

Abstract

In this paper we analyze first a cross-sectional data set followed by a panel data set to identify the effect of terrorism on the life satisfaction of the population in Israel during the course of 12 years across districts. The analysis is based on data obtained from the Israeli Social Survey. We found that terrorism negatively affects the life satisfaction of the secular population while, in the aftermath of terrorism, the life satisfaction of the religious population increases.

Based on cross-sectional data we collected on a “Lone Wolf” terror wave, we found terrorism to have a negative but not significant impact on life satisfaction for the secular population, whereas for the religious population this relationship is positive and significant for up to two days. Moreover, the secular population attests to experiencing a decrease in life satisfaction during the “Lone Wolf” terror wave. In addition, we find the religious population to have more trust in the government and security forces in comparison to the secular population. Interestingly, other personal measures of fear were similar amongst the two populations.

Overall, our analysis provides strong empirical support that terrorism affects the life satisfaction of the population in Israel as a function of religious beliefs.