

Crisis Management: Looking Back and Looking Ahead

By
Robert L. Pfaltzgraff, Jr.

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Crises occur in all dimensions of human existence: between individuals, groups large and small, and, of course, nations. We also have crises between human beings and nature in the form of tornados, as well as forest fires such as those that took place in Greece in 2007. Crises may come about as a result of natural disasters such as floods, hurricanes, earthquakes, and tsunamis.

To discuss the etymological origin of the word crisis, the term in English has Greek origins. English language dictionary definitions of crisis offer several important insights: Medically, a crisis is said to be the turning point for better or worse in the case of a patient. The patient either takes a turn for the worse or begins to recover after perhaps coming close to death. A crisis is an unstable or crucial time or state of affairs whose outcome will make a decisive difference for better or worse. A crisis is an emotionally significant event in a person's life – such as a psychological crisis. There is the Chinese Mandarin character for crisis, which includes danger and opportunity. This idea is especially useful because it conveys the fact that we may create opportunities out of a situation that threatens us. Think, for example, of the economic crisis that faced Europe just after World War II. Out of this crisis came the Marshall Plan, NATO, and the European Union and unprecedented peace and prosperity in Europe. Danger gave way to opportunity. Effective crisis management consists of the ability to snatch victory from the jaws of defeat – to be able to look ahead with strategies and policy choices that enable us not only to surmount present threats and dangers, but also to build a better future.

The definition of crisis put forward so far encompasses international relations and domestic affairs, medicine and economics, crises between humans and efforts to cope with the forces of nature. Therefore, the concept of crisis cuts across many fields, academic disciplines, and human activities.

Nevertheless, the focus here is the political, and within the political, the international crisis, although other types of crises are discussed below. Internationally, as the more general definition suggests, the term crisis also refers to a turning point – between peace and war. Some analysts have suggested that a crisis is a condition of neither peace nor war, but containing the elements of both and having the potential for transformation from peace to war. The crisis can escalate to war or it can be resolved or defused and thus the crisis can be de-escalated to a *modus vivendi* or even a lasting peace between former adversaries.

Because a crisis is a threat to vital or core interests or values, the survival of the person or the group, the corporation or the nation is likely to be at stake. A crisis may arise from a situation of intensifying tensions or conflict that leads one party to take action against another party. Escalating tensions may eventually transform a political relationship from one of peace to one of war. There are also crises in which one side suddenly takes action to which the other must respond or confront defeat. We faced this situation when North Korea invaded South Korea in June 1950 or when the Soviet Union cut off the land access routes to West Berlin in 1948.

In this kind of crisis there is likely to be the element of surprise. Surprise may be either “strategic” or “tactical”. We may be surprised in strategic terms about the event itself or tactically, about when or where it will occur. Surprise comes about when the initiator of the crisis conceals its planned action. There are many examples of such crisis surprise – the 9/11 attack in 2001, the Pearl Harbor attack in 1941, the Gulf War in 1991 when Saddam Hussein invaded Kuwait, and the North Korean attack against South Korea in 1950. Surprise gives the initiator a major short-term advantage if the victim is caught off guard. Surprise characterizes many other types of crises as well. We are aware of the possibility of hurricanes, earthquakes, and tsunamis. They are more prevalent during some times of the year than others. However, the actual event may come very suddenly or in the case of hurricanes we may have a warning time of even a few days, although the storm may change course several times before releasing its devastation, as we

saw in Hurricane Katrina that devastated the city of New Orleans in early September 2005. However, as we know, storms may also come with little or no warning. Many thousands of people had no prior warning before the December 2004 tsunami struck in South Asia.

In addition to surprise, crises may be the result of a failure of imagination – our inability to connect the dots properly. What is unlikely is therefore not the focus of our preparatory efforts. The unfamiliar becomes the improbable. We discard bits of information that would have enabled us to prepare for the crisis if only we had been able to think “outside the box.” We lose or overlook clues that would have given us advance warning. Even worse, we may deceive ourselves into believing that, for example, because Arab states do not usually attack other Arab states, Saddam Hussein would not attack Iraq or that Islamic fanatics would not commit suicide by flying airplanes into buildings on 9/11 because previous hijackers had goals that did not include the sacrifice of their own lives and the lives of the passengers. Therefore, surprise and self deception are perhaps two sides of the same coin. Psychologists remind us that we bring to decision-making the mindsets that draw on familiar patterns and discard that which is discordant. We seek cognitive balance and shy away from cognitive dissonance. Decision-making groups are prone to exclude information that contradicts or does not fit familiar patterns and to engage in “groupthink” leading to conformity and the failure to look at new evidence. Members of a decision-making unit may reinforce rather than question each other’s assumptions, analyses, and recommended courses of action that in retrospect may turn out to have been fatally flawed.

A crisis is what political scientists have called a non-routine event – one of extraordinary importance. Most of the decisions that we make as individuals or groups are routine – what time to have lunch or when to go shopping or what kinds of military equipment to procure or when to hold a major conference. We can generally take the time needed to make such decisions. In sharp contrast, crises do not afford us this luxury. By their very nature as threats to vital interests or core values, we must take action sooner rather than later. Otherwise, we may not survive the crisis. Because of the fact that crises pose threats to core interests or values, they invariably bring into play the top decision makers – the President of the United States, the Prime Minister of Greece, the defense minister, the foreign minister, the senior military leadership. In the case of a business corporation it is invariably the top leadership. In a medical crisis, we seek the leading

medical specialists and treatments and wherever possible bring them together to help us determine the best course of action out of the medical crisis.

The term crisis management had its origins in the Cold War, even though in fact we have been dealing with crises throughout history. Our Cold War goal was to manage crises with the Soviet Union so that they did not escalate to nuclear war. Crisis management became both the means and the goal because all such crises had the potential to get out of control, which of course we wanted to avoid because nuclear war could have ended civilization as we know it. We had several defining Cold War crises, none of which was more threatening than the Cuban Missile Crisis. Both sides had nuclear weapons on alert that could have been used had the crisis escalated to a higher level.

However, the term crisis management is not fully adequate to describe crisis decision-making. We need to draw the important distinction between crisis leadership and crisis management. Crisis leaders decide what is to be done. Managers decide how it is to be done. Crisis leaders set the course of action to be followed, operating at the strategic level. Crisis managers have the operational and tactical-level tasks of making sure that what has been decided at the highest level actually gets done. Of course, the distinction between crisis leadership and crisis management can be blurred. The greatest and best leaders may also be good managers. Crisis managers must also often take leadership roles because they may have to take quick and bold action without the luxury of precise instructions from their leaders. Crisis leadership is deciding what is to be done and making sure that everyone down the chain of command is working from the same sheet of music. Otherwise, we would have a decision-making process akin to a fine academic seminar that results in excellent discussion, debate, and policy options – but no more – if the results in the form of decisions are not communicated to the field where their impact is to be felt as they are acted upon. Effective crisis management begins with a process that produces the best decisions and then sees that they are followed down the chain of command.

Crisis management is stressful because of the nature of crises as major threats to nations, groups, or individuals – threats to the body politic or the human body – to the state or the corporation. Crisis leaders and managers may face periods of fatigue and exhaustion because they work under deadlines and the risks and dire consequences of failure. Because the time available for decisive

action may be short, they may have to act with inadequate information. As time lapses after the event, we know more and more about it. For example, there is probably no natural disaster or other crisis in which initial estimates of casualties were not revised as we learned more about it. At the time of 9/11 the initial reaction was that an aircraft had mistakenly flown into the World Trade Center building. This is well described in the 9/11 Commission Report, which makes fascinating reading on many of the issues of crisis management.

Just as intelligence indicators in advance of a crisis may be lacking or, if they even exist, may be discarded or ignored, we are likely to have inadequate information immediately after the crisis hits us. We can only react with what we know, and what we know may not be sufficient but it is all that we have. This is an important point, because we often look back on crises with the benefit of hindsight as well as information and insights that were lacking at the time of the crisis.

Crisis management requires the ability to draw on a large number of capabilities depending on the type of crisis. Crisis management brings into play a broad range of people, organizations, capabilities, and perspectives that otherwise may be seen as separate and unconnected with each other.

These capabilities may include medical personnel, military forces, firefighters, police, airport security teams, and other resources for the protection of vital infrastructure, among many others. Crisis management capabilities may consist of military forces (armies, navies, air forces, and specialized units), diplomacy and diplomats, and intelligence collection and analysis. The capabilities for response to a terrorist incident are often the same ones that are needed for a natural disaster: transport for the evacuation of casualties, as well as food, water, medical supplies, and warning systems designed to alert people to get out of harm's way. Therefore, our ability to cope with a natural disaster may be indicative of our ability to respond effectively to a manmade crisis such as a weapons-of-mass-destruction attack. Such response capabilities are what we call consequence management.

Crises have certain timeless characteristics that can be discussed wherever or whenever they occur. Crises are messy, unstructured affairs in which our ability to manage will never be perfect because crisis leaders and crisis managers usually lack intelligence information and, in the case

of political crises, we face an enemy who usually seek to deceive or confuse us. Therefore, to predict when, where, or how a crisis will erupt remains more an art form than a science. We can best prepare for crises by having a range of capabilities that will be needed in almost any crisis. This has been called capabilities-based planning. We can also develop information and warning systems. We can also engage in planning that brings together departments, offices, personnel, agencies, and decision makers for simulations. Such exercises can be invaluable planning tools. Actual plans or scenarios themselves may be useless when the event occurs because seldom does the scenario fully resemble the real event. Nevertheless, planning as a process is essential. Those who will have to act together in a future crisis can gain valuable experience and expertise by crisis exercises that help them to get to know and work effectively with their counterparts in other departments and agencies and their opposite number in other countries.

As we look back, crises have been a part of the personal, domestic, and international landscape from time immemorial, from the ancient world to the twenty-first century. Thucydides described a crisis between Athens and Sparta that resulted in the Peloponnesian War (431-404 BC). With the end of the Cold War we have faced a variety of crises, for example, in Southeastern Europe and elsewhere in the 1990s and into the first decade of this century. Most of the 1990s crises posed threats to our values, leading us to seek international participation in peacekeeping, peace enforcement, and other international interventions designed to end, prevent, or de-escalate ethno-religious and other conflicts. We were unprepared to allow the continued slaughter of civilians after we saw on our television screens these grisly events in Bosnia and elsewhere. Here is an example of the power of the media shaping crisis management.

With 9/11 and the twenty-first century we have entered another phase of crisis management in which we find increased importance for non-state actors, including terrorists who may gain access to weapons of mass destruction – the most dangerous people in possession of the world's most dangerous weapons. In anticipation, we have made extensive preparations for consequence management – coping with the effects of a terrorist incident, in which dealing with the consequences is itself crisis management.

Looking ahead, we have a crisis landscape that contains unprecedented numbers of actors in possession of unprecedented capabilities for creating crises. This includes cyber attacks that

could create disruptions in our vital infrastructure, producing cyber-crises in the years ahead. We have already witnessed Russian efforts to engage in cyber attacks against the advanced information infrastructure of neighboring Estonia and Lithuania. There also remain numerous state-to-state crisis flashpoints, especially in East Asia and the Middle East. Terrorist crises could come about in our cities as we have seen in New York as well as Madrid and London in recent years. We have a complex global crisis map. In some regions there remains not only great potential for state-to-state crises, but also other types of crises between subnational and transnational groups and terrorist organizations, perhaps with nuclear, biological, or chemical weapons.

Finally, as we look ahead, it is appropriate to consider other key focal points for crisis management:

- First – on the role of the media in crisis management, it is indispensable that as part of crisis management we have a media strategy in an era of the 24-hour news cycle and the Internet. The public must be kept informed, often on an hourly basis, and by the leadership itself whenever possible. People want to be reassured that those in charge know what they are doing and are prepared to communicate information to a public that is hooked in as never before, thanks to twenty-first-century communications. The media strategy must convey the competence of crisis leaders and managers in addressing the crisis. Messages must be consistent. Somehow we must tread the narrow line between providing accurate, up-to-date information while not spreading alarm that leads to panic. Without a media strategy, crisis management will fail.
- Second – the crisis map extends across the Balkans and the Middle East. We should highlight not only lessons learned from the 1990s experience, but also the extent to which Russia, as a state returning to the world stage, will reengage in and near the region and what this may mean for future crises. Key questions come to mind. For example, could we have altered the course of events had the United States and its NATO allies, as well as the broader international community, been prepared to intervene earlier and more forcefully in Southeastern Europe in the 1990s? What do we need to do in the years ahead to minimize the prospect for renewed crises in this volatile region?

- Third – an understanding of the Middle East will be incomplete without reference to the potential for crisis from the development and deployment of an Iranian nuclear capability that international efforts have not been able so far to halt. There exists the ominous potential for an escalating crisis resulting in a military strike against Iran's nuclear infrastructure. Moreover, the rearming of Hamas and Hezbollah by Iran could produce another crisis with Israel. All of the rockets used by Hezbollah against Israel in 2006 have been replaced with more advanced and more numerous capabilities. In other words, there have been both quantitative and qualitative improvements in such weapons. To this crisis map should be added the vast Asia-Pacific area, including the Korean peninsula and Taiwan-Mainland China, as well as India-Pakistan. The potential for terrorist acquisition not only of weapons of mass destruction, but also seizing power in a failed state such as happened in Afghanistan that becomes a base for international terrorist operations, adds yet another troubling dimension to our twenty-first-century crisis map. Therefore, no region of the world is out of bounds for twenty-first-century crises.

International organizations have an important place in crisis management. Such potential roles should be neither denigrated nor exaggerated. International organizations can help to identify early warning indicators of impending crises. The International Atomic Energy Agency has provided detailed information about Iran's nuclear program. International organizations can also play a key role in the de-escalatory phase of a crisis by providing good offices and mediation but usually only if both sides seek their help. Of course, international organizations such as the United Nations can and do engage in planning for the use of international capabilities, including military units, in humanitarian crises, helping to coordinate or helping to coordinate disaster response efforts.

Last but not least, while the focus of crisis management is inevitably and invariably on the government because it has as a basic duty and obligation the protection of its citizens, the objects of attack nearly always include private sector infrastructure. Furthermore, civilians outside of government are likely to be at much greater risk than military personnel as we look ahead. Civilian casualties usually far exceed military personnel losses in the wars of the last century. Civilians are the principal targets or objects across a broad spectrum of crises as we saw in 9/11 and in the case of natural disasters. The military invariably represent our first line of defense,

along with other first responders. First responders are likely to include military personnel as well as civilians from government agencies and the private sector. Therefore, the ability not only to work with nongovernmental organizations, but also to bring into greater focus the private sector, including industry, medical personnel, and others, is essential to twenty-first-century crisis management.

In the final analysis, we live in a crisis setting in which surprise will remain a defining feature of crises and the only surprise about the future will be the absence of surprise. Although there is much that we do not (and cannot) know, we can be certain that we will face a broad spectrum of likely crises for which we will need to maintain core capabilities that are agile, flexible, and adaptable if we are both to respond to future crises and help shape the future – to turn danger into opportunity.
