1   Crisis management in political systems: five leadership challenges

1.1   Crisis management and public leadership

Crises come in many shapes and forms. Conflicts, man-made accidents, and natural disasters chronically shatter the peace and order of societies. The new century has brought an upsurge of international terrorism, but also a creeping awareness of new types of contingencies – breakdowns in information and communication systems, emerging natural threats, and bio-nuclear terrorism – that lurk beyond the horizon.[1] At the same time, age-old threats (floods, earthquakes, and tsunamis) continue to expose the vulnerabilities of modern society.

In times of crisis, citizens look at their leaders: presidents and mayors, local politicians and elected administrators, public managers and top civil servants. We expect these policy makers to avert the threat or at least minimize the damage of the crisis at hand. They should lead us out of the crisis; they must explain what went wrong and convince us that it will not happen again.

This is an important set of tasks. Crisis management bears directly upon the lives of citizens and the wellbeing of societies. When emerging vulnerabilities and threats are adequately assessed and addressed, some potentially devastating contingencies simply do not happen. Misperception and negligence, however, allow crises to occur. When policy makers respond well to a crisis, the damage is limited; when they fail, the crisis impact increases. In extreme cases, crisis management makes the difference between life and death.

These are no easy tasks either. The management of a crisis is often a big, complex, and drawn-out operation, which involves many organizations, both public and private. The mass media continuously scrutinize and assess leaders and their leadership. It is in this context that policy makers must supervise operational aspects of the crisis management operation, communicate with stakeholders, discover what went wrong, account for their actions, initiate ways of improvement, and (re)establish a sense of normalcy. The notion "crisis management" as used in this

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book is therefore shorthand for a set of interrelated and extraordinary governance challenges. It provides an ultimate test for the resilience of political systems and their elites.

This is a book on public leadership in crisis management. It examines how public leaders deal with this essential and increasingly salient task of contemporary governance. It maps the manifold challenges they face in a crisis and identifies the pitfalls public leaders and public institutions encounter in their efforts to manage crises. To do so, we must "unpack" the notions of crisis and crisis management. In this introductory chapter, we begin this task by outlining our perspective on crisis management. First, we explain what we mean by the term "crisis." Then we argue that crises are ubiquitous phenomena that cannot be predicted with any kind of precision. Next, we outline our perspective on crisis leadership. Finally, we present five key leadership tasks in crisis management, which form the backbone of this book.

1.2   The nature of crisis

The term "crisis" frequently features in book titles, newspaper headlines, political discourse, and social conversation. It refers to an undesirable and unexpected situation: when we talk about crisis, we usually mean that something bad is to befall a person, group, organization, culture, society, or, when we think really big, the world at large. Something must be done, urgently, to make sure that this threat will not materialize.

In academic discourse, a crisis marks a phase of disorder in the seemingly normal development of a system.[2] An economic crisis, for instance, refers to an interval of decline in a long period of steady growth and development. A personal crisis denotes a period of turmoil, preceded and followed by mental stability. A revolution pertains to the abyss between dictatorial order and democratic order. Crises are transitional phases, during which the normal ways of operating no longer work.[3]

Most people experience such transitions as an urgent threat, which policy makers must address.[4] Our definition of crisis reflects its subjective nature as a construed threat: we speak of a crisis when policy makers experience "a serious threat to the basic structures or the fundamental values and norms of a system, which under time pressure and highly uncertain circumstances necessitates making vital decisions."[5]

Let us consider the three key components – threat, uncertainty, urgency – of this crisis definition in somewhat more detail. Crises occur when core values or life-sustaining systems of a community come under *threat*. Think of widely shared values such as safety and security, welfare

and health, integrity and fairness, which become shaky or even mean-
ingless as a result of (looming) violence, destruction, damage, or other
forms of adversity. The more lives are governed by the value(s) under
threat, the deeper the crisis goes. That explains why a looming natural
disaster (flood, earthquake, hurricane, extreme heat or cold) never fails
to evoke a deep sense of crisis: the threat of death, damage, destruction,
or bodily mutilation clearly violates the deeply embedded values of safety
and security for oneself and one's loved ones.

The threat of mass destruction is, of course, but one path to crisis.[6] A
financial scandal in a large corporation may touch off a crisis in a society
if it threatens the job security of many and undermines the trust in the
economic system. In public organizations, a routine incident can trigger
a crisis when media and elected leaders frame the incident as an indica-
tion of inherent flaws and threaten to withdraw their support for the
organization. The anthrax scare and the Washington Beltway snipers
caused the deaths of relatively few people, but these crises caused wide-
spread fear among the public, which – in the context of the 9/11 events –
was enough to virtually paralyze parts of the United States for weeks in a
row.[7] In other words, a crisis does not automatically entail victims or
damages.[8]

Crises typically and understandably induce a sense of *urgency*. Serious
threats that do not pose immediate problems – think of climate change
or future pension deficits – do not induce a widespread sense of crisis.[9]
Some experts may be worried (and rightly so), but most policy makers
do not lose sleep over problems with a horizon that exceeds their polit-
ical life expectancy. Time compression is a defining element of crisis: the
threat is here, it is real, and it must be dealt with as soon as possible (at
least that's the way it is perceived).

Time compression is especially relevant for understanding leadership
at the operational level, where decisions on matters of life and death
must sometimes be made within a few hours, minutes, or even a split
second. Think of the commander of the US cruiser *Vincennes* who had
only a few minutes to decide whether the incoming aircraft was an
enemy (Iranian) fighter or a non-responsive passenger plane – it tragic-
ally turned out to be the latter.[10] Leaders at the strategic level rarely
experience this sense of extreme urgency, but their time horizon does
become much shorter during crises.

In a crisis, the perception of threat is accompanied by a high degree of
uncertainty. This uncertainty pertains both to the nature and the poten-
tial consequences of the threat: what is happening and how did it
happen? What's next? How bad will it be? More importantly, uncertainty
clouds the search for solutions: what can we do? What happens if we

select this option? Uncertainty typically applies to other factors in the crisis process as well, such as people's initial and emergent responses to the crisis.

This definition of crisis enables us to study a wide variety of adversity: hurricanes and floods; earthquakes and tsunamis; financial meltdowns and surprise attacks; terrorist attacks and hostage takings; environmental threats and exploding factories; infrastructural dramas and organizational decline – there are many unimaginable threats that can turn leaders into crisis managers. What all these dramatic events have in common is the impossible conditions they create for leaders: managing the response operation and making urgent decisions while essential information about causes and consequences remains unavailable.

This is, of course, an academic shortcut on the way toward understanding crisis management. We know that in real life it is not always clear when exactly policy makers (who are they anyway?) experience a situation in terms of crisis. Some situations seem crystal clear, some are surely debatable. This fits our notion of crisis development: the definition of a situation in terms of crisis is the outcome of a political process. Certain situations "become" crises; they travel the continuum from the "no problem" pole to the "deep crisis" end (and back). In our choice of literature and examples, we have tried to err on the safe side: we have selected crisis cases that most informed readers would probably categorize (if they were asked to) as situations of combined societal threat, urgency, and uncertainty.

We are also aware that the management of crisis may depend on the type of threat. A traditional distinction is the one between natural and man-made disasters. Managing the impact of a tsunami (killing tens of thousands) or the explosion of a fireworks factory (killing ten) involves different activities as most of us can undoubtedly imagine. However, we claim that the strategic – as opposed to the tactical and operational – challenges for leaders in dealing with these threats are essentially the same: trying to prevent or at least minimize the impact of adversity, deal with the social and political consequences, and restore public faith in the future. In fact, we take our argument one step further: leaders can prepare for crises of the future – always different from past events – only if they learn from the variety of experiences they themselves and other leaders have had in other types of crisis.

1.3   The ubiquity of crisis

Disruptions of societal and political order are as old as life itself.[11] The Bible can be read as an introductory exposé of the frightening crises that

have beset mankind. Western societies may have rooted out many of these adverse events, but most of the world still confronts these "old" crises on a daily basis. The costs of natural and man-made disasters continue to grow, while scenarios of future crises promise more mayhem.[12]

Crises will continue to challenge leaders for a simple reason: the disruptions that cause crises in our systems cannot be prevented. This bold assertion arises from recent thinking about the causes of crises. It is now clear to most people that crises are not due to bad luck or God's punishment.[13] Linear thinking ("big events must have big causes") has given way to a more subtle perspective that emphasizes the unintended consequences of increased complexity.[14] Crises, then, are the result of multiple causes, which interact over time to produce a threat with devastating potential.

This perspective is somewhat counterintuitive, as it defies the traditional logic of "triggers" and underlying causes. A common belief is that some set of factors "causes" a crisis. We then make a distinction between "external" and "internal" triggers. While this certainly facilitates conversation (both colloquial and academic), it would be more precise to speak of escalatory processes that undermine a social system's capacity to cope with disturbances. The agents of disturbance may come from anywhere – ranging from earthquakes to human errors – but the cause of the crisis lies in the inability of a system to deal with the disturbance.

An oft-debated question is whether modern systems have become increasingly vulnerable to breakdown. Contemporary systems typically experience fewer breakdowns, one might argue, as they have become much better equipped to deal with routine failures. Several "modern" features of society – hospitals, computers and telephones, fire trucks and universities, regulation and funds – have made some types of crisis that once were rather ubiquitous relatively rare. Others argue that the resilience of modern society has deteriorated: when a threat does materialize (say an electrical power outage), modern societies suffer disproportionally. The point is often made by students of natural disasters: modern society increases its vulnerability to disaster by building in places where history warns not to build.

The causes of crises thus seem to reside within the system: the causes typically remain unnoticed, or key policy makers fail to attend to them.[15] In the process leading up to a crisis, seemingly innocent factors combine and transform into disruptive forces that come to represent an undeniable threat to the system. These factors are sometimes referred to as pathogens, as they are typically present long before the crisis becomes manifest.[16]

The notion that crises are an unwanted by-product of complex systems has been popularized by Charles Perrow's (1984) analysis of the nuclear power incident at Three Mile Island and other disasters in technological systems.[17] Perrow describes how a relatively minor glitch in the plant was misunderstood in the control room. The plant operators initially thought they understood the problem and applied the required technical response. As they had misinterpreted the warning signal, the response worsened the problem. The increased threat baffled the operators (they could not understand why the problem persisted) and invited an urgent response. By again applying the "right" response to the wrong problem, the operators continued to exacerbate the problem. Only after a freshly arrived operator suggested the correct source of the problem did the crisis team manage – just barely – to stave off a disaster.

The very qualities of complex systems that drive progress lie at the heart of most if not all technological crises. As socio-technical systems become more complex and increasingly connected (tightly coupled) to other (sub)systems, their vulnerability for disturbances increases exponentially.[18] The more complex a system becomes, the harder it is for anyone to understand it in its entirety. Tight coupling between a system's component parts and with those of other systems allows for the rapid proliferation of interactions (and errors) throughout the system.

Complexity and lengthy chains of accident causation do not remain confined to the world of high-risk technology. Consider the world of global finance and the financial crises that have rattled it in recent years.[19] Globalization and ICT have tightly connected most world markets and financial systems. As a result, a minor problem in a seemingly isolated market can trigger a financial meltdown in markets on the other side of the globe. Structural vulnerabilities in relatively weak economies such as Russia, Argentina, or Turkey may suddenly "explode" on Wall Street and cause worldwide economic decline.

The same characteristics can be found in crises that beset low-tech environments such as prisons or sports stadiums. Urban riots, prison disturbances, and sports crowd disasters seem to start off with relatively minor incidents.[20] Upon closer inspection, however, it becomes clear that it is a similar mix of interrelated causes that produces major outbursts of this kind. In the case of prison disturbances, the interaction between guards and inmates is of particular relevance. Consider the 1990 riot that all but destroyed the Strangeways prison in Manchester (UK).[21] In the incubation period leading up to the riot, prison guards had to adapt their way of working in the face of budgetary pressure. This change in staff behavior was negatively interpreted by inmates, who began to challenge staff authority, which, in turn, generated anxiety

and stress among staff. As staff began to act in an increasingly defensive and inconsistent manner, prisoners became more frustrated with staff behavior. A reiterative, self-reinforcing pattern of changing behavior and staff–prisoner conflict set the stage for a riot. A small incident started the riot, which in turn touched off a string of disturbances in other prisons.[22] Many civil disturbances between protestors and police unfold according to the same pattern.[23]

Non-linear dynamics and complexity make a crisis hard to detect. As complex systems cannot be simply understood, it is hard to qualify the manifold activities and processes that take place in these systems.[24] Growing vulnerabilities go unrecognized and ineffective attempts to deal with seemingly minor disturbances continue. The system thus "fuels" the lurking crisis.[25] Only a minor "trigger" is needed to initiate a de-structive cycle of escalation, which may then rapidly spread throughout the system. Crises may have their roots far away (in a geographical sense) but rapidly snowball through the global networks, jumping from one system to another, gathering destructive potential along the way.

Is it really impossible to predict crises? Generally speaking, yes. There is no clear "moment X" and "factor Y" that can be pinpointed as *the* root of the problem. Quite sophisticated early-warning systems exist in certain areas, such as hurricane and flood prediction, and some pioneering efforts are under way to develop early-warning models for ethnic and international conflict.[26] These systems may constitute the best available shot at crisis prediction, but they are far from flawless. They cannot predict exactly when and where a hurricane or flash flood will emerge. In fact, the systems in place can be dangerously wrong.

All this explains why some of the most notorious crises of our times were completely missed by those in charge. As the crisis process begins to unfold, policy makers often do not see anything out of the ordinary. Everything is still in place, even though hidden interactions eat away at the pillars of the system. It is only when the crisis is in full swing and becomes manifest that policy makers can recognize it for what it is. There are many reasons for this apparent lack of foresight, which we will discuss in Chapter 2.

1.4   Crisis management: leadership perspectives

Crises that beset the public domain – this may happen at the local, regional, national, or transnational level – are occasions for public leadership. Citizens whose lives are affected by critical contingencies expect governments and public agencies to do their utmost to keep them out of harm's way. They expect the people in charge to make critical decisions

and provide direction even in the most difficult circumstances. So do the journalists who produce the stories that help to shape the crisis in the minds of the public. And so do members of parliament, public interest groups, institutional watchdogs, and other voices on the political stage that monitor and influence the behavior of leaders.

However misplaced, unfair, or illusory these expectations may be, it hardly matters. These expectations are real in their political consequences. When events or episodes are widely experienced as a crisis, leadership is expected. If incumbent elites fail to step forward, others might well seize the opportunity to fill the gap.

In this book, we confine ourselves to crisis management in democratic settings. The embedded norms and institutional characteristics of liberal democracies markedly constrain the range of responses that public leaders can consider and implement. Many crises could be terminated relatively quickly when governments can simply "write off" certain people, groups, or territories, or when they can deal with threats regardless of the human costs or moral implications of their actions. In countries with a free press, a rule of law, political opposition, and a solid accountability structure this is not possible.

In a liberal democracy, public leaders must manage a crisis in the context of a delicate political, legal, and moral order that forces them to trade off considerations of effectiveness and efficiency against other embedded values – something leaders of non-democracies do not have to worry about as much.[27]

If crisis management was hard, it is only getting harder. The democratic context has changed over the past decades. Analysts agree, for instance, that citizens and politicians alike have become at once more fearful and less tolerant of major hazards to public health, safety, and prosperity. The modern Western citizen has little patience for imperfections; he has come to fear glitches and has learned to see more of what he fears. In this culture of fear – sometimes referred to as the "risk society" – the role of the modern mass media is crucial.[28]

A crisis sets in motion extensive follow-up reporting, investigations by political forums, as well as civil and criminal juridical proceedings. It is not uncommon for public officials and agencies to be singled out as the responsible actors for prevention, preparedness, and response in the crisis at hand. The crisis aftermath then turns into a morality play. Leaders must defend themselves against seemingly incontrovertible evidence of their incompetence, ignorance, or insensitivity. When their strategies fail, they come under severe pressure to atone for past sins. If they refuse to bow, the crisis will not end (at least not any time soon).

This study aims to capture what leadership in crises entails. We are interested to learn how public leaders seek to protect their society from adversity, how they prepare for and cope with crises. To organize our inquiry, we define leadership as a set of strategic tasks that encompasses all activities associated with the stages of crisis management.[29]

This perspective does not presume that these tasks are exclusively reserved for leaders only. On the contrary: these tasks are often performed throughout the crisis response network. In fact, during a crisis one may find situational leadership, which diverges from regular, formal leadership arrangements. We do believe, however, that the formal leaders carry a special responsibility for making sure that these tasks – which we specify in the following section – are properly addressed and executed (if not by the leaders then by others).

We do not wish to suggest that the performance of a set of tasks will provide fool-proof relief from crises (of whatever kind). This would be both a presumptuous claim and one-sidedly instrumental. It would deny the pivotal, yet highly volatile and complex political dimension of crises and crisis management.[30] In all fairness, one could criticize the field of crisis management studies for its overtly instrumental orientation. There is a large and fast-growing pile of self-help, how-to books that promise to make organizations crisis free.

Our book is an attempt to redress this imbalance. We view crisis management not just in terms of the coping capacity of governmental institutions and public policies but first and foremost as a deeply controversial and intensely political activity. We want to find out what crises "do" to established political and organizational orders; we seek to understand how crisis leadership contributes to defending, destroying, or renovating these orders. The distinctive contribution we seek to make is to highlight the political dimensions of crisis leadership: issues of conflict, power, and legitimacy.[31]

We thus use a more task-related than person-related perspective on crisis leadership. In general discourse, leaders are often seen as the personification of leadership. This is the myth of the "great" leader, which pervades so many efforts to understand both great accomplishments and massive failures. In this book we talk loosely of policy makers and leaders, but we concentrate on the efforts of all those holding high offices and strategic positions from which public leadership functions can be performed. Hence our "sample" of leaders includes presidents, prime ministers, cabinet ministers, senior civil servants, and public managers. We agree that charismatic bonds between leaders and followers, and personal idiosyncrasies of policy makers may be important to explain how certain leadership tasks are fulfilled, but we are more

interested to see how the performance of these tasks relates to the crisis outcome.[32]

The adjective "strategic" is important here: we study the overall direction of crisis responses and the political process surrounding these responses. This book is not about operational commanders and their leadership predicaments, however important these have proven to be in resolving various types of crisis. Moreover, we only touch upon the more technical activities of the comprehensive crisis management continuum (such as risk assessment or the use of tort law).[33] Let us now turn to the key challenges of crisis leadership.

1.5   Leadership in crisis: five critical tasks

The normative assumption underlying our approach is that public leaders have a special responsibility to help safeguard society from the adverse consequences of crisis. Leaders who take this responsibility seriously would have to concern themselves with all crisis phases: the incubation stage, the onset, and the aftermath. In practice, policy makers have defined the activities of crisis management in accordance with these stages – they talk about prevention, mitigation, critical decision making, and a return to normalcy. We stick closely to this phase model of crisis management, but we have slightly adapted it to account for the political perspective used in this book.

Crisis leadership then involves five critical tasks: sense making, decision making, meaning making, terminating, and learning. We devote one chapter to each of these tasks. We present our reading of the relevant literature, including some of our own research, on each of these areas of crisis management. Each chapter is organized to illustrate a central claim that we hope to defend persuasively, sometimes defying conventional wisdom and common practice.

Sense making

The acute crisis phase seems to pose a straightforward challenge: once a crisis becomes manifest, public leadership must take measures to deal with the consequences. Reality is much more complex, however. Most crises do not materialize with a big bang; they are the product of escalation. Policy makers must recognize from vague, ambivalent, and contradictory signals that something out of the ordinary is developing. The critical nature of these developments is not self-evident; policy makers have to "make sense" of them.[34]