AVOIDING THE ABYSS

AN URGENT NEED FOR SINO–U.S. CRISIS MANAGEMENT

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Executive Summary

Since the establishment of the People's Republic of China (PRC) in 1949, the United States and China have had nine major political-military crises. Even when these crises did not lead to direct military conflict, as in the Korean War, they have often had lasting negative effects on U.S. security. For example, the Taiwan Strait Crisis of 1995-96, little remembered now, helped lay the groundwork for the Chinese military buildup of the past several decades.

Today, several key issues between the United States and China could boil over into the next crisis. These include the potential for conflict over Taiwan, the North/South confrontation on the Korean Peninsula, a range of maritime disputes, and threats to the U.S. alliance system in Asia. Each of these issues comes with its own complications, which would render mutual accommodation very difficult in a crisis. Even more concerning, the intensifying dynamics of the Sino-U.S. strategic competition is greatly increasing the likelihood of a severe crisis occurring over any of these issues.

This paper presents the findings of many years of Track II crisis prevention and management discussions between Chinese and U.S. interlocutors, including former senior officials, policy analysts, and scholars, as well as the results of extensive research materials. It defines the acute challenge posed by efforts to avoid and successfully manage any serious political-military crisis, and identifies and analyzes the perceptions, policies, structures, and processes operating in both the U.S. and Chinese militaries and governments that would make the effective management of a future Sino-U.S. political-military crisis particularly difficult. It also shows the deficiencies of the current methods in place to avoid and manage such crises. This paper also presents new processes and mechanisms to help both sides avert and manage future bilateral crises and prevent them from spiraling into conflict.

Effective crisis management defuses acute crises between two countries while protecting the concerns of each party. Such a process requires a delicate balancing act between achieving resolution without provocation and fostering accommodation without signaling weakness.

The current U.S.-China crisis management infrastructure is critically deficient in carrying out this balancing act. To make matters worse, both sides currently seem incapable of undertaking the necessary structural and procedural reforms to improve this capability. Yet, such reforms are achievable with the right understanding and commitment.

This paper recommends the establishment of permanent and semi-permanent working groups that would allow key U.S. and Chinese civilian and military officials to reach a common understanding and mutual confidence regarding U.S. and Chinese goals, intentions, and practices in a crisis. This understanding should be institutionalized through defined manuals and guidelines for crisis management.

Such institutional investment, going well beyond the simple “hotline” or narrow military-to-military contacts that are often presented as the only needed preparations for crisis management, will go far to prevent the kinds of distorted perceptions and misunderstandings that fuel needless escalation in a crisis. This paper offers the most comprehensive and in-depth assessment to date of the problems confronting Sino-U.S. crisis prevention and management, and the ways that should be considered to address them.

About the Author

Michael D. Swaine is a Senior Research Fellow in the Quincy Institute's East Asia Program and is one of the most prominent American scholars of Chinese security studies. At the Carnegie Endowment for International Peace, he worked for nearly twenty years as a senior fellow specializing in Chinese defense and foreign policy, U.S.-China relations, and East Asian international relations. Before that, Swaine served as a senior policy analyst at the RAND Corporation. Swaine has authored and edited more than a dozen books and monographs and many articles, papers and opinion pieces, including *Interpreting China's Grand Strategy, Past, Present, and Future,* with Ashley Tellis, (2000); *Managing Sino-American Crises: Case Studies and Analysis*, with Zhang Tuosheng (eds) (2006); *America's Challenge: Engaging a Rising China in the Twenty-First Century* (2011); and "A Restraint Approach to U.S.-China Relations: Reversing the Slide Toward Crisis and Conflict" (2023), with Andrew Bacevich. For nearly two decades, Swaine directed, along with Iain Johnston of Harvard University, a multiyear crisis prevention project with Chinese partners. He also advises the U.S. government on Asian security issues. Swaine received his doctorate in government from Harvard University. He speaks Mandarin and Japanese.

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Introduction

The relationship between the United States and the People's Republic of China is arguably the most complex, challenging, and important bilateral relationship in the world today, combining areas of cooperation with competition and serious conflicts of interest.

Over the last 40 years, this relationship has helped generate enormous economic growth and social development worldwide, especially in Asia. Equally important, both sides have cooperated in handling transnational problems, such as the proliferation of weapons of mass destruction, piracy, instability in the global economic system, and climate change.

Nonetheless, one of the greatest challenges confronting the relationship today is how to manage increasingly pressing differences of interest on several key issues without producing a crisis. These include the status and disposition of Taiwan, the North/South confrontation on the Korean Peninsula, the management of maritime territorial disputes (including those that involve China and U.S. allies), various U.S. military activities along China's maritime periphery, and the overall role of the U.S. alliance system in Asia.[1]

Differences over these issues have produced several serious crises in the history of U.S.-China relations. In recent decades, these have included the 1995 and 1996 Taiwan Strait Crises, the 2001 EP-3 Signals Intelligence Aircraft Incident, the 2007-2008 crisis over two unsuccessful referenda proposed by the Taiwan government, the Impeccable Incident of 2009 involving the near collision of U.S. and Chinese naval ships, and the October Surprise Crisis of 2020, during which Chinese leaders feared a direct American

[1] Beyond these crises, it is also possible that China and the United States could end up in a quandary over intensifying military and commercial competition in space, cyber exploitation, various global economic disputes, non-Asia-based military and intelligence operations, and regional infrastructure development. While crises over such issues are arguably less likely to result in a major military conflict, they could nonetheless produce highly damaging political and economic consequences.

attack prior to the 2020 presidential election.[2] Indirect instances of tension or disagreement have also occurred, such as maritime disputes between China and U.S. allies in the South and East China Seas. Fortunately, in most recent cases, both nations have sought to de-escalate while recognizing that other crises could emerge.

Washington and Beijing have adopted some agreements and positive practices designed to avoid or more effectively manage future incidents. These include, most notably, the 1998 Military Maritime Consultative Agreement, the establishment of a defense telephone link (2008), the Memorandum of Understanding (MOU) on Notification of Major Military Activities Confidence-Building Measures Mechanism (2014), the MOU Regarding the Rules of Behavior for Safety of Air and Maritime Encounters (2014), a direct hotline for combating cybercrime and related matters (2016), the Joint Staff Dialogue Mechanism (2017, but subsequently disbanded), and the Crisis Communication Working Group (2019).[3]

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[2] For a more comprehensive list of political-military crises between the United States and China, see Tyler Jost, "The Institutional Origins of Miscalculation in China's International Crises," *International Security* 48, no. 1 (Summer 2023): 58-59, https://doi.org/10.1162/isec_a_00464.

[3] In addition to these crisis management mechanisms, the United States and China have created an array of potential crisis-related dialogue mechanisms. These include the Chinese Ministry of Defense and U.S. Department of Defense Consultation Talks (1997-2014), China-U.S. Maritime Military Security Consultation (1998-2019), China-U.S. Anti-Terrorism Consultation (2001-2016) and China-U.S. Financial Anti-Terrorism Working Group Consultation (2002-2016), China-U.S. Consultation on Strategic Security, Multilateral Arms Control, and Non-Proliferation Issues (2003-2016), Chinese Ministry of Defense and U.S. Department of Defense Working Meeting (2005-2020), China-U.S. Strategic Security Dialogue (2011-2016), Chinese Ministry of Defense and U.S. Department of Defense Asia-Pacific Security Dialogue (2014-2019), U.S.-China Army Dialogue (2015), China-U.S. High-level Joint Dialogue on Combating Cybercrime and Related Matters (2015, 2016), China-U.S. Law Enforcement and Cybersecurity Dialogue (2017), China-U.S. Diplomatic and Security Dialogue (2017, 2018), and China-U.S. Joint Staff Dialogue (2017). Listed in: Zhang Tuosheng, "Strengthening Crisis Management is the Top Priority in Current China-U.S. and China-Japan Security Relations," Center for Strategic and International Studies, December 31, 2023, https://interpret.csis.org/translations/strengthening-crisis-management-is-the-top-priority-in-current-china-u-s-and-china-japan-security-relations/#:~:text=Since%20the%20late,Staff%20Dialog%20.; Shirley A. Kan, "U.S.-China Military Contacts: Issues for Congress," Congressional Research Service, October 27, 2014, https://sgp.fas.org/crs/natsec/RL32496.pdf; and Government of the United States, "Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2019," U.S. Department of Defense, Office of the Secretary of Defense, May 02, 2019, https://media.defense.gov/2019/May/02/2002127082/1/1/1/2019_CHINA_MILITARY_POWER_REPORT.pdf.

These government-to-government, or Track I, agreements, memoranda, and dialogues are limited in nature, amounting to "rules of the road" intended to minimize accidents and miscommunication between the military forces of the two sides while engaged in routine activities. Both sides fail to address the thoughts and actions of higher-level national security leaders who would make the key decisions required to avert and manage a serious political-military crisis between the United States and China. As a result, the procedures or mechanisms offered for averting or dealing with a crisis are inadequate or nonexistent. In particular, these agreements do not educate crisis managers about the perceptual, structural, and procedural obstacles to effective crisis prevention and management inherent in the belief systems and decision-making structures and processes on both sides, and offer no mechanisms or confidence-building measures for overcoming such obstacles and facilitating effective overall crisis procedures.

The need for such crisis mechanisms has become much greater in recent years and will undoubtedly continue, due to the increased likelihood of a severe political-military crisis emerging between Beijing and Washington over a range of security-related disputes along China's maritime borders, from the Korean Peninsula to the South China Sea, and possibly into the Indian Ocean.[4] Such disputes, many involving U.S. allies or partners, have become more acute as a result of the growing level of hostility and distrust driven by the deepening overall strategic competition, and the general increase in assertive, retaliatory military or quasi-military exchanges between China and many of its maritime neighbors in recent years.[5] The dangers of this situation are increased even further by the growing presence of Chinese, U.S., and allied air and maritime assets operating in

[4] Avery Goldstein, "First Things First: The Pressing Danger of Crisis Instability in U.S.-China Relations," *International Security* 37, no. 4 (2013): 49-89, http://www.jstor.org/stable/24480620.
[5] M. Taylor Fravel and Kacie Miura, "Stormy Seas: The South China Sea in U.S.-China Relations," in Jacques deLisle and Avery Goldstein, *After Engagement: Dilemmas in U.S.-China Security Relations* (Washington, D.C.: Brookings Institution Press, 2021), 155-183, https://www.taylorfravel.com/documents/research/fravel.2021.stormy.seas.pdf; and Rachel Esplin Odell, "Promoting Peace and Stability in the Maritime Order Amid China's Rise," Quincy Institute, July 30, 2021, https://quincyinst.s3.amazonaws.com/wp-content/uploads/2021/07/17215609/QUINCY-BRIEF-NO.-15-JULY-2021-RACHEL-ODELL.pdf.

close proximity to one another along the Asian littoral and, to a growing extent, globally, as well as the increasing importance of the space and cyber domains as elements of Sino-U.S. security competition in Asia and elsewhere.

Under such circumstances, even relatively small incidents that might occur between U.S. and allied operators and their Chinese counterparts could escalate rapidly into more serious crises as each player seeks to convey its resolve in defending against real and imagined challenges to its sovereignty or reputational interests. Moreover, as discussed below, the potential for such escalation is increased due to a wide range of negative features influencing the perceptions and actions of crisis decision-makers in the United States and China—involving various leadership beliefs and assumptions, and the structure and process of crisis decision-making.[6] Also, as indicated below, the consequences of any serious political-military crisis between Washington and Beijing could be enormous, depending on the actions taken by both sides and other relevant actors.

This paper explains why there is an urgent need for more effective crisis management measures between the United States and China and presents an array of recommended actions both sides should take to reduce the likelihood of a severe crisis and increase the chance of resolving a potential crisis with minimum damage.

The first section defines the essence of political-military crises between nations, explains in general terms the challenges confronting efforts to avoid and manage crises

[6] Tong Zhao, "How China's Echo Chamber Threatens Taiwan: Xi Jinping Has Unleashed Hawkish Forces He Can't Control," *Foreign Affairs*, May 09, 2023, https://www.foreignaffairs.com/taiwan/-china-echo-chamber-threatens-taiwan; Jessica Chen Weiss, "The China Trap: U.S. Foreign Policy and the Perilous Logic of Zero-Sum Competition," *Foreign Affairs*, August 18, 2022, https://www.foreignaffairs.com/china/china-trap-us-foreign-policy-zero-sum-competition; Ng Han Guan and Christopher Bodeen, "Top Chinese General Takes Harsh Line on Taiwan, Other Disputes at International Naval Gathering," *The Diplomat*, April 23, 2024, https://thediplomat.com/2024/04/top-chinese-general-takes-harsh-line-on-taiwan-other-disputes-at-international-naval-gathering/; and Dan Lamothe, "Air Force maverick who warned of war with China sticks to his guns," *Washington Post*, July 29, 2023, https://www.washingtonpost.com/national-security/2023/07/29/michael-minihan-china-war/.

(by outlining what could go wrong in the process), and indicates how to do this successfully.

The second section presents various cases of potential serious political-military crises between the United States and China and the negative consequences of such crises.

The third section illustrates the factors influencing U.S., allied, and Chinese thinking and actions that could obstruct successful efforts to avoid or manage a future political-military crisis, identified in part via past Track II crisis simulations and dialogues.

The fourth section offers several possible crisis prevention and management mechanisms, confidence-building measures, and related recommendations, developed, in part, via extensive Track II crisis management dialogues between U.S. and Chinese scholars, policy analysts, and former officials.

The final section offers some concluding remarks regarding the urgent necessity for leaders in China and the United States to push for more extensive crisis prevention and management measures, and suggests a first step toward achieving this recognition.

What is Crisis Management, and Why It is So Urgently Needed

An interstate political-military crisis is commonly understood to display three core features: a) a perceived threat to basic values or interests; b) a perceived finite period in which to respond to the threat; and c) a heightened probability of military conflict or severe disruptions to bilateral relations and the regional or global order.[7] An initial

[7] For example, this definition (minus the reference to "severe disruptions to bilateral relations and the regional or global order") can be found in Michael Brecher, "State Behavior in International Crisis: A Model," *The Journal of Conflict Resolution* 23, no. 3 (September 1979): 446-480; and Michael Brecher and Jonathan Wilkenfeld, *A Study of Crisis* (Ann Arbor: University of Michigan Press, 2022). The author has added the reference to "severe disruptions" to indicate that not all crises need to present the prospect of military conflict to justify treatment as a very serious event requiring effective management.

unwillingness by either side to back down in the face of a threat generates a crisis since doing so is perceived as likely leading to some type of unacceptable damage or loss.[8]

Successful crisis management occurs when the parties involved are eventually able to defuse the crisis' main dangers—particularly the possibility of military conflict—while also protecting or advancing their national interests. A crisis is usually successfully defused through a well-timed combination of resolve (to defend one's interests) and conciliation or accommodation (to reach a basis for resolution).[9]

Successful crisis prevention requires an accurate understanding and management of both the potential material and perceptual sources of crises and their likely precipitants and accelerants—e.g., a loss of life via an accident arising from military-to-military confrontations at sea, a sense of a threat appearing from a perceived violation of a critical understanding on a sensitive issue such as Taiwan, or zero-sum calculations and inflexibility resulting from a deepening level of overall strategic competition. Hence, crisis prevention often involves reducing the likelihood of such accidents, misunderstandings, or the implications of intensifying strategic competition through dialogue mechanisms, confidence-building measures, transparency of intentions, and enhanced strategic trust.[10]

The key challenge in both crisis management and prevention is to express resolve without inadvertently provoking the other side, while also conveying a willingness to accommodate or uphold existing understandings or policies in the face of pressure without signaling weakness.[11] Various factors operating among all participants in a

[8] Michael D. Swaine, "Understanding the Historical Record," in Michael D. Swaine, Zhang Tuosheng, and Danielle Cohen, eds., *Managing Sino-American Crises: Case Studies and Analysis* (Washington D.C.: Carnegie Endowment for International Peace, 2006), 2; and Alastair Iain Johnston, "The Evolution of Interstate Security Crisis-Management Theory and Practice in China," *Naval War College Review* 69, no. 1 (January 2016): 43, digital-commons.usnwc.edu/cgi/viewcontent.cgi?article=1118&context=nwc-review.
[9] Brecher, "State Behavior in International Crisis: A Model;" and Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises*, 4-10.
[10] In the case of the United States and China, deepening strategic competition inserts another dangerous element into any possible political-military crisis by making each side more sensitive to the possible loss of strategic advantage that might result from a crisis, thus raising the stakes involved and arguably making each side less willing to compromise.
[11] Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises*, 4-10.

crisis can make the successful balancing of these two sets of imperatives extremely difficult to achieve. These include, ranked in rough order of importance:[12]

- Elite perceptions and beliefs.
- Domestic politics and public opinion.
- Decision-making structures and processes.
- Information and intelligence acquisition and processing.
- The international environment.
- A variety of idiosyncratic or special features.[13]

For example, as discussed below in the case of the United States and China, political and military elites can hold distorted, extreme ideological beliefs, e.g., regarding the supposedly irrational or highly risk-acceptant nature of an opponent—as seen on all sides during the height of the Cold War—thus resulting in the use of extreme threats during a crisis. Political leaders can also adopt highly provocative behavior to avoid looking weak to domestic political opponents, the public in general, and outside observers. And busy leaders can receive simplified, quick-to-absorb briefings on a crisis that result in simplistic guidance to subordinates in the system. In addition, insular, fragmented decision-making systems can prevent leaders from receiving accurate information, and fearful subordinate officials can block or refuse to convey "bad news" to higher levels during a crisis.[14] In addition, insular, competing military and civilian intelligence agencies can withhold information from each other.

Beyond these factors, several generic signaling-related problems can also inadvertently escalate a crisis, including:[15]

- Unclear or inconsistent use of various types of media.
- Unexplained use of military alerts and mobilization.
- Unexplained or confusing signals of support for or communication with allies.

[12] Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises*, 10-69.
[13] Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises*, 4-10.
[14] Jost, "The Institutional Origins of Miscalculation in China's International Crises."
[15] Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises*, 4.

- Differing views of what constitutes authoritative channels.
- Differing interpretations of specific phrases and terms used in a crisis.
- Faulty assumptions about the other side's political and military coordination and intent.
- Gaps in understanding each side's political-military culture.
- Lack of attention to, or awareness of, the historical or political context of a crisis or of certain actions taken during a crisis.

Many of these issues have emerged in both historical and simulated crises. For example, probably the most serious interstate political-military crisis in recent history—the Cuban Missile Crisis of 1962—involved many signaling (and other serious) problems, including a major initial blunder by Soviet leader Nikita Khrushchev in placing nuclear missiles in Cuba, subsequent confusing messages sent between Soviet and U.S. leaders, a lack of understanding and failure to communicate (to the United States) the relationship between Soviet and Cuban leadership, a poor feedback mechanism within the Soviet military hierarchy, and the fact that local Soviet commanders in Cuba held the authority to launch their nuclear missiles.[16]

The Dangers of Past and Future Sino-U.S. Crises

Virtually all the general factors outlined above that influence crisis behavior among states are present in U.S. and Chinese systems and patterns of behavior, along with a

[16] Sergey Radchenko and Vladislav Zubok, "Blundering on the Brink," *Foreign Affairs*, April 03, 2023, https://www.foreignaffairs.com/cuba/missile-crisis-secret-history-soviet-union-russia-ukraine-lessons?utm_medium=newsletters&utm_source=summer_reads&utm_campaign=summer_reads_2023&utm_content=20240526&utm_term=fa_summer; Richard M. Pious, "The Cuban Missile Crisis and the Limits of Crisis Management," *Political Science Quarterly* 116, no. 1 (2001): 81-105, https://doi.org/10.2307/2657821; Raymond L. Garthoff, "Cuban Missile Crisis: The Soviet Story," *Foreign Policy*, no. 72 (1988): 61-80, https://doi.org/10.2307/1148820; and Amy Zegart, "The Cuban Missile Crisis as Intelligence Failure," Hoover Institution, October 02, 2012, https://www.hoover.org/research/cuban-missile-crisis-intelligence-failure.

set of specific features unique to each leadership or society (described below). In fact, such variables have been evident in past crises between the two powers, as well as during simulations of hypothetical future crises.

Since the establishment of the People's Republic of China, Beijing and Washington have been involved in nine major political-military crises, two of which resulted in direct military conflict: the Korean War, the Vietnam War, the Taiwan Strait Crises of 1954, 1958, 1995, and 1996; the 1999 Belgrade Embassy Bombing Crisis; the 2001 EP-3 Crisis, and the October Surprise Crisis of 2020.

Aside from the lead-up to the Sino-U.S. conflict in the Korean War (which involved General Douglas MacArthur's reckless disregard of intelligence indicating the massing of Chinese troops along the border with North Korea), it seems that none of these crises presented a high likelihood of major military conflict between the two powers.[17] In each case, even though the possibility of escalation certainly existed, leaders on both sides sought to limit or avoid actual, direct combat by eschewing the issuing of extreme ultimatums linked to clear signals of possible major escalations in military force, or by providing and respecting tacit or explicit red lines.

Nonetheless, even the relatively low-key crisis surrounding the accidental 1999 U.S. bombing of the Chinese Embassy in Belgrade during the Kosovo War or the misunderstanding that underlay the October Surprise of 2020 had the potential to severely damage the Sino-U.S. relationship and has, in fact, contributed to lasting

[17] Allen S. Whiting, "U.S. crisis management vis-à-vis China: Korea and Vietnam" in *Managing Sino-American Crises.*

animosity and suspicion.[18] All six crises involved dangerous military actions or threats that alarmed leaders on both sides, as well as the international community.

Overall, during the earlier Sino-U.S. crises of the Cold War era, many factors obstructed effective crisis management, including, most notably on the U.S. side, heavily ideological views toward China, and the absence of a direct, consistent, real-time communication channel with Beijing. U.S. leaders saw themselves as deeply involved in an uncompromising struggle against unscrupulous Chinese (and Russian) communists in defense of the free world. Moreover, such views were sometimes pushed to extreme levels by intense domestic political pressure exerted by conservative anti-communist politicians in Congress and elsewhere, many of whom criticized the U.S. Department of State as communist sympathizers. This anti-communist fervor made it challenging for lower-level U.S. government officials to de-escalate crises.[19]

Such beliefs and political calculations, plus the fact that the United States came out of World War II as a confident, nuclear-armed power, often caused U.S. leaders to downplay prudence in crises with China in favor of conveying resolve through strong coercive threats and military alerts, displays, and actions. For example, in the leadup to China's direct military intervention in the Korean War, the United States ignored repeated, escalating Chinese warnings not to move its advancing forces across the 38th parallel into North Korea.[20] This occurred, in part, because U.S. leaders believed Beijing was

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[18] Minnie Chen, "China feared U.S. was trying to provoke a reaction 'that could lead to war' in last days of Donald Trump's presidency," *South China Morning Post*, October 03, 2021, https://www.scmp.com/news/china/diplomacy/article/3151001/china-feared-us-was-trying-provoke-reaction-could-lead-war; Ethan Paul, "Were the U.S. and China really on the brink of war last October?," *Responsible Statecraft*, September 16, 2021, https://responsiblestatecraft.org/2021/09/15/were-the-us-and-china-really-on-the-brink-of-war-last-october/; and Gregory Kulacki, "The 2020 Election's October Surprise Could Be a Crisis in the Taiwan Strait," Union of Concerned Scientists, September 30, 2020, https://blog.ucsusa.org/gregory-kulacki/the-2020-elections-october-surprise-could-be-a-crisis-in-the-taiwan-strait/.

[19] Robert R. Bowie and Richard H. Immerman, *Waging Peace: How Eisenhower Shaped an Enduring Cold War Strategy* (United Kingdom: Oxford University Press, 1998); Robert L. Suttinger, "U.S. Management of Three Taiwan Strait Crises" in *Managing Sino-American Crises: Case Studies and Analysis*; Whiting, "U.S. crisis management vis-à-vis China," in *Managing Sino-American Crises*.

[20] Hao Yufan and Zhai Zhihai, "China's Decision to Enter the Korean War: History Revisited," *The China Quarterly*, no. 121 (1990): 94-115, http://www.jstor.org/stable/654064.

merely bluffing in issuing such threats due to the incorrect judgment that China was both distracted by domestic challenges and deterred by the United States' supposedly overwhelming advanced conventional and nuclear capabilities.[21]

The United States did not make a similar mistake during the Vietnam War. The danger clearly existed of a major escalation to a direct clash between U.S. and Chinese forces, given China's strong support for North Vietnam at that time and Washington's desire to escalate its military campaign against Hanoi to defeat the latter's efforts to subjugate South Vietnam. However, initial U.S. uncertainty regarding Beijing's likely response to intensified U.S. attacks on North Vietnam was eventually replaced by clearer, restrained U.S. ground rules.

This occurred in response to clear signals of Chinese preparations for possible greater involvement in the war and the establishment of clearer communication channels, through which Beijing conveyed its desire to avoid direct conflict and respond only symmetrically to U.S. escalations. A tacit understanding was thus reached that if the United States restricted its military involvement in South Vietnam, China would not send troops to enter the war. Hence, the United States averted a direct conflict because it had learned to respect Chinese warnings. A reliable direct communication channel eventually emerged that could produce a clear understanding.[22]

During the two Taiwan Strait Crises of the 1950s, the United States actually leveled nuclear threats against China, in part due to the belief that only such a major threat could deter the supposedly reckless and dangerous Chinese communists.[23] Although

[21] Whiting, "U.S. crisis management vis-à-vis China," in *Managing Sino-American Crises: Case Studies and Analysis*; Zhang Baijia, "Resist America: China's Role in the Korean and Vietnam Wars," in *Managing Sino-American Crises*; Thomas J. Christensen, *Useful Adversaries: Grand Strategy, Domestic Mobilization, and Sino-American Conflict, 1947-1958* (Princeton, NJ: Princeton University Press, 1996).
[22] Whiting, "U.S. crisis management vis-à-vis China," in *Managing Sino-American Crises*; Zhang, "Resist America: China's Role in the Korean and Vietnam Wars" in *Managing Sino-American Crises*.
[23] "In March 1955, when Secretary of State Dulles and President Eisenhower became worried about eroding morale in Taiwan, and felt pressure from the Joint Chiefs of Staff (JCS) to authorize the use of nuclear weapons against PRC targets, both men made very public statements about using tactical nuclear weapons to defend Taiwan. Eisenhower even compared them to using conventional weapons, at least until he received an intelligence estimate later that month suggesting even using tactical nuclear

President Eisenhower was strongly dissuaded from acting on these threats, the result of such a dangerous gambit was almost certainly to accelerate China's acquisition of nuclear weapons.[24]

In addition, the Taiwan Strait Crises of the 1950s were complicated even further by the fact that the Republic of China (ROC) President Chiang Kai-shek heavily manned the vulnerable garrisons located just off the Chinese mainland on the offshore islands and used them to carry out espionage and subversion missions against nearby coastal areas. Chiang also used support in Congress[25] to strongly push for a mutual defense treaty with the United States and often refused to cooperate with the Eisenhower administration before and during the crisis.[26]

For its part, Beijing held a distorted image of the United States during the height of the Cold War as a warmongering, imperialist power bent on overthrowing the PRC regime. Also, during that time, China's leader Mao Zedong was seen by U.S. leaders as an arrogant, risk-acceptant figure willing to test U.S. resolve by deploying massive numbers of Chinese troops against its forces during the Korean War and, in the mid-1950s, by attacking small offshore islands occupied by ROC troops. The latter was, in fact, a misguided effort by Mao to deter Washington from signing a mutual defense treaty with

weapons might cause 12-14 million casualties on the mainland." Robert L. Suettinger, "U.S. Management of Three Taiwan Strait Crises," in *Managing Sino-American Crises*, 264.

[24] Suettinger, "U.S. Management of Taiwan Strait Crises," in *Managing Sino-American Crises*; and Xuegong Zhao, "The Limits of Confrontation: Nuclear Weapons, the 1958 Taiwan Strait Crisis, and China-U.S. Relations," *Journal of Cold War Studies,* 25, no. 2, 2023, https://muse.jhu.edu/pub/6/article/900750.

[25] See Suettinger, "U.S. Management of Taiwan Strait Crises," in *Managing Sino-American Crises,* 266. "Two key policymakers, Arthur Radford of the JCS, and Walter Robertson, assistant secretary of state for far eastern affairs, were considered personally close to Chiang."

[26] See Suettinger, "U.S. Management of Taiwan Strait Crises," in *Managing Sino-American Crises,* 267. "[Chiang's] staunch refusal to abandon the offshore islands, despite the ROC's admitted inability to defend them, his rejection of proposals for a U.N.-mandated ceasefire, and his rebuff of Eisenhower's proposal for a drawdown of ROC forces on Quemoy and Matsu in return for increased U.S. force deployments on Taiwan and a blockade of some mainland ports all restricted Eisenhower's policy options, and set the stage for future crises."

the ROC government on Taiwan or, at the very least, to prevent the United States from including the offshore islands in the U.S.-ROC defense perimeter.[27]

Throughout these crises, China engaged in bellicose, threatening propaganda and provocative military displays and actions that, at times, suggested a willingness to expand the confrontation even further, even though Mao probably had no intention to do so. Mao's objective was more political than military, with the possible exception of the Korean War.[28] However, the U.S. side was not fully aware of the cautious elements in China's stance. During most of these early crises, as in the case of the Cuban Missile Crisis, the two central powers involved had no direct, continuous, real-time line of communication with one another. And when talks did occur, they were often used for laying out maximalist positions and propaganda posturing.[29]

Even during the post-Cold War era of improved relations between Beijing and Washington, the four major crises that occurred, while far less likely to result in deliberate military conflict (indeed, Beijing and Washington made strenuous efforts to prevent a direct military clash), nevertheless witnessed the actual or feared use of military assets in every case, the accidental loss of life in two instances, and an actual (albeit accidental) bombing. Moreover, each crisis arguably undermined post-Cold War relations and, therefore, carried a cost for the relationship.

The third and fourth Taiwan Strait Crises of 1995-96 were precipitated by highly provocative Chinese diplomatic and military responses to two sets of actions taken by the United States and Taiwan, including several days of unprecedented People's Liberation Army exercises near the island over two separate periods, involving close-in

[27] Suettinger, "U.S. Management of Taiwan Strait Crises," in *Managing Sino-American Crises*; Christensen, *Useful Adversaries: Grand Strategy, Domestic Mobilization, and Sino-American Conflict, 1947-1958*; and Jian Chen, *China's Road to the Korean War: The Making of the Sino-American Confrontation* (New York: Columbia University Press, 1996).
[28] Mao wanted to use the tensions over the Taiwan Strait to boost Chinese morale and popular fervor in the radical Great Leap Forward movement he was launching. And despite the militant rhetoric typical of that time, Mao was extremely cautious not to engage in an actual battle with U.S. forces. Wang Jisi and Xu Hui, "The Pattern of Sino-American Crises: A Chinese Perspective," in *Managing Sino-American Crises,* 133-146.
[29] Ibid.

missile firings into the ocean on either side of the island, undertaken to convey Chinese anger and resolve.[30]

In 1995, Chinese actions were prompted by the unexpected reversal, due to domestic political pressures, of a U.S. commitment by former Secretary of State Warren Christopher to deny a visa to then-Taiwan President Lee Teng-hui to visit the United States for a few days and give an address at his alma mater Cornell University. Beijing was responding to the holding of the first direct presidential election in early 1996. China's aggressive reactions caused the United States to deploy a carrier battle group to the vicinity of Taiwan (not far from a second carrier group) to convey Washington's resolve to support peace and stability. This U.S. deployment conveyed the notion to many outside observers that Beijing had been forced to cut short its military displays. However, many Chinese rejected this, arguing that Beijing completed all of its planned military activities.[31]

Although Beijing and Washington exchanged sharp words and warnings during the crisis, real-time, direct communication between the two sides, along with a set of long-standing relationships between some key players and a clear desire to avoid allowing the crisis to escalate to the point of conflict, together ensured that clear signals of resolve and restraint were sent, permitting a peaceful end to the crisis. However, many analysts believe that the relative inability of the Chinese at that time to deter the use of U.S. carriers and generally show a larger military presence around the island during the crisis contributed significantly to the subsequent intensification of Chinese efforts to modernize its military forces.[32] Never again, in the view of many Chinese,

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[30] Richard Bush, "Chinese Decisionmaking Under Stress: The Taiwan Strait, 1995-2004," in Andrew Scobell and Larry M. Wortzel, *Chinese National Security Decisionmaking Under Stress* (Carlisle: Strategic Studies Institute of U.S. Army War College, September 2005), 135-160, https://apps.dtic.mil/sti/tr/pdf/ADA438913.pdf; and Robert S. Ross, "The 1995-96 Taiwan Strait Confrontation: Coercion, Credibility, and the Use of Force," *International Security* 25, no. 2 (2000): 87-123, muse.jhu.edu/article/447725.

[31] Ibid.

[32] Anthony H. Cordesman and Joseph Kendall, "Chinese Military Modernization and the Taiwan Strait Military Balance," in *Chinese Strategy and Military Modernization in 2016: A Comparative Analysis* (Washington, D.C.: Center for Strategic and International Studies, 2016), 501-554,

would Beijing be made to look weak over such a critical sovereignty issue. So, even though the crisis was effectively managed, it produced lasting negative effects by intensifying military preparations on all sides and deepening suspicion, especially regarding U.S. assurances concerning Taiwan.

In the May 1999 Belgrade Embassy bombing, effective crisis management was obstructed by the hostile images each side held of the other regarding the Kosovo War.[33] Since Beijing had taken Belgrade's side in the war and perceived the "U.S.-led NATO" forces (as the Chinese described them), as an aggressor, the Chinese were inclined to believe the United States intentionally targeted the Chinese Embassy. In addition, the Chinese side initially refused to communicate with the U.S. side and orchestrated attacks on U.S. diplomatic facilities in China. When communication finally began, the U.S. side at first employed casual terms such as "regret" instead of issuing an actual apology, thus arguably missing an early opportunity to de-escalate the crisis.[34] Only when President Bill Clinton apologized on May 10 and May 13, and ordered U.S. missions in China to fly their flags at half-mast in memory of the dead, did the crisis begin to abate.[35] Although unlikely to have escalated to the use of military force, this crisis nonetheless had the effect of severely undermining Sino-U.S. relations by deepening Chinese distrust of the United States. To this day, many Chinese believe the United States deliberately bombed their embassy.

The 2001 EP-3 Incident involved a collision between U.S. and Chinese military aircraft caused by a dangerous maneuver by the Chinese pilot, resulting in his death and the forced landing of the damaged U.S. surveillance plane on Hainan Island. This created a

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http://www.jstor.org/stable/resrep23376.17; and Douglas Porch, "The Taiwan Strait Crisis of 1996," *Naval War College Review* 52, no. 3 (April 2018), https://digital-commons.usnwc.edu/nwc-review/vol52/iss3/2/.

[33] Paul H.B. Godwin, "Decisionmaking Under Stress: The Unintentional Bombing of China's Belgrade Embassy and the EP-3 Collision," in Scobell and Wortzel, *Chinese National Security Decisionmaking Under Stress*, 161-170; Xinbo Wu, "Managing Crisis and Sustaining Peace between China and the United States," (Washington, D.C.: U.S. Institute of Peace, 2008), 10-14, https://www.usip.org/sites/default/files/2019-06/pw61_finalapr16.pdf; and Baiyi Wu, "Chinese Crisis Management During the 1999 Embassy Bombing Incident," in *Managing Sino-American Crises*.

[34] Ibid.

[35] Ibid.

mini-crisis over the fate of the Chinese pilot and the return of the U.S. aircrew and aircraft.[36] Although eventually resolved without a major escalation, the crisis management process was complicated by deep suspicion and arguments over exactly what had happened, who was to blame for the collision, when to return the U.S. crew and aircraft, what kind of apologies might be made, a failure to establish communication early on, and contentious public statements by senior U.S. and Chinese officials.[37] In the end, the crisis was resolved reasonably well after extensive negotiations produced acceptable statements by both sides, largely because both saw the value of maintaining productive relations and the clear disadvantages of escalating the crisis.[38] But again, as with the embassy bombing, relations were severely damaged by the level of distrust and suspicion on both sides.

Looking to the future, the United States and China could become embroiled in several similar, serious political-military crises, all located near China's borders. This is where significant differences in national interest or common issues of concern, such as Korea or Taiwan, intersect most clearly with a changing military and economic balance of power and growing levels of mutual suspicion and hostility—approaching the levels seen on both sides during the Cold War.

In such an environment, intentional and unintentional political-military incidents and initiatives can easily lead to miscalculation and misunderstanding as a rising China overestimates its leverage and a relatively declined United States overreacts to show its continued strength. As the above examples show, Sino-U.S. crises do not need to result in military conflict to produce highly adverse outcomes for the relationship—and potentially for other countries as well.

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[36] Godwin, "Decisionmaking Under Stress," in Scobell and Wortzel, *Chinese National Security Decisionmaking Under Stress*, 171-185; Wu, "Managing Crisis and Sustaining Peace between China and the United States," 15-21.
[37] Jost, "The Institutional Origins of Miscalculation in China's International Crises," 82-86; and John Keefe, "Anatomy of the EP-3 Incident, April 2001," Center for Naval Analyses (October 26, 2001): 15.
[38] Dennis C. Blair and David V. Bonfili, "The April 2001 EP-3 Incident as Seen From the American Point of View," in *Managing Sino-American Crises*; Zhang Tuosheng, "The Sino-American Aircraft Collision: Lessons For Crisis Management," in *Managing Sino-American Crises;* and Wu, "Managing Crisis and Sustaining Peace between China and the United States," 19-20.

Four regional issues stand out as the most likely sources of future political-military crises between the United States and China.

Taiwan

Sino-U.S. suspicions and concerns over one another's intentions and actions regarding Taiwan's political-legal status, disposition, and security stand as potentially the greatest source of conflict between Beijing and Washington. This danger results from Beijing's commitment to achieving the eventual political reunification of mainland China with Taiwan, preferably through peaceful means (but possibly in extremis, via force), and Washington's commitment to ensuring a non-coerced resolution of the issue through the likely increasing provision of unofficial political and military assistance to the island.[39]

This unstable situation is made worse because: (a) despite growing cross-Strait economic ties, a growing portion of Taiwanese do not identify as being part of the PRC or of a single Chinese state; and (b) Beijing is steadily increasing its ability to apply coercion and force against the island if necessary. Hence, a Sino-U.S. crisis over Taiwan could occur in many ways, including efforts by the Taiwanese government to make permanent its de facto independence from the mainland, U.S. backing of such efforts, or other lesser actions perceived by Beijing as providing unacceptable support for the island; or major Chinese attempts to coerce, intimidate, or directly threaten Taiwan via efforts to interdict commerce into and out of the island, for example.[40]

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[39] "Preventing War in the Taiwan Strait," International Crisis Group, October 27, 2023, https://www.crisisgroup.org/asia/north-east-asia/taiwan-strait-china/333-preventing-war-taiwan-strait; "The Taiwan Question and China's Reunification in the New Era," The State Council of the People's Republic of China, August 10, 2022, https://english.www.gov.cn/archive/whitepaper/202208/10/content_WS62f34f46c6d02e533532f0ac.html; and Susan V. Lawrence, "Taiwan: The Origins of the U.S. One-China Policy," Congressional Research Service, September 27, 2023. https://crsreports.congress.gov/product/pdf/IF/IF12503/1.

[40] Michael D. Swaine and James Park, "Paths to Crisis and Conflict Over Taiwan," Quincy Institute, January 11, 2024, https://quincyinst.org/research/paths-to-crisis-and-conflict-over-taiwan/#.

The consequences of a high-stakes crisis over Taiwan would depend, in part, on its origins and the objectives of the players. A crisis precipitated by reckless actions on the part of Taipei, such as a formal, de jure declaration of independence and nullification of the Republic of China constitution, could most likely be resolved without huge damage if Washington were to successfully pressure Taiwan to reverse its behavior.

However, in a high-stakes crisis where no side is willing to accommodate or back down, even various types of political, economic, and military moves short of actual conflict but still highly threatening to each side could severely undermine both regional and global economic stability and political order—by disrupting stock and trading markets, trade and supply chains, shipping costs, and financial and technology flows—and causing political leaders to alter their relationships with other leaders in destabilizing ways.

Indeed, any escalation to direct military conflict between the United States and China could prove disastrous, possibly involving a major war with heavy losses on all sides and long-lasting negative effects on the global political, economic, technology, and security order.[41]

Such a conflict could also conceivably present the possibility of escalation to the level of nuclear threats or the actual use of (probably tactical) nuclear weapons. This is made possible for several reasons, including that, in response to a shift in the conventional balance of force in Asia in favor of China and the U.S. development of lower-yield nuclear weapons, Chinese analysts have increasingly come to believe that Washington is more likely to employ tactical nuclear weapons in a conflict, and use nonnuclear

[41] Jennifer Welch et al., "Xi, Biden and the $10 Trillion Cost of War Over Taiwan," *Bloomberg*, January 08, 2024, https://www.bloomberg.com/news/features/2024-01-09/if-china-invades-taiwan-it-would-cost-world-economy-10-trillion; Mark F. Cancian, Matthew Cancian, and Eric Heginbotham,"The First Battle of the Next War: Wargaming a Chinese Invasion of Taiwan," Center for Strategic and International Studies, January 09, 2023, https://www.csis.org/analysis/first-battle-next-war-wargaming-chinese-invasion-taiwan; and Jude Blanchette and Gerard DiPippo, "'Reunification' with Taiwan through Force Would Be a Pyrrhic Victory for China," Center for Strategic and International Studies, November 22, 2022, https://www.csis.org/analysis/reunification-taiwan-through-force-would-be-pyrrhic-victory-china.

strategic weapons to threaten China's nuclear deterrent.[42] In response, China is significantly expanding its nuclear forces and acquiring advanced conventional weapons such as counter-space capabilities, cyber weapons, and electronic warfare to deter the United States. This greater mixing of nuclear and conventional capabilities, along with the expansion of tactical nuclear capabilities on each side, would arguably decrease nuclear stability in a future crisis, with each side more likely to react on a strategic level to conventional threats.[43]

The Korean Peninsula

The unstable situation on the Korean Peninsula could draw the two countries into a major crisis or even a conflict, as occurred in the 1950s.[44] This is because the United States is directly committed to the defense of its ally, South Korea, with a large number of U.S. troops deployed on the peninsula. Meanwhile, China is a presumed security ally of North Korea, a key supporter of its economic and political well-being, and is thus acutely sensitive to any perceived U.S. or South Korean attempt to collapse the North Korean regime and dominate the peninsula.

Although Beijing's support for Pyongyang has diminished in recent decades due to the latter's often provocative efforts to acquire and expand a nuclear weapons capability, it nonetheless continues to resist radical U.S. actions (such as a complete economic

[42] Henrik Stalhane Hiim, M. Taylor Fravel, and Magnus Langset Troan, "The Dynamics of an Entangled Security Dilemma: China's Changing Nuclear Posture," *International Security* 47, no.4 (Spring 2023): 147-187, https://doi.org/10.1162/isec_a_00457.
[43] Hiim, Fravel, and Troan, "The Dynamics of an Entangled Security Dilemma;" and Caitlin Talmadge, "Beijing's Nuclear Option: Why a U.S.-Chinese War Could Spiral Out of Control," *Foreign Affairs*, October 15, 2018, https://www.foreignaffairs.com/articles/china/2018-10-15/beijings-nuclear-option.
[44] Oriana Skylar Mastro, "China's Evolving North Korea Strategy," U.S. Institute of Peace, September 2017, https://www.usip.org/sites/default/files/PB231-Chinas-evolving-north-korea-strategy.pdf; and Thomas Woodrow, "The PLA and Cross-Border Contingencies in North Korea and Burma," in *The People's Liberation Army and Contingency Planning in China*, eds. Andrew Scobell, Andrew Ding, Philip Saunders, and Scott Harold (Washington, D.C.: National Defense University Press, 2015), https://ndupress.ndu.edu/portals/68/Documents/Books/PLA-contingency/PLA-Contingency-Planning-China.pdf.

blockade) that could topple the North Korean regime or create massive internal chaos.[45] Moreover, in general, the deteriorating Sino-U.S. relationship and efforts at "maximum pressure" on Pyongyang have arguably made Beijing less cooperative in placing pressure on the North Korean regime to cap or reduce its nuclear weapons inventory.[46]

Given this situation, a Sino-U.S. crisis could result from several actions, including an escalating North/South conflict that could cause Beijing to provide direct military support to Pyongyang or compel the United States to deploy forces north of the 38th parallel; the sudden implosion of the North Korean regime, which would likely draw U.S. and Chinese forces into North Korea to stabilize the situation and secure Pyongyang's nuclear arsenal; a limited U.S./South Korean military strike on North Korea in response to the latter's strike on South Korean assets, leading to an escalating conflict that draws in China; a Chinese incursion into North Korea for limited purposes (e.g., to create a refugee zone in a crisis), which South Korea and the United States would nonetheless view as a military invasion; and a variety of lesser incidents or clashes between North Korea and South Korea that would require U.S. and Chinese involvement.[47]

A crisis or conflict on the Korean Peninsula could create disastrous military, economic, and political consequences similar to those in the case of Taiwan. As in the case of Taiwan, any crisis would depend on its origins and the degree of direct military involvement by Beijing and Washington. As with Taiwan, a clear, unprovoked action by North Korea could prove manageable with little cost, while a more severe crisis in which no side is willing to accommodate or withdraw—and China and the United States dispute the blame–could result in far more damaging consequences.

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[45] Michelle Nichols, "China, Russia veto U.S. push for more U.N. sanctions on North Korea," Reuters, May 26, 2022, https://www.reuters.com/world/china-russia-veto-us-push-more-un-sanctions-north-korea-2022-05-26/.
[46] Robert S. Ross, "China Looks at the Korean Peninsula: The 'Two Transitions,'" *Survival 63*, no. 6 (2021): 129-58, https://www.tandfonline.com/doi/full/10.1080/00396338.2021.2006455?scroll=top&needAccess=true&role=tab.
[47] Oriana Skylar Mastro, "China's Evolving North Korea Strategy;" and Woodrow, "The PLA and Cross-Border Contingencies in North Korea and Burma."

Maritime territorial disputes

Disputes among Asian nations over various land features and nearby waters along the East Asian littoral have the potential to draw the United States and China into political-military confrontations that could lead to serious crises.[48] Several of the most significant disputes—located in the East and South China Seas—are between Beijing and U.S. security allies (Japan and the Philippines, respectively), and Washington stands opposed to what it regards as Chinese efforts at coercion and militarization associated with these disputes.[49]

Beijing, for its part, rejects U.S. involvement in the disputes as destabilizing and unnecessary and has, in recent years, displayed a greater willingness to employ various types of military, paramilitary, diplomatic, and economic pressure to counter what it sees as U.S. interference and provocations by other claimants, including U.S. allies such as the Philippines and Japan. The obvious dangers of this situation are compounded by the fact that Beijing's military and paramilitary presence and capabilities along the Asian littoral (and within disputed areas) are growing while U.S. (and allied) efforts to "push back" or show resolve toward China are also increasing, thus raising concerns on all sides.[50]

Serious Sino-U.S. political-military crises could emerge from this situation in various ways, including as a result of violent, escalating incidents between China and other disputants (especially U.S. allies); a major incident between U.S. and Chinese military

[48] Brad Lendon and Jerome Taylor, "Death of a Filipino in South China Sea clashes would be 'very close' to act of war, Philippines leader warns," *CNN*, May 31, 2024, https://www.cnn.com/2024/05/31/asia/shangrila-dialogue-philippines-china-intl-hnk/index.html; and Michael J. Mazarr, "The Looming Crisis in the South China Sea," *Foreign Affairs*, February 09, 2024, https://www.foreignaffairs.com/united-states/looming-crisis-south-china-sea.

[49] Goldstein, "First Things First: The Pressing Danger of Crisis Instability in U.S.-China Relations."

[50] Fravel and Miura, "Stormy Seas: The South China Sea in US-China Relations," in deLisle and Goldstein, *After Engagement: Dilemmas in U.S.-China Security Relations:* 155-183; Andrew Chubb, "Chinese Nationalism and the 'Gray Zone': Case Analyses of Public Opinion and PRC Maritime Policy," China Maritime Security Initiative, CMSI Red Books, Study No. 16 (May 12, 2021), https://digital-commons.usnwc.edu/cmsi-red-books/16/; and Odell, "Promoting Peace and Stability in the Maritime Order Amid China's Rise."

assets in disputed areas, or some type of radical alteration in the policies regarding sovereignty over land features or resources that the United States or China consider entirely unacceptable. Most recently, the United States has become increasingly involved in an escalating face-off between Manila and Beijing over control of two maritime territories in the South China Sea—the Second Thomas Shoal and Scarborough Shoal.[51] Severe crises could result from these or similar activities.[52]

A major Sino-U.S. crisis over disputed maritime territories in the South and East China Seas would disrupt trillions of dollars in annual trade, impacting global supply chains and regional economies and creating enormous political, economic, and other ripple effects across the region. Strained diplomatic ties and a likely increased military presence in such areas would raise the stakes for all involved while increasing the risk of broader regional conflict. An actual conflict between the United States and China over such disputes would threaten the same severe consequences as in the case of a Taiwan or Korea conflict.

[51] "China says Philippine personnel pointed guns at Chinese coast guard in disputed waters," Reuters, June 02, 2024, https://www.reuters.com/world/asia-pacific/china-says-philippine-personnel-pointed-guns-chinese-coast-guard-disputed-waters-2024-06-02/; "Chinese coast guard fires water cannons at Philippine vessels in the latest South China Sea incident," AP News, April 30, 2024, https://apnews.com/article/philippines-disputed-shoal-south-china-sea-scarborough-27a2ef0bda953cb6bda4f42057fb7e39; "China military says it 'drove away' US destroyer in South China Sea," Reuters, May 10, 2024, https://www.reuters.com/world/asia-pacific/china-military-says-it-drove-away-us-destroyer-south-china-sea-2024-05-10/; "U.S. military releases video of near-collision with Chinese destroyer," *The Washington Post,* June 05, 2023, https://www.washingtonpost.com/national-security/2023/06/05/china-ship-us-destroyer-taiwan-strait/; and "American and Chinese Warships Narrowly Avoid High-Seas Collision," *The New York Times*, October 02, 2018, https://www.nytimes.com/2018/10/02/world/asia/china-us-warships-south-china-sea.html.

[52] In a Track II crisis simulation organized with U.S. and Chinese interlocutors, a collision between a Philippine Coast Guard vessel and a Chinese surveillance vessel escalated into an armed conflict between the two countries that eventually drew in the United States. Mazarr, "The Looming Crisis in the South China Sea;" and Goldstein, "First Things First: The Pressing Danger of Crisis Instability in U.S.-China Relations," https://www.foreignaffairs.com/united-states/looming-crisis-south-china-sea.

Military activities along the Asian littoral

Finally, serious political-military crises between Washington and Beijing could result from confrontations between U.S. and Chinese military or paramilitary assets operating in or near China's territorial waters, Exclusive Economic Zone (EEZ), or disputed maritime territories. The danger of this situation is derived from the two countries holding very different views about the rights and intentions of foreign assets operating in such maritime areas. Although, in recent years, Beijing has shown a willingness to operate its forces in such waters of other nations, it nevertheless continues to insist that, broadly speaking, foreign warships and military aircraft must obtain the permission of the coastal state involved before entering into or crossing these zones. In contrast, Washington holds that international law gives foreign assets the right to conduct such activities freely and without permission in the case of EEZs and adjacent waters and, in the case of warships, crossing territorial waters peacefully.[53]

The dangers of this situation are magnified by the fact that two U.S. security allies, Japan and the Philippines, are involved in reciprocal military, paramilitary, or nonmilitary maneuvering with Beijing over disputed territories.

Washington undertakes frequent and "close-in" intelligence, reconnaissance, and surveillance operations along the Chinese coastline, often within China's EEZ and adjacent waters.[54] The United States also conducts fairly regular "Freedom of Navigation Operations" in areas that Beijing claims or appears to claim as its EEZ or territorial waters, to convey its rejection of such claims.[55] Aside from differences in legal

[53] Government of the United States, "U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress," Congressional Research Service, June 05, 2023, https://crsreports.congress.gov/product/pdf/R/R42784/143; and Odell, "Promoting Peace and Stability in the Maritime Order Amid China's Rise."
[54] Mallory Shelbourne, "China Criticizes U.S. P-8A Surveillance Flight Through Taiwan Strait," *USNI News*, April 17, 2024, https://news.usni.org/2024/04/17/china-criticizes-u-s-p-8a-surveillance-flight-through-taiwan-strait.
[55] Sam Lagrone, "U.S. Destroyer Makes 'Innocent Passage' Past Chinese-controlled Island Chain in the South China Sea," *USNI News*, May 10, 2024, https://news.usni.org/2024/05/10/u-s-destroyer-makes-innocent-passage-past-chinese-controlled-island-chain-in-the-south-china-sea.

interpretation, Beijing views the frequency and proximity of U.S. military activities along its coastline as unacceptably hostile, intimidating actions, and at times engages in dangerous intercepts of U.S. aircraft and naval vessels.[56]

Serious Sino-U.S. crises have already occurred because of this situation, most notably the 2001 EP-3 Incident, and the 2009 USNS Impeccable Incident. In both cases, Chinese assets dangerously challenged U.S. military activities near China, resulting in an accidental Chinese loss of life in the former case and deliberate "near-miss" ship-to-ship interactions in the latter case.

The dangers of a crisis involving military or paramilitary activities along the Asian littoral arguably do not have the same escalatory potential as disputes over Taiwan, the Korean Peninsula, and maritime territories. Each latter case involves highly sensitive stakes associated with the nationalist legitimacy of the Chinese regime, the credibility of U.S. security commitments, or the potential survival or well-being of a U.S. or Chinese ally. Hence, each of these cases would likely offer much less room for flexibility and accommodation in a crisis or conflict than an emergency over military transits or activities across various types of maritime regions.

Nonetheless, in the current atmosphere of escalating rivalry and distrust between Washington and Beijing, even a small-scale crisis involving a collision (and perhaps loss of life)—for example, between U.S. and Chinese naval or air assets operating in close proximity to one another—could escalate into a major confrontation if both sides are unprepared to search for an accommodating middle ground to resolve the crisis, and remain prone to misreading each other's signals.

[56] Government of the PRC, "China and the United States Hold Consultations on Maritime Affairs," Ministry of Foreign Affairs of the People's Republic of China, November 04, 2023, https://www.mfa.gov.cn/eng/wjbxw/202311/t20231105_11174188.html#:~:text=The%20Chinese%20side%20expounded%20on,China%20Sea%20issue%20in%20making.

Complicating Concerns and Variables

In addition to the structural and policy-related challenges mentioned above, a range of specific attitudes, beliefs, and procedures held by one or both sides could undermine efforts to prevent or manage a future Sino-U.S. crisis regarding any of the preceding issues. Many of these features have emerged in a variety of Track II crisis simulations in which the author has participated.

Credibility and escalation dynamics

Chinese interlocutors have sometimes cited a Mao Zedong-era maxim regarding behavior in warfare to describe the general approach for a political-military crisis. The maxim, “On just grounds, to our advantage, and with restraint” (有理有利有节) implies: (a) a tendency to view a crisis through a moral lens, likely involving efforts to assign blame; (b) a preference in a crisis for symmetrical responses to an adversary's behavior; (c) a sense of "knowing when to stop"; and (d) the use of force only in response to an opponent's use of force.[57]

Yet, the principle of being conducive to caution and gradualism when dealing with a potential or actual crisis could also produce moralistic stances that limit flexibility and put the onus on the other side to de-escalate. While an overly rigid retaliatory approach could lock in symmetrical escalations with little room for accommodation or de-escalation. In addition, crisis dialogues and simulations with Chinese players, as well as writings by PLA analysts, have suggested that a perceived “first strike” by an opponent can consist merely of preparations for a strike, thereby justifying a forceful

[57] Swaine, “Understanding the Historical Record,” in Swaine and Zhang, *Managing Sino-American Crises*, 23-33; Wang and Xu, "Pattern of Sino-American Crises: A Chinese Perspective," in *Managing Sino-American Crises*; Johnston, “The Evolution of Interstate Security Crisis-Management Theory and Practice in China,” 35; and “毛泽东军事斗争中的妥协智慧 [Mao Zedong’s Wisdom of Compromise in Military Struggles],” *People’s Daily*, May 16, 2022, http://cpc.people.com.cn/n1/2022/0516/c443712-32422214.html.

Chinese "response" that others might consider an operational first strike.[58] Other dangerous operational concepts can be found in Chinese military writings.[59]

That said, some Chinese scholars believe the preceding Chinese historical maxim generally served as a positive guideline that explains Chinese behavior during the three major Sino-U.S. crises of the post-Cold War era, thus making Beijing's behavior more predictable (and hence, a crisis hopefully more manageable) if similar crises were to arise in the future.[60]

Controlling escalation would likely be more challenging when Chinese leaders believe a crisis threatens their sovereignty and territorial integrity, especially their existing control over disputed territory. Under such circumstances, they might abandon more retaliatory responses and instead stress escalation dominance designed to deter future provocations.

Similarly, controlling escalation might be more difficult when U.S. leaders believe a crisis challenges the credibility of U.S. alliance commitments or the general status of the United States as a respected, leading power. Such a perspective might make U.S. decision-makers less flexible. In short, Chinese leadership appears to treat the credibility of its control over the territory that it administers (even if disputed by others) in the same way U.S. leaders treat the credibility of their commitments to alliances.

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[58] Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises*; Niu Jun, "Chinese Decision-Making in Three Military Actions Across the Taiwan Strait," in *Managing Sino-American Crises*; and Alison A. Kaufman and Daniel M. Hartnett, "Managing Conflict: Examining Recent PLA Writings on Escalation Control," Center for Naval Analyses (February 2016): 68-69, https://www.cna.org/reports/2016/drm-2015-u-009963-final3.pdf.

[59] For more detail, refer to the "Military operational concepts" section.

[60] Wang and Xu, "The Pattern of Sino-American Crises: A Chinese Perspective," in *Managing Sino-American Crises*, 133-146. The main features of China's crisis behavior over the years, supposedly based on the "on just grounds, to our advantage, and with restraint" (有理有利有节) maxim, included: (a) Make a strong protest, putting yourself in the "just" or "righteous" position; (b) Demand an apology from the "unjust" party; (c) Compromise with the "unjust" party (even though doing so might sometimes not be to Beijing's liking); (d) Declare to Chinese domestic audiences the success of the compromise; (e) React with "restraint," e.g., return to the status quo with the United States, because the relationship is beneficial; (f) Reserve the right to make further demands and take further actions; (g) Record U.S. wrongdoings in history so they are not to be forgotten and that the United States owes new "debts" to the Chinese people; and (h) Do not formally accept any of the U.S. official explanations of its behavior during such incidents.

Distorted perceptions of escalation

Chinese and U.S. decision-makers may both be insufficiently sensitive to the fact that the other side is likely to see many of their moves as provocative and related to the larger security competition between the two countries. In particular, Chinese leaders may see defensive preparations, alerts, and mobilizations of military assets by opponents during a crisis as escalatory behavior that justifies robust reciprocal military deployments. Also, because of an apparent belief in the Chinese people's generally peaceful, non-predatory mindset and China's overall military and economic inferiority to the United States, Beijing might mistakenly believe the United States would see China's escalation in a crisis as inherently defensive and limited. And leaders in both countries are increasingly likely to interpret the actions taken by the other side as motivated by a desire to gain long-term strategic advantage while viewing their actions as stabilizing and unprovocative.

Furthermore, some crisis simulations indicate that U.S. leaders might mistakenly believe that Beijing is able to accurately perceive certain U.S. military moves as de-escalatory in nature. For example, in one crisis simulation involving U.S. and Chinese players in which the author was involved, a U.S. decision to move an aircraft carrier away from the center of an escalating crisis, done to supposedly reduce tensions, was actually viewed by the Chinese as an escalatory move undertaken to place the carrier outside of the range of Chinese missiles but within the operating range of U.S. carrier-based aircraft. This was a total surprise to the U.S. side.

Misinterpretations of initial restraint

U.S. policymakers might tend to misinterpret early demonstrations of restraint in a crisis by the Chinese side. At the outset of a crisis, China may issue rhetorical warnings or time-bound ultimatums while refraining from significant military movements in the interim. While the intention could very likely be to signal possible forthcoming military action if further escalation occurs, simulations suggest that U.S. leaders might

misinterpret such signals as "cheap talk" and thus underestimate the action that China intends to take.

Similarly, what the Chinese believe is a restrained use of force in maritime disputes (i.e., the employment of coast guard or maritime militia assets instead of Chinese warships), the United States would likely consider a “gray area” escalation that is difficult to deter. In crisis simulations, this has led some Americans to argue for greater cost imposition strategies against China’s uses of nonmilitary assets, a dangerous option.

Alliance management

Establishing direct communications early in a crisis is particularly important in one involving an allied state (Japan, the Philippines, South Korea, and North Korea), so both sides can work out principles and procedures to restrain their respective partners and avoid entrapment. In a crisis, Chinese interlocutors might attempt to establish a bond with their U.S. counterparts in jointly managing what they portray as their common “problem”—a provocative ally. The PRC and the U.S. both face a dilemma in such circumstances: closer alliance relations may enhance control over the ally in a crisis (as the U.S. alliance with South Korea clearly allows) but also may pull it earlier into a military crisis at a time and place of the ally’s choosing. Furthermore, close U.S. or Chinese relations with an ally could cause the other side to think all actions taken by the ally have the blessing of its partner. At the same time, a U.S. (and possibly a Chinese) ally might take destabilizing actions out of fear that Washington or Beijing is entrapping them in an unwelcome crisis; this reinforces the need for clear communication with the ally.

Domestic political factors

Past simulations have suggested that China's leaders may be especially sensitive to appearing weak in a high-stakes crisis occurring just before or during sensitive political periods, such as on the eve of a Party Congress, plenary session, or during the "two

meetings" period—the holding of the National People's Congress and the Chinese People's Political Consultative Conference. Similarly, U.S. leaders may be less flexible during crises that occur early in a new president's administration, since such incidents may be interpreted as tests of the new president's resolve.

Historical memory

A sense of historical humiliation at the hands of stronger powers may be a major source of bias in Chinese leaders' interpretations of the United States and its allies' intentions in a crisis. This could lead them to believe, for example, that certain U.S. or allied actions during a crisis are motivated by a desire to humiliate China, to contain China's rise, or to weaken the Chinese government. In one crisis simulation in which the author was involved, Chinese indignation and rigidity were reinforced due to the use of a Japanese naval ship named after an Imperial Japanese warship involved in Japan's aggression toward China in the 1930s. The U.S. participants were unaware of this perceived slight.

For their part, some U.S. leaders might believe, based on deeply held assumptions about the Chinese political system, that China's leaders are particularly prone to secrecy and subterfuge when managing crises. Others might believe, based on an incorrect reading of history, that Chinese actions during a crisis are intended to alter the regional status quo to create a modern tribute-style system based on China's supposed history as Asia's hegemon. In fact, the tribute system was inconsistently employed by imperial Chinese dynasties; it did not serve as a routine Chinese method of exerting dominance over the region.[61]

[61] Peter Perdue, "The Tenacious Tributary System," *Journal of Contemporary China* 24, no. 96 (2015): 1002-1014; Thomas Jefferson Barfield, *The Perilous Frontier: Nomadic Empires and China* (Cambridge, Massachusetts: B. Blackwell, 1989); and David C. Kang, "Hierarchy and Legitimacy in International Systems: The Tribute System in Early Modern East Asia," *Security Studies* 19, no. 4 (November 2010): 591-622, http://dx.doi.org/10.1080/09636412.2010.524079.

Military operational concepts

Some Chinese and U.S. military operational concepts, especially those aimed at degrading the other side's deterrence, could undermine the ability to manage a crisis effectively by sending clear signals of limited intentions and self-restraint in a crisis. For example, some Chinese military sources extol the benefits of deterrence to cultivate uncertainty in an opponent, as well as the use of disproportional, high-profile demonstrations of force to undermine the other side's deterrence power.[62] Some Chinese military sources show a preference for operational and tactical first strikes as part of an initial defensive strategy.[63] For its part, the U.S. military's operational doctrine shows a preference for first-strike, deep-strike, and offensive actions.[64] Also, military forces might become more assertive in a crisis than civilian leaders prefer, thereby undermining coordination between diplomatic and military moves. Such an outcome is even more likely if there is poor coordination between civilian and military leaders in the overall decision-making process.[65]

The indistinguishability of types of cyber operations

The U.S. military and the PLA appear to stress the value of cyberattacks early in a conflict to signal deterrence and as a force multiplier for kinetic attacks.[66] The use of

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[62] Kaufman and Hartnett, "Managing Conflict: Examining Recent PLA Writings on Escalation Control," 44-57; and Johnston, "The Evolution of Interstate Security Crisis-Management Theory and Practice in China," 48-49.

[63] China Aerospace Studies Institute, Xiao Tianliang et al., *In Their Own Words: The Science of Military Strategy* (Beijing: National Defense University Press, 2013). See Section Four: "Seizing the Initiative in War;" and M. Taylor Fravel, *Active Defense: China's Military Strategy Since 1949* (Princeton, NJ: Princeton University Press, 2020).

[64] Barry M. Blechman and Stephen S. Kaplan, *Force without War: U.S. Armed Forces as a Political Instrument* (Washington, D.C.: Brookings Institution, 1978).

[65] Michael D. Swaine, "Sino-American Crisis Management and the U.S.-Japan Alliance," in Akikazu Hashimoto, Mike Mochizuki, and Kurayoshi Takara et al., *The Japan-U.S. Alliance and China-Taiwan Relations: Implications for Okinawa* (Washington, D.C.: The Sigur Center for Asian Studies, 2009), https://carnegie-production-assets.s3.amazonaws.com/static/files/files__Swaine_Chapter.pdf.

[66] Kaufman and Hartness, "Managing Conflict: Examining Recent PLA Writings on Escalation Control," 67; Adam Segal, "China's Cyber Crisis Management," in Roy D. Kamphausen et al., *China's Military Decision-Making in Times of Crisis and Conflict* (Washington: National Bureau of Asian Research, September 2023), 141-146,

cyber operations early on in a crisis, even if only for intelligence, surveillance, and reconnaissance purposes, may be interpreted by the other side as a prelude to kinetic escalation. Even if leaders authorize cyber exploitation, not cyberattack, the other side might not be able to distinguish between the two types of cyber operations, thus leading to escalation.[67]

Also, political leaders of both countries may be insufficiently aware of the operational role of cyberattacks as part of kinetic military operations. And leaders of both countries may not understand the difficulties involved in signaling self-restraint and limited military objectives when cyberattacks are employed.

Obstacles to sending and receiving signals accurately

U.S. military actions—Chinese leaders may tend to see U.S. military activities concurrent with allied activities as encouraging the ally. Crisis simulations suggest that the larger the U.S. military deployment and the closer to the time of the ally's actions, the more likely Chinese leaders will see the United States as promoting the ally's behavior. The actual location of a crisis incident affects Chinese leaders' assessments of U.S. intentions. Chinese leaders may believe that crises occurring in the vicinity of disputed territory or near Taiwan might have been deliberately created or escalated by the United States.

Chinese use of media—Chinese leaders are likely to use certain Chinese media outlets for signaling. U.S. leaders could be uncertain about the relative authoritativeness of some Chinese media outlets and, thus, may miss some signals.

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https://www.nbr.org/wp-content/uploads/pdfs/publications/chinas-military-decision-making_sep2023.pdf.

[67] Manshu Xu and Chuanying Lu, "China-U.S. cyber-crisis management," *China International Strategy Review*, vol. 3, no. 1 (June 2021): 97–114, https://doi.org/10.1007/s42533-021-00079-7;and Alastair Iain Johnston, "The Evolution of Interstate Security Crisis-Management Theory and Practice in China," *Naval War College Review*69, no. 1 (January 2016): 22, digital-commons.usnwc.edu/cgi/viewcontent.cgi?article=1118&context=nwc-review.

U.S. use of media—Chinese leaders might discount the credibility of signals sent through the U.S. media. Chinese leaders are more likely to view privately delivered statements from government officials as more credible than any type of public communication. Chinese leaders might be unsure of which U.S. government voices are the most authoritative.

Decision-making challenges—Both formal and informal decision-making structures and processes are likely to exert a significant impact on leadership perceptions and signaling behavior during crises. The most important complicating factors include the personality of the senior leader, especially regarding the images held of the other side's mindset and intentions, and the overall level of risk acceptance of the leader; the influence of intragroup dynamics, especially between the senior leader and the leader's top advisers; the effect of inter-bureaucratic competition; and the excessive reliance by decision-makers on limited or biased sources of intelligence or information provided by the bureaucracy.[68] Another particularly important issue is time constraints and the resulting reliance on preexisting organizational perspectives and processes—including standard operating procedures or preexisting military plans—in managing crises. Also, one or both sides may be uncertain of the most direct, efficient, or authoritative channels through which to send signals to the top leaders of the other side.

False assumptions of coordinated intent—Crisis simulations suggest there might be a tendency by leaders on both sides to exaggerate the intention and coordination of the other side's actions. Both sides are likely to initially assume uncoordinated actions and rhetoric from the other side are, in fact, coordinated. In particular, Chinese leaders are likely to believe movements of U.S. military forces are among the most intentional and credible—and most escalatory—signals from the U.S. side and, therefore, may discount the de-escalatory meaning of direct diplomatic signals.

[68] Swaine, "Understanding the Historical Record," in *Managing Sino-American Crises;* and Graham T. Allison, *The Essence of Decision: Explaining the Cuban Missile Crisis* (Boston: Little Brown and Company, 1971), 144-184.

Distinguishing between military and paramilitary assets—Chinese leaders appear to make a symbolic distinction between the use of military versus nonmilitary or paramilitary assets in a crisis. For example, as noted above, Chinese decision-makers may distinguish between military "gray hull" naval and so-called paramilitary "white hull" threats to Chinese white hulls, viewing a gray hull threat—even from a very weak opponent—as highly escalatory. American decision-makers may assume that Chinese leaders focus on the type of action rather than the platform used and miss this distinction, or they might not care about the distinction China makes and seek to convey to the Chinese that it will focus solely on actions taken, thus possibly ensuring a more escalatory Chinese response.

Crisis Management, Prevention Mechanisms, and Confidence-Building Measures

As shown above, a multitude of factors influencing Chinese, U.S., and allied thinking and behavior indicate that: (a) the danger of a severe political-military crisis or crises between Washington and Beijing exists and is seemingly growing as Sino-U.S. strategic competition deepens; (b) many features currently exist on both sides that will likely complicate efforts to prevent or manage such a crisis; and (c) existing crisis prevention and management measures are grossly inadequate for dealing with a future emergency, given their primary focus on avoiding or managing specific potential crisis-inducing incidents involving local military operators at sea or in the air.

Preventing and managing a serious Sino-U.S. crisis requires far more than a hotline, military operator-centered "rules-of-the-road," and relatively narrow military-to-military dialogues. It requires a range of confidence-building measures, agreed-upon best practices, educational efforts, and specific mechanisms designed to improve the ability

of civilian and military leaders and mid- and lower-level functionaries to identify, avert, and successfully defuse and terminate dangerous political crises.

Differences over crisis prevention versus crisis management

A significant obstacle to the development of such measures is the presence of a basic difference between U.S. and Chinese officials regarding the meaning and purpose of crisis dialogues and mechanisms. While U.S. officials tend to stress the development of measures designed to defuse a political-military crisis and prevent it from escalating to conflict, Chinese officials tend to suspect that Washington merely desires to create guardrails that permit it to continue what Beijing sees as its crisis-inducing activities near China.[69]

The Chinese thus believe that crisis dialogues should focus on crisis prevention, not crisis management, by addressing what they regard as the underlying causes of crises, such as U.S. military activities along China's coastline, and supposedly provocative U.S. support for Taiwan and U.S. allies like the Philippines.[70] While acknowledging the need to prevent crises from occurring, Washington resists Chinese attempts to focus any discussion of crisis prevention primarily or solely on such supposedly provocative U.S. policies and actions near China.

This difference in outlook has not barred detailed discussions of crisis management topics at the Track II level. However, it has created a significant obstacle at the Track I

[69] Michael D. Swaine, "Crisis Management and the Taiwan Situation: Chinese Views and Conflict Avoidance," *China Leadership Monitor*, June 04, 2023, https://www.prcleader.org/post/crisis-management-and-the-taiwan-situation-chinese-views-and-conflict-avoidance; and Michael D. Swaine, "The Worsening Taiwan Imbroglio: An Urgent Need for Effective Crisis Management," Quincy Institute, November 28, 2022, https://quincyinst.org/research/the-worsening-taiwan-embroglio-an-urgent-need-for-effective-crisis-management/#.

[70] Swaine, "Crisis Management and the Taiwan Situation: Chinese Views and Conflict Avoidance;" and Tuosheng Zhang, "Strengthening Crisis Management Is the Top Priority in Current China-U.S. and China-Japan Security Relations," *China International Strategy Review*, December 31, 2021, https://interpret.csis.org/translations/strengthening-crisis-management-is-the-top-priority-in-current-china-u-s-and-china-japan-security-relations/.

level. Therefore, U.S. and Chinese officials need to reach a common understanding of the value and meaning of crisis prevention and crisis management to facilitate their dialogue and develop more effective crisis tools. The strengthening of a wide range of crisis avoidance and crisis management capabilities beyond those that currently exist should be viewed as a fundamental strategic undertaking necessary for the protection of national interests.

A two-tier crisis prevention and management structure

A Track I crisis prevention and management dialogue should become an integral part of any diplomatic and defense dialogue that takes place between civilian and military officials and forms a major component of any Sino-U.S. agenda on strategic stability. In these dialogues, as suggested above, crisis prevention and crisis management should have equal priority, with more intensive and sustained efforts undertaken to reach mutually acceptable definitions of the content and meaning of each term. Beijing, in particular, is unlikely to move forward at the Track I level with crisis discussions unless it feels the two sides are meaningfully addressing some key factors that increase the likelihood of crises occurring.

One possible way to achieve this objective is to create a two-tier crisis prevention and management structure involving civilian and military figures: one upper-tier focused on national-level issues relating to the strategy and policy aspects of crisis prevention and management, and the second related to the prerogatives and responsibilities of the defense establishment, with civilian input. The latter would focus mainly on crisis management mechanisms (involving both defense and foreign policy agencies), and the former on policy solutions that address the underlying causes of Sino-U.S. political-military crises.[71] Coordination between the two tiers would take place on a

[71] Although the ongoing, recurrent meetings between President Joe Biden's National Security Advisor, Jake Sullivan, and Foreign Affairs Commission Director and Foreign Minister, Wang Yi, might indirectly

regular basis via some overlapping membership and occasional joint meetings of the leading officials.

An agreed-upon set of crisis guidelines

In terms of specific confidence-building measures and crisis management and prevention mechanisms, the United States and China should first convene civilian and military officials with the purpose of endorsing a set of voluntary crisis prevention and management guidelines for both sides to reference before or during a crisis to avoid miscommunication and minimize inadvertent escalation or dangerous deadlocks.

A discussion of crisis guidelines, facilitated by Track II discussions, could serve as a confidence-building measure linked to the discussion of the other crisis mechanisms discussed below. One initial goal of all such discussions would be to work toward a common understanding of: (a) the most likely types of crises that could occur between the United States and China (i.e., over what issues, involving what interests); (b) variables that would most contribute to causing and escalating a crisis; and (c) variables that would most contribute to avoiding and defusing a crisis. In other words, the two sides should seek to agree on the scope, causes, and ways of resolving the crises for which they are creating guidelines. As noted, this discussion should first take place at the Track II level, where initial talks have already occurred.[72]

Prospective guidelines for crisis decision-makers at all levels of each side's political and military systems would likely include the following points:

- Maintain direct channels of communication. Send signals that are clear, specific, and, if necessary, include detailed explanations.
- Focus on limited objectives and employ limited means on behalf of such objectives.

serve to reduce some suspicions that could cause future crises, they apparently do not explicitly address the policies, perceptions, and actions of both sides that could generate and escalate crises.

[72] Swaine, "The Worsening Taiwan Imbroglio."

- Preserve military flexibility and civilian control, escalate slowly, and respond, if necessary, only symmetrically (in a quid pro quo manner).
- Avoid ideological, locked-in positions that encourage zero-sum approaches to a crisis and limit options or bargaining room; do not confuse moral or principled positions with conflicts of interest.
- Exercise self-restraint and do not respond to all provocative moves.
- Avoid extreme pressure, ultimatums, or threats to the adversary's core values.
- Divide larger, integrated, hard-to-resolve disputes into smaller, more manageable issues, thereby building trust and facilitating trade-offs.
- Think about the unintended consequences of all actions.

Some of these points are like those contained in the historical Chinese maxim outlined above—"on just grounds, to our advantage, and with restraint."

For each guideline, the two sides could discuss why it is important, for what specific types of crises it would likely be most appropriate, and when it might prove counterproductive. As indicated, the guidelines would be viewed as entirely voluntary, as general do's and don'ts that are useful to keep in mind during a crisis.

An additional guideline worth considering that was developed through Track II dialogues consists of a set of agreed-upon procedures intended to stabilize a crisis resulting from some type of military incident at sea or in the air. This would include an exchange of information regarding the time, place, exact event, and casualties (if any).[73]

An agreed-upon crisis manual

The above guidelines or best practices should eventually be included in a crisis prevention and management manual for the United States and China. Such a manual, already positively received by participants at the Track II level, would:[74]

[73] Swaine, "The Worsening Taiwan Imbroglio."
[74] Ibid.

- Offer decision-makers on both sides useful information and procedures for avoiding and managing a Sino-U.S. crisis.
- Expose a wide range of officials and analysts at all levels of government and the military to the concept of crisis prevention/management, relevant terminology, and historical examples of how crises can escalate out of control and the behavior and mindsets that produced successes and failures in past crises.
- Include a lexicon or glossary of likely terms employed in a political-military crisis to clarify the meaning and relative severity or intended threat level being conveyed by a wide variety of terms used by leaders before and during a crisis.

Such a lexicon or glossary has been developed in arms control negotiations between the United States and other powers for similar reasons, producing some positive direct and indirect results.[75]

A non-conversation channel, crisis managers, and a joint crisis working group

As a specific type of crisis avoidance and management mechanism, Beijing and Washington should consider establishing a "non-conversation" channel in which key officials or former officials with close ties to their respective governments and a close relationship with one another can discuss sensitive matters raised at the Track I and II levels in a frank, uncommitted manner and, during an actual crisis, serve as a means of clarifying signals sent and received. Such a trusted channel has been shown to improve

[75] For example, a nuclear glossary developed by the U.S. National Academy of Sciences Committee on International Security and Arms Control and the Chinese Scientists Group on Arms Control was useful in developing authoritative translations and definitions and clarifying the meaning of particular words relevant to nuclear strategy and arms control, https://nap.nationalacademies.org/catalog/12186/english-chinese-chinese-english-nuclear-security-glossary, accessed August 16, 2024.

communication significantly during past Sino-U.S. tensions and was highly recommended by many former U.S. and Chinese officials involved in past crises.[76]

To augment such a capability, each leadership should also consider establishing an informal group of professional "crisis managers" trained in crisis management techniques and available to provide advice to the top leaders before and during a future crisis. While offering real-time advice to crisis decision-makers, such managers could also serve on a continuous basis as leaders of an informal Track 1.5 joint U.S.-China working group for crisis management populated by former officials and experienced policy analysts and scholars. Its main function should include collecting and sharing crisis-related information, conducting consultations on crisis management contingency plans, carrying out crisis scenario discussions and simulations, exploring crisis management measures and contingency plans, facilitating the use of the person-to-person channels mentioned above, and providing advice to decision-makers.[77]

Although informal by nature, such a working group should operate in close coordination with relevant government organizations on both sides, including the PRC Central Committee's Foreign Affairs Commission, the National Security Council of the United States, and relevant officials in the foreign policy and defense agencies in both countries.

More regular links between military operational units

On a more formal basis, regular, institutionalized communication links between military operational units would be useful in crisis prevention and crisis management. Examples of these types of links include a communication network linking relevant operational-level military units (e.g., United States Indo-Pacific Command (INDOPACOM) and the PLA Central Military Commission's Joint Staff Operations Department or various PLA theater commands), staffed and operating 24 hours per day.

[76] Track II discussions on effective crisis management mechanisms were held in the United States and China from 2006 to 2019.
[77] Ibid.

None of the crisis management measures and mechanisms discussed above currently exist on an official level, although they have been discussed and generally accepted at the unofficial Track II level. Some of them (e.g., a joint crisis working group) would likely prove difficult to establish or effectively use at present due to a variety of political, bureaucratic, or security-related reasons. However, many U.S. and Chinese analysts, as well as a number of former and current officials, have acknowledged that each of the measures deserves full consideration by both governments.[78]

Implementing most—if not all—of these measures on an official basis will take time, involving a considerable exploration of options and ideas in as frank and flexible an environment as possible. As indicated above, this cannot take place solely at the Track I level. A sustained unofficial Track II dialogue, enjoying close contact with officials in both militaries and governments, is essential to develop and test the various ideas of the above measures in a more open, flexible, give-and-take environment.

Concluding Remarks

Educating civilian and military leaders in the United States and China on the growing likelihood of a severe Sino-U.S. political-military crisis, including the specific factors operating on both sides that could very likely precipitate such a crisis and make it extremely difficult to avoid or manage successfully—and the urgent measures needed to mitigate or eliminate those factors—should be extremely high on the agenda of policy analysts, intelligence operatives, and outside experts. Unfortunately, this is not the case.

Neither Beijing nor Washington has sufficiently grasped the urgency of the problem and what is required to address it successfully. Efforts to avoid and manage severe political-military crises remain heavily politicized and subject to the increasingly zero-sum goals and priorities of the growing strategic competition between the two powers. As noted above, many Chinese officials view crisis management solely as a

[78] Based on the author's private discussions.

means to facilitate U.S. crisis-inducing behavior and policies. And the operational elements of the concept itself are defined in narrow military-centered terms, largely as a military-run effort to avoid or manage accidental crises occurring between air and naval operators, and not as a "whole-of-government" activity carried out by civilian and military officials across the entire decision-making and implementing apparatus.

It is difficult to judge what is needed beyond educating decision-makers through articles (and related briefings) to induce the level of urgency and sustained commitment required to put in place a truly effective set of crisis prevention and management structures and processes. Some observers believe it will require a "near-miss" crisis that causes U.S. and Chinese leaders to recognize the dangers involved and the severe deficiencies of current management measures. However, such a crisis could just as easily induce both sides to double down on sending escalatory deterrence signals that actually increase the chance of a future, even more severe crisis.

A far less dangerous and more feasible action that could induce a change in attitude would be a decision by both governments to endorse the creation of a more coordinated Track I and II crisis dialogue. A Track II process, informed but not directed by each side's respective governments, would allow scholars, analysts, and former officials to examine, in as open and frank a manner as possible, the content and feasibility of the above types of crisis measures and, in the process, overcome the divide between the two sides over crisis prevention versus management priorities, lower distrust, and inform Track I discussions. This could greatly increase the chance of such measures being formally adopted by the U.S. and Chinese sides.

Some observers in both countries (and especially in the United States) believe that a Track II dialogue would be a waste of time because, even in an unofficial setting, all participants would work solely to advance the policies of their respective governments and avoid any genuine give-and-take interactions. However, over 15 years of experience in Track II dialogues with the Chinese suggest that while participants do, at times, naturally take actions that are in line with their government's policies, the underlying

mutual desire to create more effective crisis-related understandings and the presence of gray areas within policy realms that allow for flexibility in discourse make it possible to hold reasonably frank, direct, and unsanctioned interactions that can produce valuable insights into crisis thinking and behavior and generate agreements on specific measures.

Moreover, when Track II participants take positions they believe are in their country's best interests yet differ from official policy (as in fact occurs), it can provide valuable insights into possible debates within each side's system. And these participants might be able to influence such debates.[79] Such benefits of Track II dialogues would arguably remain possible even with tighter coordination between Track I and Track II levels, as long as the Track II organizers retain control over their dialogue agenda and resist efforts by their governments to dictate the evolution and outcome of the ongoing dialogue.

It is in the vital interest of both the United States and China to address the many sources of a future political-military crisis identified in this paper and to seriously consider the recommended measures to avert or manage such a crisis through a meaningful set of dialogues. The consequences of not doing so could prove disastrous.

[79] The author is indebted to Iain Johnston for this insight.

About the Quincy Institute

The Quincy Institute for Responsible Statecraft is a transpartisan, action-oriented think tank launched in 2019 to promote ideas that move U.S. foreign policy away from endless war and toward vigorous diplomacy in the pursuit of international peace.

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