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CRISIS MANAGEMENT MECHANISMS PATHOLOGIES AND PITFALLS

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EXECUTIVE SUMMARY

As events demonstrate on a regular basis, the Asia-Pacific is a region prone to crisis. In recent years there has been a marked increase in the use of military force to signal interests or resolve, and even, in some cases, to alter the status quo, particularly in the East and South China Seas. Fortunately, none of these “mini crises” has escalated to the level of a shooting war. The received wisdom is that, all other things being equal, no country in the region desires conflict, owing to their high levels of economic interdependence. However, it is clear that in a context of rising nationalism, unresolved historical grievances and increasing hostility and suspicion, there is no reason to be complacent about the prospect of managing every future crisis successfully. Hence the recent surge in interest in crisis management “mechanisms” (CMMs). This paper explores the dangers of thinking of crisis management in an overly technical or mechanistic fashion, but also argues that sensitivity to those very dangers can be immensely useful. It draws upon US and Soviet experiences in the Cuban missile crisis to inform management of a hypothetical future Sino-American crisis in the East China Sea, and to identify general principles for designing and implementing CMMs.

INTRODUCTION

“Managing” crises is the wrong term; you don’t “manage” them because you *can’t* “manage” them.

— Former US Secretary of Defense Robert S. McNamara¹

Recently there has been renewed interest in identifying, implementing and perfecting crisis management mechanisms to make it easier for decision makers to contain and resolve confrontations that might occur, unexpectedly or otherwise, between protagonists in key Asia-Pacific flashpoints — most notably, the Korean Peninsula, the East China Sea and the South China Sea (Kleine-Ahlbrandt 2013). The *Oxford English Dictionary* defines “management” as “the application of skill or care in the manipulation, use, treatment, or control (of a thing or person), or in the conduct of something” (*Oxford English Dictionary* 2014a). It defines the word “mechanism” as “[t]he structure or operation of a machine or other complex system” (*Oxford English Dictionary* 2014b). Taken together, they imply that a CMM is, in effect, something one can take off the shelf and employ with more or less technical skill to steer a major international crisis to an acceptable

1 This was the conclusion McNamara drew from what he called McNamara’s Law: “It is impossible to predict with a high degree of confidence what the effects of the use of military force will be because of the risks of accident, miscalculation, misperception, and inadvertence” (Blight and Welch 1990, 99).

conclusion. What can relevant historical experience teach us about CMMs today?²

Former US Secretary of Defense Robert S. McNamara famously declared that there is no such thing as crisis management. By this he meant that national leaders do not and cannot exercise the degree of control over events that the term “crisis management” connotes. McNamara would have resisted the idea that one could employ a “mechanism” of some kind to accomplish the task. The conclusion he drew was that, since crises could not be managed, they had to be avoided. Avoidance is almost certainly preferable to having to manage a crisis, but his advice does not help in the midst of one.

The event that convinced McNamara of the impossibility of crisis management was the Cuban missile crisis of October 1962, which brought the world close to nuclear disaster. Having spent most of his career up to that point in the private sector, in the military and in public service enthusiastically and dogmatically promoting a “systems analysis” approach to problem-solving, McNamara’s conclusion from the Cuban missile crisis can only be understood as a self-repudiation of sorts.³ And yet, one can tell a story about the Cuban missile crisis that reverses figure and ground, and makes the case that it was, in fact, extremely well managed — not because of what national leaders controlled and not because of any technical skills they exhibited, but because of how they dealt with what they did not control and how they turned awareness of their shortcomings to their advantage. Crisis management in this sense consisted less of skillful manipulation than skillful trap avoidance. The “mechanisms” they used to do this are what I explore in this paper.

For purposes of brevity and contemporary relevance, I will analogize from American and Soviet “management” of the Cuban missile crisis to American and Chinese management of a future hypothetical crisis in the East China Sea in which, for reasons that need not be specified, either Japanese or Chinese forces have landed on the Senkaku/Diaoyu Islands, prompting a military response by the other side and a Japanese invocation of the US-Japan Security Treaty.⁴

2 In what follows, I draw upon and synthesize related prior research as far as possible. What would otherwise be an unseemly degree of self-reference is intended merely to draw the reader’s attention to places where suitable elaborations may be found.

3 This is certainly the dominant theme of Errol Morris’s Academy Award-winning 2003 documentary, *The Fog of War*. See Blight and Lang (2005).

4 The following discussion draws upon, but updates and elaborates, a number of ideas I first explored in Welch (2008).

CRISIS “MANAGEMENT” TASKS: LESSONS FROM THE CUBAN MISSILE CRISIS

A leader who wishes to soft land an acute international crisis must accomplish six discrete tasks:

- diagnose the problem;
- identify options;
- evaluate options;
- choose an acceptable (ideally, the best possible) option;
- contain escalatory pressures; and
- implement a durable resolution.

In attempting to accomplish these various tasks, a leader must overcome three obstacles. The first is lack of empathy.⁵ By “empathy” I mean simply the capacity to see the world from another’s perspective. Empathy does not require sharing or agreeing with another’s perspective, merely understanding it.⁶ Relevant considerations include an adversary’s wants, needs, fears, values, motivations, perceptions, judgments (accurate or otherwise) and understandings of an acceptable state of affairs. Empathy

is crucial for correctly diagnosing a problem and identifying potential feasible solutions. It makes a great deal of difference, for example, whether one’s adversaries seek to secure what they perceive to be a valuable gain or seek to avoid what they perceive to be a disastrous loss. Deterrence can be an appropriate and effective response in the former case, but might provoke even greater risk-taking in the latter. Conversely, reassurance may assuage someone who feels threatened and insecure, but might only encourage an opportunistic aggressor (Lebow 1983; Welch 2014a).⁷

The second obstacle is normal human psychology, both cognitive and motivational. Cognitive psychology refers to the ways in which people process information; motivational psychology refers to the ways in which deep-rooted needs and powerful emotions affect perception and judgment (Stein and Welch 1997). I will have more to say about these below.

The third obstacle is organizational. National leaders have nominal authority over a complex system of departments, ministries, agencies, militaries and sub-units of the above that generally neither share information fully nor coordinate their activities perfectly. There are many well-documented irreducible organizational pathologies, with the net result that national leaders exercise far less control than nominal authority even in the absence of deliberate insubordination. Table 1 provides a capsule overview of

TABLE 1: GENERIC CRISIS MANAGEMENT CHALLENGES

Task	Achieving Empathy	Processing Information	Managing Organizational Complexity
• Diagnosing the problem	• Understanding adversary’s motivations, goals	• Avoiding mirror imaging • Avoiding overconfidence • Noticing relevant signals	• Collecting information • Processing information • Moving information through the system
• Identifying options	• Anticipating adversary’s acceptable outcomes	• Searching for options and information adequately	• Conducting thorough search within and among units
• Evaluating options	• Anticipating adversary’s likely reactions	• Avoiding premature closure • Avoiding overconfidence	• Managing competing bureaucratic interests • Finding adequate expertise
• Choosing an acceptable option appropriately	• Identifying least escalatory, most face-saving option consistent with national goals	• Avoiding cognitive traps • Managing stress	• Avoiding groupthink (‘t Hart 1990)
• Containing escalatory pressures	• Avoiding actions likely to force adverse reaction	• Avoiding premature judgment that war is inevitable or has started	• Being sensitive to dangers of accidents (on both sides) • Being sensitive to dangers of breakdowns in command, control and communication (C3) • Modifying or interdicting escalatory routines
• Implementing a durable resolution	• Demonstrating adequate concern for adversary’s face and national goals	• Gratifying need for self-esteem • Gratifying need for social approval	• Providing adequate implementation capacity • Maintaining adequate implementation oversight

Source: Author’s own compilation.

5 On the concept of empathy and its relationship to confidence and trust, see www.cigionline.org/activity/confidence-trust-and-empathy-asia-pacific-security.

6 I reserve the word “sympathy” for the special case where another’s perspective is both understood and shared.

7 Empathy is particularly difficult to attain in the face of significant cultural differences. See Welch (2003).

these various crisis management challenges.

The Cuban missile crisis offers us an unparalleled opportunity to explore all three of these crisis management challenges not only because it is so well documented, but because of the stunning difference between the (poor) crisis-avoidance performance of both US President John F. Kennedy and Soviet Chairman Nikita Khrushchev and their (generally excellent) performance during and after the crisis (Munton and Welch 2011). The two countries stumbled to the brink largely because of their low levels of empathy, their susceptibility to psychological biases and errors and their inattention to the pernicious effects of organizational cultures and dynamics.

During the pre-crisis phase, the United States operated on the basis of an overly deductive approach to foreign policy making, exhibited dogmatic hyperrealism, uncritically embraced rational deterrence orthodoxy (by which US strategic nuclear superiority supposedly provided a guarantee against Soviet adventurism), uncritically assumed that the Soviets knew and shared the US view of the situation, and uncritically assumed that Khrushchev and his colleagues would know in advance that a deployment of “offensive” nuclear weapons to Cuba could not be tolerated and would provoke a major confrontation that Moscow could not possibly hope to win. By repeatedly and ostentatiously signalling US nuclear superiority and Cuba’s vulnerability to American intervention, Kennedy exacerbated Soviet and Cuban insecurities, and managed to provoke precisely what he had intended to deter. Organizational pathologies were the least problematic challenge for the United States during the pre-crisis phase, but generated noise and led to delay. The main difficulties were inadequate signals intelligence, an overwhelming volume of low-quality human intelligence and intelligence analysis and operations working at cross purposes. At the end of the day, however, US intelligence did identify the deployment of Soviet strategic nuclear missiles in time for the president to formulate a response (Blight and Welch 1998).

On the Soviet side, Khrushchev failed during the pre-crisis phase to make use of the few Americanologists available who might have helped him understand Kennedy’s needs, fears and perspective. He succumbed to wishful thinking; he let his excitement at the prospect of a successful secret deployment get in the way of rational deliberation about the likely costs, benefits and chances of success; he shut down dissent; and he did nothing to combat the infamous compartmentalization of knowledge in the Soviet system (Fursenko and Naftali 1998).

Once the crisis hit, the shock of realizing the magnitude of their errors and the sudden awareness of how badly each leader had misunderstood the other induced a high level of caution, circumspection and concern for putting the brakes on escalatory pressures. It was as though Kennedy

and Khrushchev, having found themselves suddenly in a car accident as a result of reckless driving, miraculously became the most careful drivers in the world. Each made great efforts to overcome their empathy deficit; each did what they could to remain open to new information and to process it as objectively as possible; and each tried to maintain control over events and over their own militaries. On balance, Kennedy performed rather better than did Khrushchev, but considering their low baseline performances, both performed impressively.

After a short period of outrage, confusion and doubt, Kennedy achieved a remarkable degree of empathy with Khrushchev, in part by making excellent use of his Sovietologists.⁸ He and his advisers did succumb to a few psychological pathologies, such as misreading the significance of the sequence of Khrushchev’s letters of October 25 and October 26, which seemed to indicate a hardening of the Soviet position or even the possibility that hardliners had taken over in the Kremlin. The Americans also misread as an official feeler a freelance suggestion by Aleksandr Feklisov (a.k.a. Fomin) that the United States offer a non-invasion pledge in return for the withdrawal of Soviet missiles from Cuba. But in neither case did these errors derail the search for a mutually acceptable peaceful outcome.

Khrushchev also managed quite quickly to attain a useful level of empathy with Kennedy. Within a few days they realized that what they both feared more than anything else was an inadvertent slide to nuclear war, and that the chief sources of danger in this regard were mishaps or breakdowns of command and control within their own military establishments. Unlike Kennedy, however, Khrushchev did exhibit classic symptoms of hypervigilance, which led to impulsive, sometimes contradictory judgments and behaviours and stress-induced performance degradation.

By far the biggest challenges during the crisis itself were organizational pathologies. On the American side, Kennedy did not and could not avoid a number of dangerous and completely unintended actions on the part of his military that carried significant risks of inadvertent conflict and subsequent escalation. These included the following:

- An American U-2 returning from a routine Arctic air sampling mission — a mission that should have been cancelled in view of the ongoing crisis — strayed into Siberian airspace, triggering an attempted interception and in return a scramble of American fighter jets to escort it back to safety. Owing to the US military’s heightened level of alert at the time, the American interceptors dispatched to escort the U-2

⁸ For a particularly deft analysis of the evolution of both Kennedy’s and Khrushchev’s state of mind during the acute phase of the crisis, see Blight (1990).

back to safety were carrying live nuclear anti-aircraft missiles.

- On October 26, the Strategic Air Command launched a Titan intercontinental ballistic missile (ICBM) from Vandenberg Air Force Base in California, in accordance with a pre-planned flight test schedule. While this particular missile was not carrying a nuclear warhead, the other ICBMs at Vandenberg were — again, owing to the heightened alert. Fortunately, the Soviets never detected the launch.
- Crews at a Minuteman ICBM complex at Malmstrom Air Force Base in Montana were experiencing technical difficulties complying with their order to go to heightened alert and essentially hot-wired their launch control system, bypassing normal safeguards.
- As a result of a training tape error, on the morning of October 28, just before Khrushchev announced his agreement to withdraw missiles from Cuba, radar operators at Moorestown, New Jersey falsely reported a missile launch from Cuba (Sagan 1993, 137).

The Soviets likewise experienced a number of dangerous organizational lapses, including an improvised (mis) handling of nuclear warheads, liberal interpretations of standing orders by field commanders and, most seriously, the shooting down of an American U-2 in violation of standing orders on the morning of October 27. Also extremely dangerous was a near miss at sea. In pursuit of orders to track and force Soviet submarines to surface in the western Atlantic, US destroyers dropped practice depth charges that appeared indistinguishable from real ones to Soviet submarine crews. During one particular game of cat and mouse, a Soviet submarine commander — his vessel's cooling system damaged, its communications with Moscow cut and practice depth charges going off all around — became convinced that war had already broken out and ordered his sub's nuclear torpedo loaded and launched. Fortunately, his more cautious political officer talked him out of it (Savranskaya 2005). Of these few examples, as far as we know, at the time Khrushchev knew only of the downing of the American U-2 (although he did not know whether his own forces or Cuban forces had shot it down); but this, along with a letter he received from Fidel Castro at the height of the crisis that Khrushchev interpreted as a call for a nuclear first strike on the United States, in combination with the relentless pressure to stand firm from his military advisers in Moscow, convinced him to throw in the towel.

In fact, both Kennedy and Khrushchev were being advised by their militaries to take a hard line. American military leaders were convinced that the combination of the United States' strategic nuclear superiority and local conventional military superiority gave them the upper hand and would

eventually force the Soviets to back down. Soviet military commanders were convinced that their admittedly inferior, but still adequate, strategic nuclear capability would dissuade the United States from taking further military action.⁹ Military leaders on each side, in other words, drew opposite conclusions from precisely the same set of facts — as indeed political leaders less cautious and less circumspect than Kennedy and Khrushchev may have done.

Ultimately, Khrushchev agreed to withdraw the weapons Kennedy considered “offensive” in return for Kennedy publicly pledging not to invade Cuba and privately agreeing to withdraw US Jupiter missiles from Turkey and Italy “within a few months.” During the implementation phase, they both performed relatively well despite some misunderstandings and additional tension over exactly what weapons and supporting systems Khrushchev had tacitly agreed to withdraw. In general, during this phase the two leaders displayed flexibility and a solicitude for each other's domestic political needs. The one significant blemish on crisis resolution efforts was Khrushchev's insensitive and paternalistic treatment of Fidel Castro who, for several weeks after the Kennedy-Khrushchev deal, sought to play the role of spoiler (Blight, Allyn and Welch 2002, 358–356, Munton and Welch 2011, 85–94).

While it is unwise and unsound to generalize from a single case, additional cases, I believe, would justify the following crisis-“management” maxims that the experience of the Cuban missile crisis suggests:¹⁰

- try at all times to cultivate and maintain empathy;
- treat your adversary with respect, not disdain;
- focus on identifying mutually satisfactory outcomes;
- do not overestimate the utility of military signalling; it can provoke as well as deter and can easily be misread;
- do not overestimate the degree of control you enjoy over your own military establishment, and do not assume that your adversary enjoys any greater degree of control; and
- maintain communication and try to avoid irrevocable acts as long as possible;

⁹ Khrushchev's own account of this is, predictably, very colourful, recalling that when he asked his generals whether they could guarantee that a refusal to withdraw Soviet missiles from Cuba would not result in global nuclear war, they looked at him “as though I were out of my mind or, what was worse, a traitor. So I said to myself, ‘To hell with these maniacs!’” (Cousins 1977, 4). On Kennedy's battles with his military advisers, see Alterman (2004, 126–127).

¹⁰ See, for example, Feldman (1985); Jervis (2010); Kahin (1986); Lavoy (2009); Lebow (1981); MacMillan (2013); Naftali, Zelikow and May (2001).

- assume that everyone is fallible, yourself included; and
- if third parties are implicated in a crisis — even much weaker ones — do not overlook or dismiss their needs and concerns. They can catalyze great power conflict and complicate crisis resolution.

CRISIS MANAGEMENT IN THE EAST CHINA SEA

How might these maxims inform the “management” of a hypothetical future crisis between the United States and China over the Senkaku/Diaoyu Islands, and what are the appropriate ways of engaging CMMs accordingly?

With respect to empathy gaps, there remains a great deal of work to do to update maps of Chinese and American decision makers’ understandings both of self and other.¹¹ Americans understand their own motives as defensive, benign and status-quo oriented. I would argue that the United States’ overwhelming objectives in the Asia-Pacific region are to prevent fundamental changes to the rules and norms governing international relations and to prevent conflict. American leaders believe that continued US military superiority and Washington’s portfolio of bilateral alliances are both vital for achieving these goals. The dominant American view is that China is an aspiring revisionist challenger that seeks, at a minimum, to reduce American influence in the western Pacific and, at a maximum, to re-establish a modern form of Middle Kingdom primacy. Of particular concern to those in Washington who view China as a potential challenger is China’s growing capacity to interdict sea lines of communication and its apparent desire to erode freedom of navigation rights. Others, however, insist that China is a rational actor with a strong and growing stake in open global trade that will eventually come to appreciate the practical value of the postwar San Francisco system. These differing viewpoints indicate that there is a great deal of confusion and disagreement among Western scholars, commentators and policy makers about the mainsprings of current Chinese foreign policy, both on the subject of motivations and on the subject of policy-making processes. Elsewhere I have described three “ideal type” characterizations of Chinese motivations, “Confident China,” “Nervous China” and “Aggrieved China” (Welch 2014a). Respectively, these reflect a thirst

11 The best and most recent of which I am aware is Swaine (2006). In the United States, Chinese crisis behaviour has been the subject of considerable study of late, and a consensus seems to be emerging that the American and Chinese styles are quite different: China is more willing to escalate in the short run, on the assumption that escalation can be controlled; more categorical in its demands; and less concerned with the dangers of inadvertent escalation (Christensen 2006; Redden and Saunders 2012; Wu 2008). This consensus is very likely to inform future US crisis management. It is less clear at present what China believes about US crisis behaviour.

for prestige, influence and deference commensurate with a rising regional power¹²; a sense of insecurity about China’s ability to overcome its many domestic challenges and a corresponding sense of insecurity about the durability of Communist Party rule (Pei 2012; 2013); and a burning desire to correct what China perceives to be a series of grave ongoing historical injustices.¹³ As ideal types, these may or may not accurately capture any particular Chinese policy maker’s views. Indeed, it is likely that many Chinese policy makers have mixed motives or alternate between confidence, nervousness and a sense of grievance as their primary active disposition, depending upon circumstances.¹⁴ Identifying the “centre of gravity” of Chinese motivations is vital if other countries are to identify appropriate responses.

In addition to uncertainty about Chinese motives, there is a great deal of debate about whether under Xi Jinping’s leadership, China is best understood as a unified or divided decision maker. Analysts who hold the former opinion point to Xi’s unprecedented consolidation of titles and functions, his “unmistakable” personal role in decision making and signs of unusual efforts at top-down control (Campbell 2014). On the other hand, China has a highly bureaucratic foreign policy-making process (Lai and Kang 2014). There are indications that some of China’s recent foreign policy missteps, such as its ill-thought-out declaration of an East China Sea Air Defense Identification Zone and its surprise deployment of the HYSY-981 oil rig in disputed waters in the South China Sea, may have caught key internal players off guard and forced them not only to scramble for information, but also to stake out public positions more bellicose than they would have liked, simply to maintain face and the appearance of a united front.¹⁵ In addition, it is striking how often, in conversations with their Western counterparts, Chinese officials, military officers and scholars invoke “public opinion” as a constraint on Beijing’s latitude. While it is

12 For a good example of an analysis that more or less assumes China’s unproblematic rise, see Mearsheimer (2010). On the general problem of status inconsistency, see Nayar and Paul (2003) and Pouliot (2010). On the specific dangers associated with Chinese status inconsistency, see Wolf (2014).

13 I know of no Western analysts who foreground this motivation when they seek to explain Chinese policy or behaviour. Nor do Chinese sources explicitly describe as “sincere” or as “just grievances” China’s maritime or territorial claims, China’s dissatisfaction with what it perceives to be Japan’s lack of remorse for its militarist past or China’s resentment over its former humiliation at the hands of Western powers. But China does repeatedly invoke all of these considerations in its foreign policy discourse, and there is no mistaking the emotional valence of these issues in direct conversation with Chinese officials, military officers, scholars and even members of the Chinese public.

14 This would readily account for the perplexity many informed Western analysts evince at what they see as China’s “self-defeating” behaviour. See Glosserman (2014).

15 Personal communications with Chinese scholars and officials.

logically possible that they do so as part of a two-level game bargaining tactic (Putnam 1988), it is widely held outside China that on certain foreign policy issues the regime feels vulnerable domestically to being seen as weak if it displays flexibility or moderation.

All of this uncertainty highlights the importance of cultivating a higher degree of empathy. As the Cuban missile crisis illustrates, without properly understanding why one's protagonist does *a* rather than *b*, it is impossible to respond appropriately. Inappropriate responses easily create new problems or exacerbate existing ones. We know that China sometimes interprets actions intended to be solicitous as hostile and provocative.¹⁶ Low levels of empathy get in the way of trust and play a significant role in generating and perpetuating conflict spirals. As He Kai and Huiyun Feng (2013, 231) put it, "A rising China may not be a threat. But an angry China indeed will be."

Lack of empathy has implications also for judgment and decision making. Generally speaking, we interpret ambiguous information in light of our pre-existing beliefs, or what psychologists commonly call "schemata" or "images." When we lack empathy, our images of others are faulty, and so we propagate and can compound errors when we process incoming information. Among the most common sources of error in perception and judgment are the following:

- **The availability heuristic.** This is the tendency to allow ease of recall to influence our judgments of likelihood. People commonly assume that the next interaction will resemble either the most recent or the most dramatic.¹⁷ When an opponent perceives the most recent or the most dramatic as a loss, it is very likely that he or she will deliberately attempt to behave differently, thwarting the expectation. In the event of a future crisis over the Senkaku/Diaoyu Islands, it would be important to know which prior event most powerfully shapes US and Chinese expectations of the other's likely actions and reactions.
- **Representativeness.** We often make judgments about people or things by zeroing in on characteristics that we believe are typical of some larger group or class. Through this mechanism, stereotypes inform judgments, in turn reinforcing stereotypes. Representativeness inclines two protagonists who think of each other as opportunistic and ill-willed

always to interpret each other's actions in the most threatening possible way.¹⁸

- **The egocentric bias.** This is the common tendency to overestimate one's own role in shaping other people's behaviour. It is likely that many Americans interpret Chinese moves in the East and South China Seas as deliberate challenges to the United States, whereas they may be directed entirely at third parties or even (as may have been the case with China's declaration of an East China Sea Air Defense Identification Zone) at no one in particular.
- **The fundamental attribution error.** This is the common tendency to exaggerate (a) the extent to which people's behaviour reflects dispositions rather than situational constraints, and (b) the coherence of their actions. Arguably, much of the puzzlement US analysts express at Chinese behaviour is the result of the assumption that it must reflect grand strategic thinking, when in fact much of it may be the result of internal political battles or bureaucratic rivalries. Similarly, Westerners often remark on how often they are caught off guard by their Chinese counterparts' propensity to interpret innocuous things as deliberate slights.¹⁹

In addition, lack of empathy can result in error or ignorance about what others consider an acceptable state of affairs. As behavioural decision theory demonstrates, a particular understanding of an acceptable state of affairs can serve as a "reference point" from which people assess gains and losses. Generally speaking, people are willing to accept bad gambles to avoid losses, but shun good gambles in the domain of gains (Kahneman and Tversky 1979). Often people see an "acceptable" state of affairs as a "just" state of affairs, in which case perceptions of loss activate the justice motive, which inflames moral passions that impair rational calculation, increase stridency and risk taking and render people insensitive or actively hostile to offers of side payments or attempts to compromise (Welch 1993; Welch 2005; Welch forthcoming). All of these biases, heuristics and decision-making patterns are evident even when empathy is not lacking; they are all the more problematic when it is.

In the absence of empathy, decision makers in both Beijing and Washington are highly likely to rely upon pre-existing, *largely hostile* schemata, images and scripts, and to misinterpret ambiguous information as a result of these perfectly normal heuristics and biases. Beijing is therefore likely too readily to conclude that the United States is

16 Perhaps the best example of this is China's interpretation of Japan's 2012 nationalization of the Senkaku/Diaoyu Islands as a deliberately provocative act, when in fact it was intended to prevent a crisis by keeping the islands out of the hands of arch-nationalist Shintaro Ishihara (Glaser et al. 2014).

17 Studies exploring the role of historical analogies in foreign policy make a similar point. The classic treatments are Neustadt and May (1986) and Khong (1992).

18 This pattern is amply evident in Chinese and Japanese reactions to Japan's 2012 nationalization of the Senkaku/Diaoyu Islands, as well as in Chinese and Vietnamese reactions to the recent deployment of the HYSY-981 oil drilling rig in the South China Sea.

19 I am grateful to James Manicom for this insight.

practicing containment (notwithstanding repeated denials) and Washington too readily to see Beijing as mounting a deliberate challenge to regional order (despite professions of harmonious intent). Both are also likely to rely naturally upon their prior understandings of how world politics works. Thus, in the case of an acute crisis over the Senkaku/Diaoyu Islands, the United States is likely to calculate (and to assume that China will also calculate) on the basis of relative capability, which still favours Washington, while China is likely to calculate (and will assume that the United States will also calculate) on the basis of the relative value of the stake, which favours Beijing.²⁰ This raises the possibility that the two countries would exhibit the same pattern as the US and Soviet militaries in the Cuban missile crisis: namely, underestimating each other's confidence and resolve.²¹

Additionally, China and the United States are both likely to see the other as provocative and themselves as defensive — no matter what specific sequence of events leads to the crisis in the first place. Given the rapidity with which China has “normalized” the notion that the Senkaku/Diaoyu Islands are an integral part of China's territory, the justice motive is likely to be at work, increasing stridency and risk taking and reducing openness to side-payments or compromise. American policy makers are less likely to be inflamed by moral passion, since Washington does not conceive of the islands as national territory, but they are highly likely to be convinced that acquiescence in a Chinese coup would have severe and unacceptable long-term strategic and diplomatic implications. They are also likely to calculate that they enjoy decisive military advantages, which may prove disinhibiting. Taken together, these considerations suggest dangerous escalatory dynamics.

What of organizational pathologies? To some extent, these are, as I have previously suggested, irreducible. No complex organization functions perfectly 100 percent of the time. But organizational pathologies are especially worrisome when professionalism and norms of deference to authority are weak, when organizations are experiencing growing pains, when roles and missions are rapidly changing and there has been insufficient time for learning, adjustment and internalization and when, as a result of

20 Recently, Chinese officials have begun to speak of the Senkaku/Diaoyu Islands as a vital, possibly “core” interest (*The Japan Times* 2013). The United States does not use equivalent language, but has, in any case, declared that it takes no position on sovereignty disputes.

21 Despite some loose analysis to the contrary and Japanese anxieties notwithstanding, my strong view is that the United States is unlikely to leave its ally in the lurch in the event of a major crisis that saw either a Chinese occupation of the disputed islands or a Chinese attempt to occupy them. The Obama administration is already hypersensitive to charges that it makes commitments on which it does not follow through, both as a result of its declaratory policy with respect to the Syrian government's use of chemical weapons against rebel forces and, more recently (albeit less fairly), with respect to Russia's annexation of the Crimea (Inboden 2014; compare Sracic 2014).

technological or organizational culture, monitoring and coordination are difficult. One would have to expect that in a future hypothetical crisis between the United States and China over the Senkaku/Diaoyu Islands, these would represent rather more of a challenge for China than for the United States, given that China is new to blue-water naval operations (Easton 2014).²²

REDUCING RISKS: AN AGENDA

A heated, fast-moving, inherently escalatory crisis is, of course, a poor time to look for mutually acceptable, face-saving solutions to an underlying problem. What kinds of CMMs would give leaders on both sides the best possible chance of containing and soft-landing a serious crisis of this kind? I would suggest the following six measures:

- **Intensified bilateral and multilateral professionalization and military socialization exercises.** China's recent participation in the annual multilateral RIMPAC naval exercise provides a useful model that could be replicated on various scales for local naval forces.
- **Further development and broader adoption both vertically and horizontally of codes of conduct to reduce the likelihood of inadvertent crisis triggers.** The recent Code for Unplanned Encounters at Sea is a useful if inadequate step in this direction (Manicom 2014).
- **Improvement of communications channels at both the political and military levels,** including direct ship-to-ship communication capability between navies as well as coast guards.
- **Prior empathy-building exercises, both bilateral and multilateral.** The purpose of these would be to enable all sides to reduce empathy gaps so that in the event of a major crisis, those gaps will not amplify and aggravate dangerous errors in perception, judgment and decision. These exercises must have as their goal a full and frank exploration of all parties' interests, wants, needs, fears, visions of an acceptable regional order and of others' beliefs about them. For reasons I have explored in more detail elsewhere, these exercises are easiest to organize and most likely to prove productive if undertaken at the Track 2 and Track 1.5 levels (Welch 2014b).
- **Development of a set of crisis management best practices** designed to slow the tempo of a crisis, reduce the likelihood of irrevocable escalatory actions and encourage decision makers to cultivate the kind of circumspection and acute sensitivity to

22 Fortunately, there are indications that the US and Chinese militaries are taking the task of confidence-building seriously and are out in front of the political relationship in this regard (Page 2014).

fallibility that helped Kennedy and Khrushchev find a mutually acceptable peaceful solution to the Cuban missile crisis in 1962.

- **Development of an “outcome repertoire”** for specific likely crisis scenarios that decision makers can invoke as off-the-shelf bargaining positions in the heat of crisis itself. In the case of a hypothetical crisis over the Senkaku/Diaoyu Islands, these might include, for example, third-party-mediated stand-down procedures, agreed upon no-fly and no-go zones, protocols for facilitating the removal of occupying forces or civilian nationalist *agents provocateurs* that do not prejudice official claims and templates for resolution of post-crisis negotiation challenges.

CMMs such as these, of course, are as much crisis avoidance mechanisms as crisis management mechanisms; but it is perhaps most faithful to McNamara’s Law not to draw too sharp a distinction between the two. For while he was certainly correct to conclude that it is better to avoid a crisis than to have to manage one, if one does have to manage one it is wise to do so in a way that makes constructive use of, rather than blindly ignores, the pathologies and pitfalls to which an overly “technical” understanding of crisis management is prone.

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