both models are not significantly different from zero, meaning that terrorist violence is not associated with restrictiveness of immigration policy.

Interaction Effect Analysis

As noted, political leaders may seek restrictive immigration policy when terrorist events and economic crises coexist. This possibility is tested in Table 3. An interaction term between terrorism and banking crisis along with their constitutive terms is included in the models. The results show no supporting evidence for the interaction effect between terrorism and banking crisis, as almost all interaction-related terms fail to pass the conventional significance level tests.

Reverse Causality

This study has thus far assumed a one-way causal direction from terrorism to immigration policy and consequently introduced a one-year lagged term for all explanatory variables to help establish

Table 3. Interaction effect of terrorism and banking crisis on immigration policy.

	Without Kuwait and Saudi Arabia		Autocracies only		Democracies only	
Variable	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Total Terrorist Incidents$_{it-1}$	−0.001		−0.002		−0.003	
	(0.004)		(0.011)		(0.004)	
Total Terrorist Casualties$_{it-1}$		−0.002		−0.005		−0.002
		(0.003)		(0.004)		(0.003)
Banking Crisis$_{it-1}$	0.019	0.018	0.109**	0.064	−0.003	0.005
	(0.034)	(0.023)	(0.042)	(0.047)	(0.052)	(0.029)
Total Terror Incidents$_{it-1}$ * Bank Crisis$_{it-1}$	0.007		−0.019		0.021	
	(0.012)		(0.014)		(0.026)	
Total Terror Casualties$_{it-1}$ * Bank Crisis$_{it-1}$		0.008		−0.009		0.021
		(0.009)		(0.041)		(0.021)
Democracy$_{it-1}$	−0.002	−0.002	−0.001	−0.001	−0.016	−0.017
	(0.003)	(0.003)	(0.013)	(0.011)	(0.011)	(0.011)
Labor Force with Tertiary Education$_{it-1}$	−0.000	−0.000	−0.051	−0.057	−0.000	0.000
	(0.001)	(0.001)	(0.039)	(0.038)	(0.001)	(0.001)
Fertility Rate$_{it-1}$	0.020	0.018	−0.064	−0.075	−0.002	−0.005
	(0.015)	(0.012)	(0.067)	(0.064)	(0.018)	(0.021)
Population$_{it-1}$	−0.001	−0.001	0.001	0.002	−0.000	−0.000
	(0.002)	(0.002)	(0.004)	(0.006)	(0.001)	(0.001)
Ethnic Exclusion$_{it-1}$	0.006	0.007	0.095	0.100	−0.017	−0.015
	(0.018)	(0.020)	(1.534)	(2.161)	(0.015)	(0.051)
Natural Resource Income$_{it-1}$	0.004	0.003	−0.044	−0.048	−0.013	−0.014
	(0.008)	(0.009)	(0.100)	(0.077)	(0.011)	(0.013)
GDP per capita$_{t-1}$	0.019	0.016	−0.206	−0.242	0.018	0.013
	(0.030)	(0.019)	(0.188)	(0.189)	(0.050)	(0.045)
Unemployment$_{it-1}$	0.001	0.000	−0.051**	−0.051**	−0.000	−0.001
	(0.002)	(0.002)	(0.017)	(0.019)	(0.003)	(0.004)
Government Ideology$_{it-1}$	0.010	0.013	−0.104	−0.100	0.055	0.064
	(0.042)	(0.036)	(0.272)	(0.214)	(0.030)	(0.034)
Immigration Policy$_{it-1}$	0.888***	0.886***	0.666***	0.658***	0.823***	0.811***
	(0.029)	(0.031)	(0.101)	(0.083)	(0.029)	(0.025)
Constant	−0.370	−0.340	3.832	4.401	−0.195	−0.160
	(0.302)	(0.208)	(3.926)	(5.243)	(0.433)	(0.452)
R^2						
within	0.903	0.904	0.842	0.845	0.886	0.887
between	0.997	0.998	0.078	0.043	0.985	0.984
overall	0.964	0.965	0.148	0.110	0.954	0.953
Observations	840	840	161	161	679	679

Bootstrap standard errors, *p < .10, **p < .05, ***p < .01, two-tailed tests.

the causal time order. But there is a possibility of reverse causality: while terrorism affects immigration policy, the latter may also influence the former. Several studies indeed show that immigration is related to terrorism. For example, Böhmelt and Bove (2017) demonstrate how migration policies moderate the diffusion of terrorism. Dreher, Gassebner, and Schaudt (2017) and Bove and Tobias (2016) offer empirical analyses of whether a number of immigrants and terrorism are linked to each other. In an effort to deal with the possibility of reverse causality, this study builds two sets of simultaneous equation models.

The first set is two-stage least squares (2SLS) models instrumenting for terrorism using military personnel (Sovey and Green 2011). This study reasons that countries that maintain a large number of military personnel have a higher risk of exposing to terrorist activity since their presence supplies terrorists with more and better target opportunities for attacks (Moghadam 2009). But this study expects military personnel to be exogenous to immigration policy since soldiers are not involved in the decision-making process of immigration policy. This reasoning is empirically confirmed by Wu-Hausman tests (see Appendix 7). The 2SLS results are summarized in Models 1 and 2 of Table 4. It appears that when instrumenting for military personnel in the first stage of the model, this study

Table 4. Terrorism and immigration policy: reverse causality.

	2SLS		GMM	
Variable	Model 1	Model 2	Model 3	Model 4
Total Terrorist Incidents$_{it-1}$	−0.008		−0.002	
	(0.016)		(0.007)	
Total Terrorist Casualties$_{it-1}$		−0.006		−0.003
		(0.013)		(0.003)
Banking Crisis$_{it-1}$	0.041*	0.039*	0.101*	0.099*
	(0.017)	(0.016)	(0.040)	(0.040)
Democracy$_{it-1}$	−0.002	−0.001	−0.002	−0.002
	(0.001)	(0.001)	(0.003)	(0.003)
Labor Force with Tertiary Education$_{it-1}$	−0.001	−0.001	−0.008*	−0.008*
	(0.001)	(0.001)	(0.003)	(0.003)
Fertility Rate$_{it-1}$	0.007	0.005	0.053	0.056
	(0.010)	(0.013)	(0.032)	(0.032)
Population$_{it-1}$	−0.001	−0.001	−0.003	−0.003
	(0.001)	(0.001)	(0.003)	(0.003)
Ethnic Exclusion$_{it-1}$	0.008	0.010	−0.019	−0.017
	(0.006)	(0.008)	(0.024)	(0.023)
Natural Resource Income$_{it-1}$	−0.000	−0.001	−0.031	−0.029
	(0.007)	(0.007)	(0.020)	(0.020)
GDP per capita$_{t-1}$	0.001	−0.001	0.169	0.167*
	(0.014)	(0.015)	(0.086)	(0.085)
Unemployment$_{it-1}$	−0.001	−0.002	0.004	0.004
	(0.003)	(0.004)	(0.004)	(0.004)
Government Ideology$_{it-1}$	0.020	0.019	−0.063	−0.060
	(0.022)	(0.022)	(0.038)	(0.038)
Immigration Policy$_{it-1}$	0.894***	0.894***	0.796***	0.794***
	(0.013)	(0.013)	(0.034)	(0.034)
Constant	−0.052	−0.021	−1.399	−1.327*
	(0.165)	(0.199)	(0.991)	(0.665)
Instruments	Military Personnel, etc.			
Instrumented	Terror Incidents	Terror Casualties		
Durbin χ^2	0.37 (p= 0.54)	0.17 (p= 0.68)		
Wu-Hausman F	0.34 (p= 0.56)	0.16 (p= 0.69)		
Arrellano-Bond Test			−11.41 (p= 0.00)	−11.40 (p= 0.00)
Sargon Test			166.88 (p= 0.00)	167.66 (p= 0.00)
R^2	0.97	0.97		
Observations	906	906	926	926

Bootstrap standard errors are not reported due to an error message: insufficient observations to compute bootstrap standard errors, *p < .05, **p < .01, ***p < .001, two-tailed tests.

reproduces the core findings pertaining to the terrorism and immigration policy nexus – terrorism have little to do with restrictive immigration policy.

The second set is generalized method of moments (GMMs) models (Arellano and Bond 1991), which treats terrorism and immigration policy as endogenous but two regressors (unemployment and government ideology) in the model as exogenous. These GMMs models also reproduce the main findings of this study and are summarized in Models 3 and 4 of Table 4.

The use of simultaneous equations models reveals that there is no reversed causality.[23] Put another way, the overall results from the mutual causality analysis do not deviate from the single equation model of immigration policy – terrorist attacks are unlikely to restrict immigration policy.

Conclusion

In an effort to delve into the understudied areas of terrorism and immigration, this study offers a novel theoretical argument and builds a first-cut empirical model that tests a widely held belief regarding the positive association between terrorism and restrictive immigration policy. This study finds no empirical evidence that countries experiencing frequent terrorist attacks are likely to opt for harsher immigration policy. This finding goes against the conventional wisdom that a growing

threat of terrorism motivates populist politicians to impose strict immigration policies. The null finding may be attributed to the fact that terrorism often results in a rally effect, where the government becomes more popular after a country is attacked so that politicians are not compelled to scapegoat (Hetherington and Nelson 2003). An example is George W. Bush whose popularity soared after 9/11 and who refrained himself from blaming immigrants as terrorist threats. Alternatively, politicians may strongly favor inexpensive immigrants because of their beneficial effects on the labor market and economic growth, thereby leading to no necessity for scapegoating.

Using a case of Spain, this study further illustrates why the empirical analyses yielded the 'null' finding. The country has a long history of domestic terrorism; its capital was the victim of the 2004 Madrid train bombings carried out by an al-Qaeda terrorist cell – the deadliest transnational terrorist attack in the country's history; and immigration is perceived as threatening – the country has been at the forefront of the migrant crisis, with hundreds arriving from north Africa constantly. However, Spanish politicians did not enact new legislation against immigrant workers that aims to discourage future terrorist activities (Soledad Saux 2007). After all, anti-immigration slogans appear to be mostly political rhetoric that fail to garner the necessary support from the influential politicians, the public, and mass media, as they are rarely transformed into strict immigration policies.

This study has not addressed at least one important issue related to the terrorism and immigration policy connection. Terrorist incidents in some countries include those committed by 'pirates' or 'criminals' (e.g. the Chinese triad). Other country cases (e.g. South Africa, Saudi Arabia, Spain) are in the form of organized, persistent, and strong terrorist activity. Given that the type of terrorism varies across country and years, it can be postulated and tested that scapegoating may work more effectively in the case of terrorism by groups that are perceived as the 'other' (e.g. the ANC in South Africa) rather than by 'ordinary criminal terrorists.' Future research that recognizes the possible presence of different terrorist types should follow up on the present effort.

Notes

1. An act of violence is defined as domestic terrorism when the victims and perpetrators are from the venue country. Domestic terrorism, for example, occurred when Tamerlan Tsarnaev – one of the two young Chechen-American brothers in the Boston Marathon bombings – carried out a terrorist plot on American soil. Conversely, transnational terrorism involves at least two different nationals, such as the 9/11 attacks.
2. The number of the sample countries is determined by the data availability of the immigration policy. The study period is chosen by the availability of the domestic versus transnational terrorism data and the immigration policy data (see Gaibulloev, Piazza, and Sandler 2017; Shin 2017; Peters 2015; Enders, Sandler, and Gaibulloev 2011).
3. To save space, a multiplicative regression model of the relationship between terrorism and banking crises will be introduced in the next section.
4. Reed (2015) argues that lagging variables by one time period is not sufficient to make causal claims or remove endogeneity concerns. However, Bellemare, Masaki, and Pepinsky (2017) provide several exceptions in which lagged variables are appropriate. One of them is that 'there is no reverse causality and the causal effect operates with a one period lag only' (p. 960), which is the case of this study. As discussed in the next section, this study finds no significant reverse causality and one year lagged terms are appropriate given the fact that actual immigration policies take some time to be written and to work its way through legislative bodies.
5. The sample countries can also be categorized into five different types of countries whose immigration policy determines what types of people to allow inside the border. The American immigration system focuses on family ties that accounts for two-thirds of all residency visas, more than any other country; the Canadian and Australian systems are based heavily on employability, with a preference for those who are highly skilled, such as doctors, engineers, or entrepreneurs; most immigrants in Europe have been other Europeans; the South Korean and Japanese systems are very stringent with immigration partly because of a desire to preserve their cultures; and the oil-exporting countries allow a huge immigrant influx to meet the demand for cheap, low-skilled labor, but they have few legal rights or protections (Bui and Dickerson 2018).
6. The IMPIC database is available at http://www.impic-project.eu/data/.
7. For more detailed discussion of the data collection, see Shin (2017) and Peters (2012, 2015).

8. An alternative may be cluster-robust standard errors that take intra-country correlation into account. But as demonstrated by Cameron, Gelbach, and Miller (2008, 414), the use of cluster-robust standard errors is not appropriate when the number of clusters is small, say five to thirty (see also Wooldridge 2002).
9. It is worth noting that Oneal and Ray (1997, 754) assert that a dichotomous measure of democracy had been popular until more refined continuous measures such as Polity came out.
10. Note that the overall low-wage labor force is better educated today than it was a generation ago.
12. This study uses $\log\left(x+\sqrt{x^2+1}\right)$, the inverse hyperbolic sine function, $\sinh^{-1}(x)$, as a logarithm. This transformation gives the slow log-like growth for large values and maintains the sign of the original numerical values. Accordingly, the transformed population variable includes negative and positive values (see Appendix 2).
13. The data and the codebook can be found at http://www.epr.ucla.edu/.
14. The V-Dem project produces one of the largest-ever social science data collection efforts with a database containing over 19 million data points. V-Dem is the recipient of the 2016 Lijphart/Przeworski/Verba Dataset Award. For more details, see https://www.v-dem.net/en/.
15. The solid lines represent yearly averages for immigration policy and terrorist activities (in log-form).
16. Multicollinearity problems may be suspected among the independent variables. This study performs three sets of rigorous diagnostic tests for multicollinearity: R^2 statistics, variance inflation factors, eigenvalues, and condition index. The results are found in Appendix 3 where none of the predictors that appear in Model 1 of Table 1 indicates severe multicollinearity.
17. Abbassi and Linzert (2011) use the same formula to compare a short-term versus long-term effect.
18. When examining how terrorism affects each area of immigration policy, this study also finds no significant effect of terrorism. For example, this study fails to see a meaningful relationship between terrorist events and border controls.
19. Even when the past immigration policy variable is excluded in the models, the main findings of this study remain the same.
20. It is empirically interesting to explore the question of whether terrorism likely brings about the change in immigration policy. But when this study converts the measure of immigration policy from level to change, the main findings do not significantly change, confirming that there is no association between terrorism and immigration policy (see Appendix 4).
21. It is possible that the null finding may be attributed to the inclusion of fixed-effects that tend to remove within-variation. To address this possibility, this study re-estimates Models 1 and 2 of Table 1 in the absence of fixed-effects. As shown in Appendix 5, the terrorism and immigration policy nexus still remains insignificant. The pooled regression approach of this study is based on a data collection that lumps together different types of countries such as settler countries, Asian tigers, and oil-rich monarchies. Given that the sample countries are diverse with respect to terrorism and migration policy, it is interesting to run separate time-series analyses for each country. This study performs Granger causality tests by country and reports the results in Appendix 6. Consistent with the results in Table 1, almost all test statistics are unable to reject the null hypothesis: terrorism does not Granger-cause immigration policy.
22. While this study runs from 1970 to 2010, Shin's study goes from 1975 to 2013.
23. This is consistent with the recent study of Choi (2018a) who finds no supporting evidence – 'restrictive immigration policy has little to do with terrorism one way or another.'

Acknowledgments

I am very grateful to Benjamin Acosta, Alba Alexander, Michael Dirksen, Anahit Gomtsian, Margaret Peters, Adrian Shin, Keith Simonds, and Michael Soules for their comments and suggestions.

Disclosure statement

No potential conflict of interest was reported by the author.

References

Abbassi, P., and T. Linzert. 2011. "The Effectiveness of Monetary Policy in Steering Money Market Rates during the Recent Financial Crisis." *Working Paper Series No. 1328*. European Central Bank.

Achen, C. 2000. "Why Lagged Dependent Variables Can Suppress the Explanatory Power of Other Independent Variables." Downloaded from http://www.princeton.edu/csdp/events/Achen121201/achen.pdf

Acosta, B. 2014. "From Bombs to Ballots: When Militant Organizations Transition to Political Parties." *The Journal of Politics* 76 (3): 666–683. doi:10.1017/S0022381614000188.
Acosta, B., and S. Childs. 2013. "Illuminating the Global Suicide-Attack Network." *Studies in Conflict and Terrorism* 36 (1): 49–76. doi:10.1080/1057610X.2013.739079.
Adelman, H. 2002. "Canadian Borders and Immigration Post 9/11." *International Migration Review* 36 (1): 15–28. doi:10.1111/j.1747-7379.2002.tb00066.x.
Arellano, M., and S. Bond. 1991. "Some Tests of Specification for Panel Data." *Review of Economic Studies* 58 (2): 277–297. doi:10.2307/2297968.
Astin, A. 1993. *What Matters in College*. San Francisco: Jossey-Bass.
Bandyopadhyay, S., and T. Sandler. 2014. "Immigration Policy and Counterterrorism." *Journal of Public Economy* 110: 112–123. doi:10.1016/j.jpubeco.2013.12.013.
Bank, W. 2017. *World Development Indicators 2017*. Washington, DC.
Bassil, C., A. S. Saleh, and S. Anwar. 2019. "Terrorism and Tourism Demand." *Current Issues in Tourism* 22 (1): 50–70. doi:10.1080/13683500.2017.1397609.
Beine, M., A. Boucher, B. Burgoon, M. Crock, J. Gest, M. Hiscox, P. McGovern, H. Rapoport, J. Schaper, and E. Thielemann. 2016. "Comparing Immigration Policies." *International Migration Review* 50 (4): 827–863. doi:10.1111/imre.12169.
Bellemare, M., T. Masaki, and T. Pepinsky. 2017. "Lagged Explanatory Variables and the Estimation of Causal Effect." *The Journal of Politics* 79 (3): 949–963. doi:10.1086/690946.
Bertoli, S. B., J. Moraga, and F. Ortega. 2011. "Immigration Policies and the Ecuadorian Exodus." *The World Bank Economic Review* 25 (1): 57–76. doi:10.1093/wber/lhr004.
Böhmelt, T., and V. Bove. 2017. "How Migration Policies Moderate the Diffusion of Terrorism." *European Journal of Political Research*. doi:10.1111/1475-6765.12339.
Boswell, C. 2007. "Migration Control in Europe after 9/11." *Journal of Common Market Studies* 45 (3): 589–610. doi:10.1111/j.1468-5965.2007.00722.x.
Bove, V., and B. Tobias. 2016. "Does Immigration Induce Terrorism?" *The Journal of Politics* 78 (2): 572–588. doi:10.1086/684679.
Bueno de Mesquita, B., A. S. Bruce, R. M. Siverson, and J. D. Morrow. 2003. *The Logic of Political Survival*. Cambridge: MIT Press.
Bui, Q., and C. Dickerson. 2018. "What Can the U.S. Learn from How Other Countries Handle Immigration?" *New York Times*, February 16 https://www.nytimes.com/interactive/2018/02/16/upshot/comparing-immigration-policies-across-countries.html
Caplan, B. 2007. *The Myth of the Rational Voter*. Princeton: Princeton University Press.
Cheibub, J. A., J. Gandhi, and J. Vreeland. 2010. "Democracy and Dictatorship Revisited." *Public Choice* 143 (2–1): 67–101. doi:10.1007/s11127-009-9491-2.
Choi, S.-W. 2010. "Fighting Terrorism through the Rule of Law?" *Journal of Conflict Resolution* 54 (6): 940–966. doi:10.1177/0022002710371666.
Choi, S.-W. 2016. *New Explorations into International Relations*. Athens: University of Georgia Press.
Choi, S.-W. 2018a. "Does Restrictive Immigration Policy Reduce Terrorism in Western Democracies?" *Perspectives on Terrorism* 12 (4): 14–25.
Choi, S.-W. 2018b. *Emerging Security Challenges: American Jihad, Terrorism, Civil War, and Human Rights*. Santa Barbara: Praeger.
Choi, S.-W. 2019. "Economic Causes of Female Suicide Terrorism: Perceived versus Actual." *Journal of Global Security Studies*. doi:10.1093/jogss/ogz010.
Chrisafis, A. 2016. "The Fear of Marine Le Pen – Will the Next Political Earthquake Happen in France?" *Guardian*, December 14.
CNN. 2001. *Transcript of President Bush's Address*, September 21.
Cochrane, C., and N. Nevitte. 2014. "Scapegoating." *Comparative European Politics* 12 (1): 1–32. doi:10.1057/cep.2012.28.
Coleman, D. 2006. "Immigration and Ethnic Change in Low-Fertility Countries." *Population and Development Review* 32 (3): 401–446. doi:10.1111/j.1728-4457.2006.00131.x.
Colin, C. A., J. Gelbach, and D. Miller. 2008. "Bootstrap-Based Improvements for Inference with Clustered Errors." *Review of Economics and Statistics* 90 (3): 414–427. doi:10.1162/rest.90.3.414.
Congressional Record. 2005. *109th Congress, 1st Session, Vol. 151, No. 66*, May 18.
Davis, D., and B. Silver. 2004. "Civil Liberties Vs. Security." *American Journal of Political Science* 48 (1): 28–46. doi:10.1111/j.0092-5853.2004.00054.x.
de Haas, H., K. Natter, and S. Vezzoli. 2014. "Compiling and Coding Migration Policies." *DEMIG Project Paper 16*. International Migration Institute.
Dreher, A., M. Gassebner, and P. Schaudt. 2017. "The Effect of Migration on Terror." *CESifo Working Papers No. 6441*.
Enders, W., T. Sandler, and K. Gaibulloev. 2011. "Domestic versus Transnational Terrorism." *Journal of Peace Research* 48 (3): 319–337. doi:10.1177/0022343311398926.

Esses, V., J. Dovidio, L. Jackson, and T. Armstrong. 2001. "The Immigration Dilemma." *Journal of Social Issues* 57 (3): 389–412. doi:10.1111/0022-4537.00220.
Gaibulloev, K., J. Piazza, and T. Sandler. 2017. "Regime Types and Terrorism." *International Organization* 71 (3): 491–522. doi:10.1017/S0020818317000169.
Gazzetta del Sud. 2015. *Gentiloni Says Risk Terrorists among Migrants*, January 23.
Givens, T., G. Freeman, and D. Leal. 2009. "Introduction." In *Immigration Policy and Security*, edited by T. Givens, G. Freeman, and D. Leal, 1–10. New York: Routledge.
Graber, D. 2003. "The Media and Democracy." In *Annual Review of Political Science*. Vol. 6, edited by Nelson W. Polsby, 139–160. Palo Alto: Annual Reviews.
Green, D., S. Y. Kim, and D. Yoon. 2001. "Dirty Pool." *International Organization* 55 (2): 441–468. doi:10.1162/00208180151140630.
Hassner, R., and J. Wittenberg. 2015. "Barriers to Entry." *International Security* 40 (1): 157–190. doi:10.1162/ISEC_a_00206.
Hatton, T., and J. Williamson. 2005. *Global Migration and the World Economy*. Cambridge: MIT Press.
Helbling, M., and D. Kalkum. 2018. "Migration Policy Trends in OECD Countries." *Journal of European Public Policy* 25 (12): 1779–1797. doi:10.1080/13501763.2017.1361466.
Helblinga, M., L. Bjerreb, F. Römer, and M. Zobelc. 2017. "Measuring Immigration Policies." *European Political Science* 16 (1): 79–98. doi:10.1057/eps.2016.4.
Henley, J. 2017. "Anti-Immigration Politicians Link London Attack to Migrant Policy." *Guardian*, March 23.
Hetherington, M., and M. Nelson. 2003. "Anatomy of a Rally Effect." *PS: Political Science and Politics* 36 (1): 37–42.
Hugo, G. 2008. "Australia's State-Specific and Regional Migration Scheme." *Journal of International Migration and Integration* 9 (2): 125–145. doi:10.1007/s12134-008-0055-y.
Huysmans, J. 2006. *The Politics of Insecurity*. New York: Routledge.
James, P., and A. Hristoulas. 1994. "Domestic Politics and Foreign Policy." *The Journal of Politics* 56 (2): 327–348. doi:10.2307/2132142.
Kaur, A. 2007. "Migration Matters in the Asia-Pacific Region." *International Journal on Multicultural Societies* 9 (2): 135–157.
Krieger, T., and D. Meierrieks. 2011. "What Causes Terrorism?" *Public Choice* 147 (1/2): 3–27. doi:10.1007/s11127-010-9601-1.
Laeven, Luc, and Fabián Valencia. 2013. "Systemic Banking Crises Database." *Imf Economic Review* 61 (2): 225-270. doi:10.1057/imfer.2013.12.
LaFree, G., and G. Ackerman. 2009. "The Empirical Study of Terrorism." *Annual Review of Law and Social Science* 5: 347–374. doi:10.1146/annurev.lawsocsci.093008.131517.
LaFree, G., and L. Dugan. 2007. "Introducing the Global Terrorism Database." *Terrorism and Political Violence* 19 (2): 181–204. doi:10.1080/09546550701246817.
Lerner, J., R. Gonzalez, D. Small, and B. Fischhoff. 2002. "Effects of Fear and Anger on Perceived Risks of Terrorism." *Psychological Science* 14 (2): 144–150. doi:10.1111/1467-9280.01433.
Levitan, D. 2017. *Not a Scientist*. New York: W.W. Norton.
Ley, D., and D. Hiebert. 2001. "Immigration Policy as Population Policy." *Canadian Geographer* 45 (1): 120–125. doi:10.1111/cag.2001.45.issue-1.
Lindow, M., and A. Perry. 2008. "Anti-Immigrant Terror in South Africa." *Time*.
Llorca-Vivero, R. 2008. "Terrorism and International Tourism." *Defence and Peace Economics* 19 (2): 169–188. doi:10.1080/10242690701453917.
Marshall, M., and K. Jaggers. 2014. *POLITY IV Project*. Vienna: Center for Systemic Peace.
Massey, D. 1990. "The Social and Economic Origins of Immigration." *The Annals of the American Academy of Political and Social Science* 510 (1): 60–72. doi:10.1177/0002716290510001005.
Mearsheimer, J. 2011. *Why Leaders Lie*. New York: Oxford University Press.
Messina, A. 2014. "Securitizing Immigration in the Age of Terror." *World Politics* 66 (3): 530–559. doi:10.1017/S0043887114000148.
Moghadam, A. 2009. "Motives for Martydom." *International Security* 33 (3): 46–78. doi:10.1162/isec.2009.33.3.46.
Morley, B. 2006. "Causality between Economic Growth and Immigration." *Economic Letters* 90 (1): 72–76. doi:10.1016/j.econlet.2005.07.008.
New York Times. 2016. *Transcript of Donald Trump's Immigration Speech*, September 1.
New York Times. 2017. *Full Executive Order Text*, January 27.
Oneal, J., and J. Ray. 1997. "New Tests of the Democratic Peace." *Political Research Quarterly* 50 (4): 751–775. doi:10.1177/106591299705000402.
Ortega, F., and G. Peri. 2013. "The Effect of Income and Immigration Policies on International Migration." *Migration Studies* 1 (1): 47–74. doi:10.1093/migration/mns004.
Passini, S., L. Palareti, and P. Battistelli. 2009. "We Vs. Them: Terrorism in an Intergroup Perspective." *Revue Internationale De Psychologie Sociale* 22 (3–4): 35–64.

Peters, M. 2012. *Online Appendix B: Coding of the Immigration Policy Dataset for Trade, Foreign Direct Investment and Immigration Policy Making in the US*. doi:10.1094/PDIS-11-11-0999-PDN.
Peters, M. 2015. "Open Trade, Closed Borders." *World Politics* 67 (1): 114–154. doi:10.1017/S0043887114000331.
Phizacklea, A. 2011. "Concluding Remarks." In *Security, Insecurity and Migration in Europe*, edited by G. Lazaridis, 287–291. Burlington: Ashgate.
Piazza, J. 2006. "Rooted In Poverty?" *Terrorism and Political Violence* 18 (1): 159–177. doi:10.1080/095465590944578.
Piazza, J. 2011. "Poverty, Minority Economic Discrimination and Domestic Terrorism." *Journal of Peace Research* 48 (3): 339–353. doi:10.1177/0022343310397404.
Piazza, J. 2018. "Suicide Attacks and Hard Targets." *Defence and Peace Economics*. doi:10.1080/10242694.2018.1509257.
Piazza, J., and J. Walsh. 2009. "Transnational Terror and Human Rights." *International Studies Quarterly* 53 (1): 125–148. doi:10.1111/j.1468-2478.2008.01526.x.
Piazza, J., and S.-W. Choi. 2018. "International Military Interventions and Transnational Terrorist Backlash." *International Studies Quarterly* 62 (3): 686–695. doi:10.1093/isq/sqy026.
Reed, William. 2015. "On The Practice Of Lagging Variables to Avoid Simultaneity." *Oxford Bulletin Of Economics and Statistics* 77 (6): 897-905. doi:10.1111/obes.2015.77.issue-6.
Rudolph, C. 2003. "Security and the Political Economy of International Migration." *American Political Science Review* 97 (4): 603–620. doi:10.1017/S000305540300090X.
Saux, Maria, S. 2007. "Immigration and Terrorism." *European Journal on Criminal Policy and Research* 13 (1–2): 57–72. doi:10.1007/s10610-006-9031-2.
Schmid, A. 2016. "Links between Terrorism and Migration." *The International Centre for Counter-Terrorism – the Hague* 7 (4): 1–63.
Shin, A. 2017. "Tyrants and Migrants." *Comparative Political Studies* 50 (1): 14–40. doi:10.1177/0010414015621076.
Sovey, A., and D. Green. 2011. "Instrumental Variables Estimation in Political Science." *American Journal of Political Science* 55 (1): 188–200. doi:10.1111/j.1540-5907.2010.00477.x.
Stokes, B. 2016. "The Immigration Crisis Is Tearing Europe Apart." *Foreign Policy*.
Tajfel, H., M. G. Billig, R. P. Bundy, and C. Flament. 1971. "Social Categorization and Intergroup Behaviour." *European Journal of Social Psychology* 1 (2): 149–178. doi:10.1002/(ISSN)1099-0992.
Telesurtv.net. 2017. *Is Argentina's Macri trying to top Trump Immigration Policies?*, January 30.
Tsoukala, A. 2011. "Turning Immigrants into Security Threats." In *Security, Insecurity and Migration in Europe*, edited by G. Lazaridis, 179–199. Burlington: Ashgate.
United States Department of State. 2017. *Country Reports on Terrorism 2016*.
Valeriano, B., and M. Powers. 2010. "United States-Mexico." *Policy Studies Journal* 38 (4): 745–775. doi:10.1111/j.1541-0072.2010.00382.x.
Walsh, J., and J. Piazza. 2010. "Why Respecting Physical Integrity Rights Reduces Terrorism." *Comparative Political Studies* 43 (5): 551–577. doi:10.1177/0010414009356176.
Waterfield, B. 2015. "Greece's Defence Minister Threatens to Send Migrants Including Jihadists to Western Europe." *Telegraph*, March 9.
Weede, E. 2003. "Globalization." In *Globalization and Armed Conflict*, edited by G. Schneider, K. Barbieri, and N. P. Gleditsch, 311–323. Lanham: Rowman & Littlefield.
Wimmer, A., L.-E. Cederman, and B. Min. 2009. "Ethnic Politics and Armed Conflict." *American Sociological Review* 74 (2): 316–337. doi:10.1177/000312240907400208.
Wooldridge, J. 2002. *Econometric Analysis of Cross Section and Panel Data*. Cambridge: MIT Press.

Appendices

Appendix 1. Effect of terrorism on immigration policy: IMPIC

Variable	Model 1	Model 2
Total Terrorist Incidents$_{it-1}$	0.000	
	(0.001)	
Total Terrorist Casualties$_{it-1}$		−0.000
		(0.001)
Banking Crisis$_{it-1}$	0.001	0.001
	(0.008)	(0.007)
Democracy$_{it-1}$	0.001	0.001
	(0.016)	(0.016)
Labor Force with Tertiary Education$_{it-1}$	0.000	0.000
	(0.000)	(0.000)
Fertility Rate$_{it-1}$	0.034	0.034
	(0.020)	(0.019)
Population$_{it-1}$	−0.000	−0.000
	(0.001)	(0.000)
Ethnic Exclusion$_{it-1}$	−0.007	−0.008
	(0.031)	(0.025)
Natural Resource Income$_{it-1}$	0.001	0.001
	(0.007)	(0.008)
GDP per capita$_{t-1}$	−0.032	−0.033
	(0.032)	(0.025)
Unemployment$_{it-1}$	−0.001	−0.001
	(0.001)	(0.001)
Government Ideology$_{it-1}$	−0.014	−0.014
	(0.015)	(0.013)
Immigration Policy$_{it-1}$	0.804***	0.804***
	(0.062)	(0.064)
Constant	0.362	0.371
	(0.354)	(0.287)
R^2		
within	0.814	0.814
between	0.723	0.718
overall	0.771	0.769
Observations	360	360

Bootstrap standard errors, *p < .05, **p < .01, ***p < .001, two-tailed tests.

Appendix 2. Descriptive statistics

Variable	Observation	Mean	Standard Deviation	Minimum	Maximum
Immigration Policy$_{it-1}$	926	−0.850	0.559	−2.197	0.803
Total Terrorist Incidents$_{it-1}$	926	1.719	2.099	0	9.345
Domestic Terrorist Incidents$_{it-1}$	926	1.041	1.375	0	6.238
Transnational Terrorist Incidents$_{it-1}$	926	0.679	0.920	0	4.913
Total Terrorist Casualties$_{it-1}$	926	1.842	3.157	0	18.864
Domestic Terrorist Casualties$_{it-1}$	926	1.254	2.355	0	11.358
Transnational Terrorist Casualties$_{it-1}$	926	0.587	1.383	0	12.754
September 11$_{it-1}$	926	0.240	0.427	0	1
Banking Crisis$_{it-1}$	926	0.058	0.234	0	1
Total Terrorist Incidents$_{it-1}$ * Banking Crisis$_{it-1}$	926	0.184	0.965	0	9.345
Total Terrorist Casualties$_{it-1}$ * Banking Crisis$_{it-1}$	926	0.175	1.169	0	13.976
Democracy$_{it-1}$	926	5.344	6.860	−10	10
Labor Force with Tertiary Education$_{it-1}$	926	22.284	12.182	0.033	51.400
Fertility Rate$_{it-1}$	926	2.502	1.342	1.076	7.313
Population$_{it-1}$	926	11.949	4.922	−13.420	15.771
Ethnic Exclusion$_{it-1}$	926	1.491	1.254	0	4.500
Natural Resource Income$_{it-1}$	926	5.584	2.514	0	12.231
GDP per capita$_{t-1}$	926	9.727	0.987	6.511	11.236
Unemployment$_{it-1}$	926	8.093	5.210	0.700	27.180
Government Ideology$_{it-1}$	926	1.044	0.305	0	1.500
Immigration Policy$_{it-1}$	926	−0.835	0.561	−2.197	0.812

Appendix 3. Muliticollinearity diagnostics[1]

	R^2	Variance Inflation Factors	Square Root of VIFs
Total Terrorist Incidents$_{it-1}$	0.23	1.30	1.14
Banking Crisis$_{it-1}$	0.05	1.05	1.03
Democracy$_{it-1}$	0.61	2.59	1.61
Labor Force with Tertiary Education$_{it-1}$	0.54	2.17	1.47
Fertility Rate$_{it-1}$	0.48	1.92	1.39
Population$_{it-1}$	0.08	1.09	1.04
Ethnic Exclusion$_{it-1}$	0.43	1.77	1.33
Natural Resource Income$_{it-1}$	0.46	1.86	1.36
GDP per capita$_{t-1}$	0.59	2.42	1.56
Unemployment$_{it-1}$	0.46	1.85	1.36
Government Ideology$_{it-1}$	0.30	1.43	1.19
Immigration Policy$_{it-1}$	0.37	1.58	1.26
Mean variance inflation factor		1.75	
	Eigenvalues	Condition Index	
1	9.24	1.00	
2	1.00	3.04	
3	0.94	3.14	
4	0.58	4.01	
5	0.35	5.14	
6	0.25	6.13	
7	0.20	6.79	
8	0.15	7.98	
9	0.12	8.91	
10	0.10	9.71	
11	0.07	11.75	
12	0.02	20.29	
13	0.00	64.47	
Condition number		64.47	
Eigenvalues & condition Index computed from the scaled raw sscp with an intercept.			
Det(correlation matrix)		0.04	

[1]A general rule of thumb: A serious multicollinearity problem is suspected if R^2 is greater than 0.80, if the mean of all the variance inflation factors is considerably larger than 10, or if condition number exceeds 1000.

Appendix 4. Effect of terrorism on immigration policy: change of the dependent variable

Variable	Model 1	Model 2
Total Terrorist Incidents$_{it-1}$	0.000	
	(0.003)	
Total Terrorist Casualties$_{it-1}$		−0.002
		(0.002)
Banking Crisis$_{it-1}$	0.039*	0.040*
	(0.018)	(0.018)
Democracy$_{it-1}$	−0.002	−0.002
	(0.002)	(0.002)
Labor Force with Tertiary Education$_{it-1}$	−0.000	−0.000
	(0.001)	(0.001)
Fertility Rate$_{it-1}$	0.011	0.010
	(0.006)	(0.006)
Population$_{it-1}$	−0.002	−0.002
	(0.001)	(0.001)
Ethnic Exclusion$_{it-1}$	0.006	0.007
	(0.009)	(0.009)
Natural Resource Income$_{it-1}$	0.002	0.001
	(0.005)	(0.005)
GDP per capita$_{t-1}$	0.002	0.002
	(0.012)	(0.012)
Unemployment$_{it-1}$	−0.000	−0.001
	(0.002)	(0.002)
Government Ideology$_{it-1}$	0.012	0.013
	(0.029)	(0.028)
Immigration Policy$_{it-1}$	−0.122***	−0.122***
	(0.026)	(0.027)
Constant	−0.178	−0.160
	(0.105)	(0.102)
R^2		
within	0.146	0.147
between	0.029	0.020
overall	0.045	0.048
Observations	904	904

Bootstrap standard errors, *p < .05, **p < .01, ***p < .001, two-tailed tests.

Appendix 5. Effect of terrorism on immigration policy: without fixed-effects

Variable	Model 1	Model 2
Total Terrorist Incidents$_{it-1}$	−0.003	
	(0.003)	
Total Terrorist Casualties$_{it-1}$		−0.002
		(0.001)
Banking Crisis$_{it-1}$	0.027	0.026
	(0.018)	(0.020)
Democracy$_{it-1}$	−0.002	−0.002
	(0.002)	(0.001)
Labor Force with Tertiary Education$_{it-1}$	0.000	−0.000
	(0.001)	(0.001)
Fertility Rate$_{it-1}$	0.008	0.008*
	(0.007)	(0.004)
Population$_{it-1}$	−0.001	−0.001
	(0.001)	(0.001)
Ethnic Exclusion$_{it-1}$	0.001	0.002
	(0.008)	(0.007)
Natural Resource Income$_{it-1}$	0.000	0.000
	(0.004)	(0.002)
GDP per capita$_{t-1}$	−0.008	−0.008
	(0.008)	(0.011)
Unemployment$_{it-1}$	−0.000	0.000
	(0.001)	(0.001)
Government Ideology$_{it-1}$	0.025	0.025
	(0.022)	(0.023)
Immigration Policy$_{it-1}$	0.937***	0.935***
	(0.039)	(0.042)
Constant	−0.011	−0.011
	(0.077)	(0.077)
Observations	926	926

Bootstrap standard errors, *p < .05, **p < .01, ***p < .001, two-tailed tests.

Appendix 6. Granger causality tests by country

Variable	χ^2 (*p*-value)
United States	1.20
	(0.27)
Canada	0.11
	(0.74)
Venezuela	4.68
	(0.03)
Brazil	0.26
	(0.61)
Chile	1.35
	(0.24)
Argentina	3.57
	(0.06)
United Kingdom	1.27
	(0.26)
Netherlands	0.56
	(0.45)
France	0.36
	(0.55)
Switzerland	1.86
	(0.17)
Spain	2.25
	(0.13)

(*Continued*)

(Continued).

Variable	χ^2 (*p*-value)
Germany	0.37 (0.55)
South Africa	1.13 (0.29)
Botswana	0.13 (0.72)
Saudi Arabia	0.41 (0.52)
Kuwait	0.50 (0.48)
Hong Kong	0.57 (0.45)
Taiwan	0.02 (0.88)
South Korea	0.63 (0.43)
Japan	0.07 (0.79)
Singapore	0.00 (0.95)
Australia	1.20 (0.27)
New Zealand	0.39 (0.53)

The null hypothesis is that terrorism does not Granger-cause immigration policy.

Appendix 7. Testing for valid instruments

Variable	Model 1	Model 2
Exogeneity		
Wu-Hausman *F* statistic	0.34	0.16
Prob > *F*	(0.56)	(0.69)
Relevance		
F statistic	24.08	9.65
Prob > *F*	(0.00)	(0.00)

The appendix presents the testing results of the instruments used in the 2SLS model. The Wu-Hausman tests show that the *p*-value is not too large to reject the null hypothesis that the variables are exogenous. This means that the instrument variable – military personnel – satisfies the exclusion restriction. Whether the instrument variable is relevant is tested in the first-stage regression in the simultaneous equations model system. As a rule of thumb, the *F*-statistic of a joint test – whether all excluded instruments are significantly different from zero – should be bigger than 10. The instrument variable passes the joint test, suggesting that the terrorism variables are likely to be endogenous and therefore instrumented by military personnel.