

ABSHIRE-INAMORI ACADEMY ON LEADERSHIP

April 1, 2002

The Leadership Academy being inaugurated today is the result of the generosity of Kazuo Inamori. His foundation has given a magnificent lead grant, and we know others will follow. At the same time, CSIS's focus on leadership runs back 25 years. After all, this is an institution whose mission is policy impact. Time and again, its studies have had significant impact. For example, in the field of major governmental reorganization: one study triggered the Goldwater-Nichols Defense reform legislation of the mid-1980s. Another, the Stanton Panel on Public Diplomacy of the 1970s, better equipped the nation to win the battle of ideas in the Cold War. As recently as last summer, before September 11, John Hamre's CSIS crisis management exercise *Dark Winter* woke up the policy community to the expanding dangers of bioterrorism.

But ideas and findings must have leaders to implement them. Therefore, the study of leadership must be the constant companion of the study for better policy. In this context, let me make nine observations about leadership to which I hope the Academy can give special attention. I remind you, in this regard, that one function of the Academy is to intensify our colloquia on leadership, such as Dr. Inamori and I have been chairing; the other is to mentor a younger generation of leaders.

My first observation is that good leadership and good management are different. CSIS debated this issue in the late 1970's based on a then- controversial article by

Harvard Business School Professor Abe Zaleznik. He asserted that the two functions were not the same and that the Business School was teaching management not leadership. He produced a revolution in the business school. By the way, this led to him being placed in Harvard's first endowed chair on leadership. I served on a corporate board with Abe, so I enticed him to CSIS for a series of seminars to debate the issue with leaders of business, education and government. What this series made clear is that management in each of these three sectors differs dramatically, but leadership is much the same. Norm Augustine made this point in a more recent CSIS paper.

To me, the most outstanding participant was then-Army Chief of Staff General E.C. Meyer, who is here with us today. "Shy" felt so strongly about the subject that he required every brigadier general to go through the leadership course at the Center for Creative Leadership in North Carolina, created by the Richardson Foundation. Six years ago, we had a program on political leadership on Capitol Hill, which involved Senators Nunn, Leiberman, Thompson, and Howard Baker. Subsequently, with Sandy Brock's push, we organized the Stockholm International Women's Leadership Forum of female presidents and prime ministers from around the world and a follow-up seminar for emerging women leaders.

However, it was the book *For People and for Profit* by our International Councillor Kazuo Inamori that moved CSIS in a new direction. Dr. Inamori brought focus on the importance of creativity and character to leadership. How I wish Enron and Global Crossing had adopted his book. In April 1999, Dr. Inamori and I chaired a CSIS

colloquium of outstanding leadership authorities and practitioners with Norman Augustine keynoting, David Gergen and Michael Beschloss talking about the political dimension, Joe Paterno of Penn State spoke about athletics, and Frances Hesselbein of the Drucker Foundation discussing non-profits. Then last year, Dr. Inamori and I chaired a large Tokyo meeting calling for transformational leadership in both our capitals. We had a new government in Washington pledged to change, and soon thereafter, we had the same in Tokyo.

This leads to my second observation. The greatest leaders are the transformational ones, the ones that are truly creative, rather than simply transactional or merely managerial ones. Professor James MacGregor Burns discusses this in his classic work on leadership. If our Presidents Abraham Lincoln and Franklin Roosevelt had not been transformational leaders, our country would have divided in the first case and, in the second, Hitler would have conquered Europe. George W. Bush, in another kind of war, must meet the high demands of transformational leadership as set by Lincoln and Roosevelt. I think he is doing this in the almost impossible coalitions he has built and changes of attitudes he has produced at home and abroad.

Third, outstanding leaders must have a compass and a true north, with a vision. They must be able to inspire. But a visionary leader must also offer his followers a pathway to get there. President Woodrow Wilson had a brilliant post-war vision with his “Fourteen Points” and the League of Nations, but he stumbled and failed with the Senate because he did not build that pathway.

Fourth, true leaders learn from their experiences and those of others. UCLA's distinguished Professor of Business Administration, Warren Bennis, in his book *On Becoming a Leader* notes that management can be taught, whereas leadership has to be learned. Good leaders learn from setbacks and develop with new challenges. At the beginning of the Seven Years War, Lieutenant Colonel George Washington learned from a setback: his surprise military defeat and surrender at Fort Mifflin. And Franklin Roosevelt learned from the paralysis that abruptly ended his political career – so it was thought – but actually gave him the determination that later led us through the Depression and the Second World War. When things go wrong, leaders must be able to move quickly to get to the heart of problems and take action.

Fifth, leadership relates to seeing and seizing opportunity. In talking to hundreds of college interns at CSIS over the years, I like to quote Frederick the Great. When asked what kind of generals he wanted, he said “lucky ones.” What he meant was one who could see and exploit opportunity, be entrepreneurial, and thus make their own luck. Over the years, I have observed the enormous differences in the young people I have dealt with in their journey through life: some will see in a situation an extraordinary opportunity; another, tragically, will let one blindly pass by.

Sixth, good leaders know the difference between the intelligence quotient and emotional quotient, that is IQ and EQ. Some leaders think they are very smart, and probably are, but think they can get along with smartness alone. But they are wrong.

This is why some who are so promising in school fail later in life. They don't develop the quality of dealing with the people and the personal emotions that surround them.

In his wonderful book, *The Leadership Moment*, Wharton School's Michael Useem gives the stirring account of the 33-year Colonel Lawrence Chamberlain – the former college professor – and his defense of Little Round Top in the decisive battle of Gettysburg. Chamberlain cared about the people under him and getting them on his side. Forty days before the battle, he was given 120 additional men who had been mutineers. Chamberlain had instruction from his superior: “Make them do their duty or shoot them.” Chamberlain knew neither was an option. He had to talk with them, sympathize with their grievances and, in effect, remake and transform them. He did the miraculous. When out of ammunition and faced with being overrun by advancing Confederates, Colonel Chamberlain shouted, “fix bayonets and charge!” The stunned Confederates broke ranks in retreat, and “ran like a herd of wild cattle” never guessing the Federals charging them had no ammunition. But the Federals, instead of ammunition, had a great leader. By the way, Useem takes his class to the battlefield to understand the drama of the terrain.

What Useem was trying to convey with the Chamberlain story is that leaders of finance and government, not just military officers, must care about their people, and when they do, they can then perform wonders. Ultimately, the leaders of Enron did not care about their people and violated their trust. In contrast, Dr. Inamori cares about the employees of Kyocera.

Seven, outstanding leaders must have courage and be willing, at times, to go against the grain. This principle of leadership can involve taking unpopular positions, which may lead to those profiles in courage, about which John Kennedy wrote. Unfortunately, too many of our Presidents have lacked the courage to lead and followed public opinion polls instead. In political life, one of Truman's greatest moments was when he pushed civil rights as he approached his election campaign, knowing he was jeopardizing that election. The harder rightness of a decision often means going against the grain.

Eight, good leaders select outstanding subordinates and empower them. Let me dwell on empowerment and the example of three presidents: Washington, Truman, and George W. Bush. Each possessed EQ in abundance and surrounded themselves with people they considered either more creative or experienced than themselves. George Washington had the extraordinarily creative Jefferson and Hamilton in his Cabinet and Madison as his point-man in the House of Representatives. Harry Truman had George Marshall, Robert Lovett, and Dean Acheson. Bush has Cheney, Powell, and Rumsfeld. None of these presidents have had Nixon's problem of always fearing that people might think Kissinger was smarter than he was. Washington, Truman, and Bush have known how to empower subordinates and never feared to be overshadowed.

What applies to Presidential leadership applies to business and non-profits, as well as to today's military, which the information revolution has made more

decentralized in combat. Good leaders assemble good people and make them better people and, thus, they become more creative people. This is an element that Dr. Inamori has stressed so vigorously and with such impact at Kyocera that his employees package more than 50% of the IC chips of the world.

Earlier, I noted the distinction between teaching and learning. Mentoring in leadership is carried out by example, interest, and counseling. It is also carried out by case studies and role playing exercises, such as Ken and Carol Adelman's wonderful Shakespeare series – where we fight the Battle of Agincourt alongside Henry V.

I emphasize mentoring because I had great mentors, such as a battalion commander in Korea. He helped me learn that organizations, in this case my company, could go up or down but could never stay the same. In my farewell speech to CSIS as CEO, I cited this admonition. I am delighted that John Hamre has taken CSIS up.

My senior partner in founding CSIS in 1962, Admiral Arleigh Burke, was a mentor who showed me how to approach policy problems by defining issues and approaching them from several angles – the “strategic approach” he called it. And Ronald Reagan served as a role model, when I was his Special Counsellor after the Iran Contra mess, showing me the value of character in a comeback when you are down and out. Ronald Reagan was a great leader, but even the best can badly stumble. That is when character is most tested.

CSIS can vastly improve in this area of leadership mentoring, building on its already remarkable record. In 1963-64, we mentored Ed Feulner, as a Georgetown University Fellow. He later turned Heritage into the most influential conservative institution in America. Dimitri Simes, who joined us upon his departure from the Soviet Union in 1970s, went on to found the thriving Nixon Center. Mike Moodie, Anne Armstrong's understudy, founded an arms control think tank. Jay Collins, who became Editor of *International Economics* before he was 30, became Managing Director of Nikko Salomon Smith Barney at age 34. And, most recently, young Frank Cilluffo joined Governor Ridge after being mentored at CSIS by Arnaud de Borchgrave, who was so willing to empower Cilluffo and constantly give him more credit.

Bill Taylor mentored a generation of young military leaders at West Point and the National War College, and then a generation of CSIS political-military staff. This included Mike Mazaar, who published seven books by the time he was 30 and then headed the Stimpson Center, and Matt Cullinan, who is now at the University of Notre Dame developing their long-range vision. Matt at CSIS directed a project under Bill that led the Congress to appropriate hundreds of millions of dollars to our civilian soldiers across the nation. Under this program, National Guardsmen were taught how to mentor school dropouts and help bring them back into their school systems. Our Senator Nunn along with Senator McCain were leaders of this effort on Capitol Hill.

Obviously, throughout the years, we have had some good mentors at CSIS, but too often this was ad hoc. This Academy is designed to ensure that it becomes

systematic, so every officer and every program director will be inculcated and trained into this culture, and it will electrify this institution. Our Board chairman, Sam Nunn, also looks forward to when this Academy can conduct a program for all the interns working on Capitol Hill. Furthermore, we must better connect with our “alumni” and make them part of a virtual academy worldwide with new forms of distance learning. After all, Ehud Barak, who brought Israel and Palestine closer to peace than anyone, was a CSIS distinguished fellow before he became prime minister.

My ninth point comes from religious philosopher and scholar Os Guinness, who notes that character provides the point of trust that links leaders with followers. For the Greeks, character was the mark stamped on a coin, but also stamped on our inner core as compared to our outward self. Character is reality. Charisma and celebrity can be perceptions. Leadership without character is hollow, often tragic. A charismatic Hitler led the world into war and created the holocaust. But moral ambiguity hits closest to home not with black and white situations, such as with Hitler, but with leaders who deal with conflicting values. Rush Kidder, who directs the Institute of Global Ethics, argues how often conflict starts with right against right. But ultimately, as Immanuel Kant noted centuries ago, there is a hierarchy of values. Failure to understand just this was central to Watergate, Iran Contra, and the Clinton Impeachment. Each is a morality play.

Nixon, in his Watergate cover-up, believed he was protecting the Presidency, instead of destroying it. Clinton believed he was protecting his family when he was deceiving them, the nation, and the courts. Lieutenant Colonel Oliver North was an

extraordinary leader in combat, who cared about his men. He wanted to get the seven hostages out of Lebanon and he wanted to aid the anti-communist Contras in Central America. These noble ends, he thought, justified setting aside the honor code he had learned at Annapolis by not telling the truth under oath, illegally diverting funds, and fabricating chronologies. The ends do not justify the means. The resulting scandal and the cover-ups threatened to bring down Reagan's Presidency.

President Reagan, by then in a desperate situation, set up his own board of inquiry and brought me back from NATO to the White House for three months under orders to "get everything out." There was to be no executive privilege. Whatever his failings that led to this tragedy, he had the character that the other two Presidents did not have, I regret to say. Both Richard Nixon and Bill Clinton in different ways were truly brilliant people and did much good. Theirs was the classic Greek tragedy of fatal flaws – and let us all beware of such potential flaws in our own lives.

How then do we in this Academy inculcate a new generation of young people from all over the world with the needed character as leaders? It's not done by too much preaching, because everyone agrees with the platitudes. The Enron vision statement, believe it or not, is about as altruistic as Kyocera's. Case studies, role-playing, exercises, and dealing with moral ambiguities are essential. Indeed, this is what the best business schools have done. But with the exception of the U.S. military academies, this is not being done at the college or high school level. It's just left in the abstract with "Don't lie, steal, or cheat." That doesn't cut it. The Academy will offer a hands-on opportunity for

exercises, role-playing, and case studies to foster leadership and character in people from all around the world. So, what we are now able to create at CSIS is an opportunity without parallel, which will bring together those who truly would be leaders informed by values.

One beautiful day in Kyoto, the city of ancient temples, Dr. Inamori and I were discussing this vision of this Academy. I was there with Dick Fairbanks and Bill Brock. Bill led our side of the U.S.-Japan 21st Century Committee. I reminded Dr. Inamori that the Greek philosopher Plato thought virtue could be inculcated along with leadership. Plato believed that the renewal of the state was related to the renewal of the individual. His Academy, I told Dr. Inamori, endured 1000 years. Dr. Inamori, let us have a run on the next thousand years!