

Thirteen

Reflections on Strategic Surprise

Chester A. Crocker

Introduction

This chapter discusses the significance of the concept of strategic surprise. It situates the concept historically and identifies a number of reasons for giving sustained attention to the problem. The chapter then illustrates the variety of situations in which strategic surprise can arise, and it examines a range of 'causes' that help explain why strategic surprise happens. It makes the argument that the concept has wide applicability beyond the purely political-military sphere, and should be taken into account by decision-makers in both the private and public sectors. The chapter discusses the relationship between surprise, uncertainty, and risk management. It argues that the notion of strategic surprise deriving from 'intelligence failure' is often misleading when the real problem lies in leadership style and bureaucratic culture. A concluding section pulls together some implications for coping with strategic surprise and its effects.

Strategic Surprises are Nothing New

The concept of strategic surprise originates from the military realm, and it connotes the clever stratagems we use on adversaries, or they use on us. But, with today's complex challenges, strategic surprise has a far broader range of meanings in addition to the original one. Surprises with strategic significance

may come from random events, historical discontinuities, trend reversals, systemic transitions, our own actions, or the actions of others.

Surprise has been the focus of attention by military theorists and scholars since the ancients. Sun Tzu gave it a central place, elaborating on maneuver, deception and dissimulation or what the 20th-century strategist Basil Liddell Hart called the 'indirect' approach.¹ Machiavelli considered surprise 'the most essential component of victory'. Carl von Clausewitz found the use of surprise over-rated as a tool in the strategic arsenal: "it would be a mistake ... to regard surprise as a key element of success in war," not least because while it is highly attractive in theory, "in practice it is often held up by the friction of the whole machine."² In our time, military historian and strategic commentator Edward Luttwak argues that "the entire realm of strategy is pervaded by a paradoxical logic very different from the ordinary 'linear' logic by which we live in all other spheres of life." A key element of this paradoxical logic, for Luttwak, is the use of choices aimed at deceiving the enemy: "surprise in war ... is ... not merely one advantage among many ... *but rather the suspension, if only brief, if only partial, of the entire predicament of strategy.*"³ But, he cautions, the quest to achieve surprise has costs and reaches a point of diminishing returns.

Colin Gray argues that "surprise is ... a condition of the insecurity in which we must live," and it has always been an "actual or potential characteristic of warfare". But Gray emphasizes that the important thing for strategists is to cope with and plan against the effects and consequences of surprise which are

“controlled by us, not the enemy.” Sometimes, the effects of one’s own actions and mindsets are the source of the surprise. This is a challenge that confounds American political and military leaders alike who are repeatedly surprised by their failure to translate battlefield success into positive strategic and political results. The problem, Gray argues, lies in a military and strategic culture that overlooks the nexus between the military and political dimensions of policy.⁴ It would be hard to find a clearer illustration of the phenomenon than the massive strategic gift America and Britain have handed to the Iranians by their actions in Iraq and Afghanistan since 2001.

Why We Should Care about Surprise?

As this suggests, an important share of today’s surprises is arguably needless. As Gray argues, the risk of surprise will never be eliminated and it would be foolish to make a surprise-free world the target of policy. But leaders are too often blindsided by bad habits, poor tradecraft, and excessively narrow or unimaginative analysis. Surprises can be the self-inflicted wounds of linear thinking and parochial assumptions.

Eight years ago, before the attacks of 9/11, several colleagues joined me in inaugurating a working group on strategic surprise at Georgetown University, a program that carries the name of a distinguished American statesman, James R. Schlesinger. Why a working group on strategic surprise and unanticipated scenarios? One reason is the sustained volatility, dynamism and unstructured characteristics of this transitional era. There are, quite simply, a large number of

political and economic transitions playing out simultaneously, a significant number of basic uncertainties about the direction of major countries and regions, and the likelihood in certain parts of the Asian, Middle Eastern, African, and former communist worlds of further, open-ended change dynamics.

Another motivation was the hope to inject some counter-intuitive discipline and some outside-the-box thinking into the Washington policy milieu. This is an environment that – despite the ever-growing number of skilled and expert participants – remains dangerously vulnerable to conventional wisdom and pressure to conform. American optimism has many plusses, but it can blind decision-makers to the “logic” of strategic reversals and the possibility of historical discontinuities. Washington’s lack of readiness for (and adaptation to) the Asian financial crisis in 1997-98 is a classic example. The Georgetown strategic surprise project was inaugurated in conscious recognition of the particular strain of hubris and resulting complacency that seemed to accompany the United States’ ‘unipolar moment’ as sole superpower.

A further reason to focus on strategic surprise is to raise awareness of the side effects and unintended consequences of apparently successful actions. Major turning points or battlefield victories can produce perverse new challenges. Avoiding such surprises requires both macro-analytical, inter-disciplinary capabilities as well as a high level of skill in managing perceptions and expectations. In their interesting study of the way victory and defeat are

perceived in international politics, Johnson and Tierney write “... surprises have a more powerful impact than expected events. Surprises can feel more pleasant (if positive) or more painful (if negative) than actions that are predicted in advance.”⁵ Clearly, when the stakes are large, this becomes exponentially more significant. All of these themes, when taken together, add up to a powerful rationale for directing attention to strategic surprises.

American leaders, it should be acknowledged, are by no means the only ones susceptible to linear thinking about world affairs. Nor are they alone in imagining that their own norms and benchmarks have universal validity. When analysis is devoid of historical and cultural grounding, it is assumed that people from other lands and cultures think as we would “if we were in their shoes.” The Chinese authorities have some experience with the ironic consequences of their own success. Consider, for example, the ‘surprise’ that is now coming down like a thunderbolt on the heads of senior Chinese officials who have to manage the consequences of China’s successful bid to host the 2008 Olympic Games. This event will be a splendid opportunity to showcase China’s achievements. But it will also be a blessing for all those activists and critics with a cause to promote or an axe to grind as China takes center stage under the scrutiny of world media. As China’s leaders view front-page photos of Mia Farrow and a young refugee from Darfur carrying an alternate Olympic torch across Chadian sands, they face Olympic problems of their own making – a classic case of the shock of unintended and unanticipated consequences.

A Taxonomy of Surprise

Strategic surprises come in various sizes and shapes. They can be positive as well as negative in their impact, although it is perhaps inevitable that the main focus is placed on things to worry about. The classic example is a surprise attack by a hostile power using deceit and cunning, as in the Japanese attack on Pearl Harbor or Al Qaeda's attacks on 9/11. But our interest in strategic surprise should not derive exclusively from a concern about our *physical security from armed attack*. Surprises, *pace* Luttwak, can also be launched by non-military means or by non-military rivals. One thinks, for example, of geopolitical or commercial competition, the quest by natural resource-importing nations to lock up equity oil or equity copper -- a quest whose successful pursuit in a world of finite supply will inevitably come at the expense of someone else, at least in the short to medium term.

The most important or dangerous surprises may not come from the actions of an adversary intellect *at all*. They could come from more abstract or generic sources that have no known address. While they may reflect human agency -- as in the recent action in world financial markets -- it would be a stretch to argue that such developments are the work of a specific adversary. Rather, they are the work of financial institutions using investment models to push the limits of good practice in the quest to maximize returns for powerful investor groups. Finally, there are surprises that can flow from natural or environmental sources or, if one prefers,

acts of God. Strategic surprises, in sum, can come from many directions and sources.

The “Causes” of Strategic Surprise

Surprises can flow from random events or accidents that could not have been anticipated such as an assassination or a tsunami. They can flow from the unintended consequence of policy, as noted earlier. Surprises can flow from trend reversals as Luttwak reminds us, when a military thrust reaches its ultimate point of efficacy and then begins to backfire, causing the pendulum to start swinging the other way. Beyond the purely military sphere, fundamental trends often have a way of running out of steam; in many cases, there is a process not only of correction but of reversal. Surprises may result from non-linear changes or ‘discontinuities’ in the environment whose origins may be exogenous to specific sector or sphere of action: one thinks, for example, of the impact of the HIV/AIDS pandemic on pricing policies in the pharmaceutical industry and on the development assistance priorities of donor nations. Surprise may flow from ‘over the horizon’ developments and events that could have been imagined ... but weren’t. Surprises can develop out of seemingly gradual transitions, or the change described by Colin Gray as ‘the transmutation of familiar trends into something quite different’.⁶

Sometimes, seemingly ‘sudden’ developments or shocks take decision makers and thought leaders by surprise because they have allowed blind spots to develop. When important issues get buried, neglected or discounted – or become subject

to political taboos – they may ‘disappear’ from the radar screen due to subjective blinders that leave societies vulnerable to surprise. This factor played a role in the current financial turbulence.⁷ Policymakers may be less likely to recognize the risk of an unanticipated event when they have no answer or response to it. Similarly, judgments about the risk of a strategic surprise should be made in the context of analyzing the effects on others of one’s own actions and strategy, a pattern of interaction emphasized by strategic studies scholar Hugh White.¹ Failures of imagination and failures in the use of and response to information are more often the ‘cause’ of surprise than the storied intelligence ‘failures’ that are the grist for so many policy debates (see below).

Surprises and Risk Management

Students of strategic surprise have something to learn from the field of risk management, and it may be useful to compare the concepts of surprise and risk. A report by the Global Risk Network of the World Economic Forum identifies some 23 ‘core global risks’ broken into five over-arching categories (economic, environmental, geopolitical, societal and technological) and outlines their potential impacts in terms of severity of consequences and likelihood of occurrence. Interestingly, the report underscores that core risks do not arise in isolation: “their drivers, triggers, and consequences are interconnected.”⁸ The significance of this finding is that human beings have a finite capacity to process this kind of complexity, especially in the face of stress and time pressure. At such

¹ Hugh White, “Intelligence, Policy, and the Failure to Forecast Risk”, paper presented at the September 2007 IISS Global Strategic Review conference.

times, there is a strong tendency to rely upon a range of gut instincts (or 'heuristic biases') that can distort accurate risk assessment.

This would not be news to Clausewitz. His 'unified concept of a general friction' in warfare speaks eloquently to the impact of danger, physical exertion, uncertainty, imperfect information, and unpredictability stemming from interaction with the enemy. As translated by a provocative, modern disciple this becomes "constraints imposed by human physical and cognitive limits, whose magnitude and effects are inevitably magnified by the intense stresses, pressures, and responsibilities of actual combat."⁹ Watts examines a series of modern examples and concludes that the findings of Roberta Wohlstetter's classic study, *Pearl Harbor: Warning and Decision* (Stanford, CA: Stanford University Press, 1962) and that Richard Betts, Avi Shlaim, and Ephraim Kam¹⁰ more recently confirmed: "this consensus not only reflects history, but general agreement on the degree to which the root sources of the intractability [of strategic surprise] lie in uncertainties and aspects of human perception and judgment too fundamental to eliminate once and for all."¹¹ Watts argues that the problem of 'general friction' once war begins is caused by the same ingredients as those leading up to a pre-war surprise attack: "uncertainties in the information on which action is based, danger, chance, and the unpredictability of two-sided interaction."¹² Throughout history policymakers and planners have pinned their hopes on technology to solve this problem. But findings from fields as varied as evolutionary biology, chaos theory, and nonlinear dynamics show that it is impossible to eliminate strategic surprise or the general friction of warfare.

Admittedly, there are differences between the fields of risk management and military planning. By analogy, however, there are strategic surprises in both arenas. The analogy is beautifully captured in the words of Goldman Sachs CFO David Viniar commenting on the liquidity and credit crises of August 2007: “the lesson you always learn is that your definition of extreme is not extreme enough.”¹³ Viniar’s candid comment underscores the reality that standard practices of risk management such as stress testing against a range of predetermined market events may fall short when a real surprise occurs. Something, it is safe to say, went badly wrong with the assumptions and the models. There was no shortage of apparently precise data.

If it is accepted that strategic surprise or uncertainty cannot be eliminated, the issue then becomes one of mitigating its effects. Michael Fitzsimmons draws a sharp distinction between uncertainty (a condition that provides no basis for estimating probabilities) and risk (a condition where outcomes are unknown but probabilities can be estimated based on experience and rigorous testing of assumptions).¹⁴ When the concepts of surprise and uncertainty are elevated into the defining character of the times – as recent US defense planning documents suggest – the value of analytic rigor, subject matter expertise, and all efforts at probabilistic judgment are discounted in favor of worst case scenarios, intuition and subjective beliefs. With Betts, he argues that it is not possible to have a

strategy unless one has made a choice based on probabilities (likelihood of an event occurring).¹⁵ The implication is that while alternative scenario planning can be useful, in the end some assumptions must be made and they should be based on explicit and transparent standards.

Surprise and ‘Intelligence Failure’

Much is written about intelligence failures, especially when events confound us and pressure mounts to identify someone or some institution to hold accountable. There are, to be sure, times when intelligence simply does not rise to the standard policymakers require or when critically important targets appear beyond the reach of intelligence services. On balance, however, the evidence suggests a need to dig deeper and unpack the concept of ‘intelligence failure’ as a source of strategic surprise.

The Roberta Wohlstetter study of surprise attack at Pearl Harbor does not support a one-dimensional concept of intelligence failure. The problem the United States faced in the fall of 1941, she concludes, was not too little information about Japanese intentions, but too much; U.S. officials had to deal with too many ‘signals’ or warnings, and too much background ‘noise’, an intelligence overload combined with strong official U.S. beliefs about Japanese capabilities and intentions. The prevailing perceptions (not an absence of information) prevented senior American ranks from listening to the ‘right’ signals.¹⁶ Similar conclusions emerge from a research project at Georgetown

University examining five case studies of supposed ‘intelligence failure’ (the fall of the Shah, 1979; terrorist bombings in East Africa, 1998; Soviet invasion of Afghanistan, 1979; US-Soviet proxy war in Afghanistan, 1989-92; and the Asian financial crisis, 1997-98). The project concludes that surprises flow from “the way information is interpreted, distributed, and prioritized by senior officials.” This is especially problematic when available intelligence data comes up against a policy consensus that has become ‘excessively entrenched across senior levels of government’ or when intelligence professionals are silenced or penalized for presenting new interpretation and analysis that challenges that consensus.¹⁷

The global financial turbulence of July-August 2007 offers an interesting counterpoint to the theme of ‘intelligence failure’. There was no shortage of warning signals and no absence of voices reporting the rising dangers developing in the U.S. mortgage market going back six to nine months (if not longer) before the waves of liquidity crisis hit the markets in force. Yet the number and variety of actors underestimating, ignoring, and downplaying the warning signs are stunning: investment banks, hedge funds, mortgage brokers, credit rating agencies, government regulators and central banks. There was plenty of publicly available information. The full story of *this* strategic surprise may take many more months to decipher.

Is there a Remedy?

To square the circle, then, strategic surprise comes from the failure of risk management, failures of imagination, a failure – as the saying goes – ‘to connect

the dots'. There is no 'silver bullet' to fix the problem. As Colin Gray reminds us, "... surprise prevention, though an important goal, is mission impossible, at least it is if we harbor absurd ambitions to inhabit a risk-free security environment."¹⁸ The experience of the Georgetown University working group on strategic surprise referenced above points in the same direction. There is a clear implication here: if, despite all best efforts, strategic surprises are inevitable, then it becomes imperative to do everything possible to build the possibility of surprise into the planning process and to focus particular effort on coping with and managing its potential effects. Policy and contingency planning should be approached with the recognition that some problems are "not soluble" but must be continuously worked on in order to build flexibility into the planning process.²

Nonetheless, the Georgetown University working group effort remains an important initiative on a challenge of timeless relevance to decision-makers. The group's approach is based upon a diverse analytic input from both specialists and generalists, imagining possible trend reversals and discontinuities, focusing on critical triggers and drivers of alternative scenarios, and keeping the 'big picture' in mind as topics are addressed.¹⁹

Such an exercise depends critically on its core participants and their ability to resist their own form of 'group think'. Large organizations can usefully adapt some of these approaches for their own purposes. They can foster an open culture that identifies long-standing issues rather than burying them. They can stimulate

² I am indebted for former U.S. Secretary of State George P. Shultz for bringing the latter point to my attention; and to Georgetown University professor Ross Harrison for underscoring the importance of developing surprise absorption/management capability.

the articulation of diverse perspectives and assumptions. During the 1980s, under the leadership of former Secretary of State George P. Shultz, it was a regular practice to reach out to the academic and non-official research communities for analytic input on particular societies, regimes and leaders. As this example makes clear, however, the critical factor is leadership and human agency, and there may be no means of institutionalizing it.

In sum, while there are no silver bullets, some measure of surprise avoidance and surprise mitigation can be obtained from such elements as: (a) leadership and management structures that place a premium on open architecture to assure that multiple inputs or voices are heard and to instill rewards for unconventional thinking; (b) inclusion in decision bodies and oversight boards of a variety of sources and types of expertise so that there is at least the possibility of acquiring a ‘mega view’ of the issues and problems at hand, including people who are experienced in linking a range of disciplines and professional fields; (c) procedures for forcing the critical examination of assumptions, while recognizing that, in the end, one cannot act without making choices; and (d) an insistence on knowing ourselves and becoming better aware of our inevitable cultural vulnerability to being surprised.

¹ A relevant Sun Tzu quotation: “All warfare is based on deception. Therefore, when capable, feign incapacity; when active, inactivity. When near, make it appear that you are far away; when far away, that you are near. Offer the enemy a bait to lure him; feign disorder and strike him.” Sun Tzu, The Art of War, translated and with an introduction by Samuel B. Griffith (Oxford, OUP, 1963), p. 66.

² Carl von Clausewitz, On War, translated by Michael Howard and Peter Paret (Princeton, NJ: Princeton University Press 1976), p. 198.

³ Edward N. Luttwak, Strategy: The Logic of War and Peace (Cambridge, MA: Harvard University Press, 2001 2nd edition), p. 4, emphasis in original.

⁴ Colin S. Gray, Transformation and Strategic Surprise (Carlisle, PA: U.S. Army War College, 2005), pp. 9-16.

⁵ Dominic D.P. Johnson and Dominic Tierney, Failing to Win: Perceptions of Victory and Defeat in International Politics (Cambridge, MA: Harvard University Press, 2006), p. 52.

⁶ Gray, op. cit., p. 9.

⁷ I am indebted to Wolfgang Schurer for this comment in a private communication.

⁸ Global Risks Report: A Global Risk Network Report (Geneva: World Economic Forum, 2007), p. 13.

⁹ Barry D. Watts, in Clausewitzian Friction and Future War (Washington, D.C.: National Defense University McNair Paper # 68, 2004), p. 76, The original Clausewitz conception of the sources of friction is summarized at p. 21.

¹⁰ See Richard Betts, "Analysis, War, and Decision: Why Intelligence Failures are Inevitable," and Avi Shlaim, "Failures in National Intelligence Estimates: The Case of the Yom Kippur War," in *The Art and Practice of Military Strategy*, ed. George E. Thibault (Washington D.C.: National Defense University, 1984); and Ephraim Kam's study Surprise Attack: The Victim's Perspective (Cambridge, MA: Harvard University Press, 1988).

¹¹ Barry D. Watts, in Clausewitzian Friction and Future War (Washington, D.C.: National Defense University McNair Paper # 68, 2004), p. 40, The original Clausewitz conception of the sources of friction is summarized at p. 21.

¹² Ibid, p. 41.

¹³ Jenny Anderson, "Goldman and Investor Plan to Inject \$3 Billion into Faltering Hedge Fund," New York Times, August 10, 2007

¹⁴ Michael Fitzsimmons, "The Problem of Uncertainty in Strategic Planning," Survival (Vol. 48, #4, Winter 06-07).

¹⁵ Richard K. Betts, Surprise Attack: Lessons for Defense Planning (Washington DC: The Brookings Institution, 1982), p. 103.

¹⁶ Roberta Wohlstetter, Pearl Harbor: Warning and Decision (Stanford, CA: Stanford University Press, 1962), p. 397.

¹⁷ Janne E. Nolan and Douglas MacEachin, Discourse, Dissent and Strategic Surprise Formulating U.S. Security Policy in an Age of Uncertainty (Washington, D.C., Georgetown University, Institute for the Study of Diplomacy, 2007). pp. 100-104.

¹⁸ Gray, op. cit., p. 10.

¹⁹ The Georgetown University working group is described at <http://isd.georgetown.edu/schlesinger.cfm>.