## McKinsey Quarterly

## Dwight Eisenhower: Lessons from the 'balancer in chief'

William I. Hitchcock, author of The Age of Eisenhower, explains how Dwight D. Eisenhower inspired his country and led Americans through times of uncertainty and radical change.

Seventy-five years ago, the supreme allied commander of the Allied Expeditionary Force dictated a message simple and sublime: "The mission of this Allied force was fulfilled at 0241, local time, May 7, 1945. Eisenhower." It was the end of World War II in Europe, a victory then as now venerated by millions. It also marked an amazing achievement for Eisenhower himself. When German and Soviet tanks rumbled across Poland to start the war in September 1939, lke had been a mere lieutenant colonel (and a major, stuck in rank for 12 consecutive years before that). When Japan bombed Pearl Harbor, on December 7, 1941, bringing the United States into the conflagration, he had been promoted to a one-star brigadier general only a few short months before. Yet Eisenhower concluded the war as a five-star general, the architect of Operation Overlord—the allied invasion of Normandy—and the indispensable man who had balanced the interests and egos of a galaxy of generals and political leaders.

Balance and mission would distinguish Eisenhower's presidency in the 1950s. For Eisenhower, it was the "Great Equation." How could the United States afford to project military power against expansionist, totalitarian regimes abroad, while at the same time foster economic prosperity at home and do so for decades, if needed, without going bust? It's a choice commonly referred to as "guns or butter." But for Eisenhower, it was both guns and butter, today and tomorrow, and more—a shared sense of national purpose. When the newly elected Eisenhower took office in early 1953, America was embroiled in the Korean War, Western Europe seemed to lay open before the USSR, and the Great Depression still weighed heavy in Americans' recent memories. Eight years later, when Eisenhower gave his farewell address, America had extracted itself from the Asian land war, avoided a European war, and was deep into what's remembered as a halcyon era of good jobs, comfortable suburbia, and "Happy Days." The '50s have come down to us as a golden age.

<sup>&</sup>lt;sup>1</sup>Alex Mintz, "Guns versus butter: A disaggregated analysis," *American Political Science Review*, 1989, Volume 83, Number 4, pp. 1285–93.

For many Americans, it wasn't that, of course. When the decade began, segregated schools were still legal in the United States; by the time Eisenhower left office, the Supreme Court had declared "separate but equal" unconstitutional, but racial inequality remained, both by custom and terror. Red-baiting senator Joseph McCarthy dominated the national stage, and "McCarthyism" entered the lexicon. So did "duck and cover," "NASA," "H-bomb," and "ICBM." Death-toll estimates from nuclear war with China and the Soviet Union ran to the hundreds of millions. Tanks rolled into central Europe, and a world war very nearly erupted in the Middle East—all in the same week. A flu pandemic, originating in Asia in 1957, killed more than a million people, more than 100,000 of them in the United States. Even the weather seemed to go haywire. The decade began with a wave of hurricanes and tornados. Then the Great Texas Drought settled in and lasted most of the decade, parching the country's South and Southwest. "The time it never rained," novelist Elmer Kelton termed it.

That America and its economy pulled through was remarkable. That Eisenhower solved the Great Equation seems almost incomprehensible. His administration bolstered America's defense (increasing military spending to an unprecedented peacetime level of 10 percent of GDP), embraced business (and saw GDP rise by more than 4 percent per annum, even accounting for the Korean War and its conclusion), and approached or achieved a balanced budget nearly every year in office. Eisenhower brilliantly steered a course to win the Cold War 20 years after his passing. Yet the man was not without his faults, some of them hard to let pass, even now. In a recent interview, McKinsey's David Schwartz spoke with William I. Hitchcock, author of *The Age of Eisenhower: America and the World in the 1950s* (Simon and Schuster, 2018), to learn more about President Eisenhower and his principles, how he approached decisions and made them, and what lessons—inspiring and cautionary—his legacy can teach leaders today.

The Quarterly: What did Eisenhower promise Americans, and what did he expect of them?

William I. Hitchcock: I think the key to Eisenhower's political identity, and his pitch to the American people, was the ethic of service and sacrifice. There was very much a sense in Eisenhower's worldview, and of the worldview of people who supported him, that everything was fragile. The good times could come, but they could also go. Many people who voted for Eisenhower remembered the Great Depression all too well; some had been ruined by it. When he became president, the country was only eight years removed from the end of the Second World War. Virtually all of the people who voted for him had either served in the war or had family members who served in the war. They had been touched by its sacrifices, and also by its fears, struggles, and losses.

What mattered most was a kind of sobriety—a balance and preparedness. When times were going well, you stored up for when times were not going to go well. Everybody anticipated the possibility that there could be problems ahead. There was a degree of optimism and caution. After all, he comes into office and the Korean War is still going on; the Soviet Union is gaining the ability to project power around the world; China has just gone communist in 1949, and war is raging throughout Asia, and already in

<sup>&</sup>lt;sup>2</sup> Racial segregation had been permissible in US public schools until 1954, when the US Supreme Court declared the practice unconstitutional in *Brown v. Board of Education of Topeka*.

Indochina. There are storm clouds on the horizon. Eisenhower's worldview was that Americans could deal with any crisis around the world, provided that they maintained a sense of their own personal responsibility for supporting the country in times of need. Individualism was to be welcomed up to a point, but only up to a point.

This is something that he pitched to Americans: finding the right balance between individualism and community. We don't want to be like a totalitarian country, we don't want to have the government do everything for us, we don't want to become robots in which the government determines our future and shapes our lives. We want to encourage innovation, entrepreneurial spirit, and individuality. We want self-reliance, but not selfishness. We want to maintain the strength of the community so that in times of trouble, the community would be resilient.

**The Quarterly:** Eisenhower's secretary of defense, Charles Wilson, famously said, "What's good for our country was good for General Motors, and vice versa." Was that Eisenhower's take as well?

William I. Hitchcock: Yes, it very much was. I don't think Eisenhower found that to be an objectionable statement. He felt that business—by which he meant the process of innovation, improvement, applying reason, science, and rational judgement to the challenge of making people more comfortable, healthier, and more prosperous—was in every respect emblematic of the American way. That is what differentiated the United States from its communist rivals in the Cold War. The business sector was where the action was. Business was to be encouraged and rewarded because it was building prosperity.

People criticized Charlie Wilson for that comment, but it was actually a pretty good example of the thinking of Eisenhower and his circle. I would stress, though, that Eisenhower did not believe that corporations should transform themselves into behemoths and acquire wealth for only a select few. The notion of corporate greed was an anathema to him. He felt that corporations were at their best when they worked in the public interest. He would be dismayed to see immense corporate wealth accumulated without a sense of social consciousness. It's part of what makes lke interesting, complicated, and a little bit of a shape-shifter.

**The Quarterly:** And a lot of "interesting and complicated," to say the least, was coming at him: Sputnik, Suez, Iranian revolution, and the risk of global thermonuclear war, to name just a few. How did Eisenhower adjust and adapt his decisions, real time, under radical uncertainty?

William I. Hitchcock: The way he approached uncertainty is a big part of what set him apart. Eisenhower was a world-class poker player. He was so good that he had to quit playing, because he took so much money off of his army buddies. He was also a world class bridge player. The key thing about being good at those kinds of games is that you have to know, or believe you know, how to read your enemy. What does he want? What risks is he willing to take? What are his goals? What are his vulnerabilities? What's the probability that he's in a stronger position than I am? Eisenhower had a profound instinct about reading his rivals. Did the Soviets really want war? How far were they willing to go to risk a war with us? Where were they bluffing and where were their absolutely crucial existential interests on which they would never bluff? So, number one: know your enemy.

Second, know yourself. What's your bottom line? How far are you willing to go in this moment of uncertainty? What are the things that you're willing to sacrifice, to put on the line? Are you willing to go all in? Eisenhower occasionally used poker metaphors in the National Security Council. Do we want to push all our chips in? Do we want to go in small quantities or just push all-in right from the beginning? If you have a strong sense of your opponents' vulnerabilities and strengths, and then you have a strong sense of your fixed bottom line—what are you willing to give up, what are you willing to lose if you're wrong—it has the effect of putting a sense of boundaries around the crisis. It removes some of that uncertainty.

Third was a maxim he said constantly, "Plans are worthless, but planning is everything." Plans are worthless because the situation always changes. But if you have been planning all the way along, you have a sense for how to reason through a crisis, especially at those moments when time is of the essence. That means knowing how you are going to manage a given crisis from an institutional point of view. What kind of intelligence do I have? What kinds of diplomacy? What's the situation of our allies? What is congress going to say? Is the military ready, and what are their capabilities? Have a checklist that you've run through a thousand times, and you know more or less what the order of battle is going to be once the crisis hits.

Ike was used to doing that. In our own lives, we tend to think that crises are anomalies—they never happen, or maybe they happen only occasionally. Eisenhower felt that crises happened all the time. He was always preparing for the hidden crisis that was coming around the corner. That put him in a very strong position when something turned bad.

**The Quarterly:** Yet he had many of these "somethings" coming at once. History tends to address those stories in chapters, but executives don't have that luxury. How did he compartmentalize?

William I. Hitchcock: He had immense powers of focus, a very disciplined mind, and he worked through the problems in a hierarchical way. Eisenhower did triage. Which problems are the most important, and which are second-tier problems that can wait a day? A good example of this is the October–November 1956 moment in time, which could have destroyed any average person because of the stress—there's the Suez crisis unfolding, in which Britain, France, and Israel are invading Egypt, and they did it secretly without America's approval. That's a major crisis, and it's a crisis in part because Eisenhower was afraid the Soviets might get involved to back up Egypt, which would trigger NATO and bring the United States into the conflict. At the same time, the Soviets were invading Hungary to put down a rebellion, which, in early November, turned into a very bloody conflict. And there's a presidential election in the middle of all this.

Eisenhower immediately established a hierarchy. Number one was Suez, because that was a crisis that could lead to a third world war. Second was Hungary. It was bad and it was shocking, and he used the United Nations to condemn Soviet behavior in Budapest. But it was unlikely to trigger a conflict, because Hungary was in the Soviet sphere of influence, and so it didn't rise to the same level of crisis that the Suez crisis did. And the least important for him—and this will shock contemporary readers—was getting reelected. Eisenhower spent almost no time campaigning in October and November of

1956. He felt he was going to win by a mile, which he did, but, more important, he felt it was much less critical than forcing the third world war.

**The Quarterly:** How did he balance domestic concerns throughout the decade? From the very first, it seems he set a dual mission to build the military and foster the economy.

**William I. Hitchcock:** Eisenhower was the "balancer in chief." The "Great Equation" is what he called it. What's the Great Equation for us to wage the Cold War? He envisioned a prolonged struggle and understood the challenge of not turning ourselves into a garrison state or letting the military—industrial complex overwhelm us throughout what might turn out to be a permanent world conflict. He actually demonstrated very well how American society could manage those stresses. And the country adapted very well on the whole to his style of balancing.

But I would also say that in that mission, in that set of goals that he set for himself and for the country, also lies one of his biggest political weaknesses. He was not and did not strive to become a transformational president. This has hurt his legacy in a big way. Historians, as well as commentators and journalists, demand that their presidents speak about transformation. We want change, at least we say we do. Eisenhower didn't do that. He ran on a platform of restraint, and it matched the needs of the moment in the 1950s.

**The Quarterly:** Yet his organizational capabilities seem to be evergreen—not just something that would work in the 1950s or, for that matter, would work only in government. You refer to it as "the disciplined presidency."

William I. Hitchcock: I think that characterizes his approach to managing the presidency, and managing his team: discipline, organization, and a clarity of who's responsible for what. For example, the most important meeting of his administration was without a doubt the National Security Council, a two-hour meeting every week. The president was not only present while the council was meeting, he chaired over 90 percent of these meetings. The topic was generally foreign policy—national security policy—but at times it could be economic policy as well. It included all the major stakeholders of the government who had anything to do with external and international affairs. And it was the place where policy was crafted.

Policy work was done in advance of the National Security Council meeting. Papers were reviewed at various stages as they moved up the chain. At the meeting, policy papers were carefully scrutinized by the president and his staff, decisions were made, and then the decisions were pushed back down. People called it "policy hill," rolling the policy up to the top and then down the other side. There was continuity all the way across: from the birth of an idea to decision, approval, and implementation.

**The Quarterly:** How would you describe President Eisenhower's own development as a leader—how was he, personally, shaped by his years in office?

**William I. Hitchcock:** It's an interesting question. One of the more puzzling characteristics about him is that—as president, mind you—you don't see a great deal of personal growth. I think that he did "so much growing" during the Second World

War, he lived a lifetime in those few years. By the time he came out of the war as the supreme allied commander, he felt that nothing could be as difficult. On the first day of his presidency, he wrote in his diary that it seemed a lot like everything he'd been doing since the start of the war; there was a continuity. He already knew himself. He knew who he was, he knew what his beliefs were, and being president wasn't likely to change that.

That's an extraordinary thing to say. For virtually all chief executives, being president is overwhelmingly the most difficult thing that they've ever done. But Eisenhower, along with George Washington and perhaps Ulysses Grant, was one of those few people who had had such a busy and active life beforehand that he didn't feel overwhelmed by the job. But the consequence was that he probably didn't grow a great deal during the presidency.

**The Quarterly:** His own personal development seems like such a study in perseverance, even before World War II. He held the rank of major, without promotion, for a dozen straight years. He served under the notoriously difficult General Douglas MacArthur for almost a decade. How did he ever weather all of that?

William I. Hitchcock: The 1920s and '30s was a time of genuine frustration for Eisenhower, but it was a frustration for all army officers, because the army was dramatically shrunk after World War I. Everybody was stuck in rank. Eisenhower kept at it, and I think it's a testimony to his strength of character that he didn't let career disappointments overwhelm him. Instead, he sought to become the indispensable man for everyone he worked for. Not a brownnoser or an obsequious bag carrier, but the "go-to" guy for every one of his bosses. He wasn't going to let it matter if he was stuck in rank or the army wasn't expanding. He wouldn't let that become his problem. His problem was: "How do I take the job that I'm doing, and do it extremely well, so that my boss will know that I'm his best asset?"

It took tremendous guts and discipline to survive MacArthur. Eisenhower loathed him; he found MacArthur's antics and ego intolerable. But Eisenhower's ability to compartmentalize his feelings toward MacArthur reflects again on how he handled crisis and uncertainty. Eisenhower was incredibly disciplined in taking his emotions and trying to leave them to one side and simply working on the problem. It's not that Eisenhower wasn't emotional; there were times when he could go into an uncontrollable rage. But because he knew that about himself, he tried hard to contain his emotions. That struggle was part of his own inner demons. I think he contained it very well, on balance.

During the workday, Eisenhower put his own emotions in a box and locked them away. If MacArthur wanted a report done, lke would do it, and then MacArthur would sign it and pretend it was his own work. That was the way that MacArthur operated; he was an incredible diva and became the model of the kind of officer that Eisenhower did not want to be. When Eisenhower did at last get plucked up into the war plans division in Washington, DC, and was then sent off to Europe, he was certain that he wasn't going to be the operatic, cartoon general that he perceived MacArthur to be. It served him very well, a cautionary tale of how to avoid the sorts of blunders and mistakes as a commander that MacArthur had gotten himself into.

**The Quarterly:** For Eisenhower's own cautionary tale, you use a wonderful term, "a failure of moral imagination"—this for the way he implemented the CIA. But it seems like there are other instances where he suffered a failure of moral imagination, or at least empathy, particularly when it came to civil rights.

William I. Hitchcock: On the one hand, I believe that Eisenhower at times did show a lack of moral imagination, in that he was not very good at empathy. He did not really understand what it was like to be a black American in the 1950s, and he wasn't really interested in finding out. He did not reach out to civil-rights leaders and invite them to the White House to ask them, "What's going on in your communities? What's life like? What is it like to go to a segregated school? Talk to me, fill me in, tell me about your America." He had a bit of—I don't know if blind spot is the right word, but a failure of empathy or emotion in trying to inhabit somebody else's world.

On the other hand, I think that Eisenhower's response to this criticism would be that he viewed his role precisely as *avoiding* emotion, and making decisions based on the cold-blooded question of whether something was in the best interests of the United States. Ironically, maybe cruelly, he felt that rapid change on civil rights was bad for the country. Change, he understood, was necessary, but not rapid change. Unlike civil-rights leaders, Eisenhower was worried about the consequences of enforcing federal laws in the South, because he feared the South would then rebel against them—which is exactly what happened. Eisenhower, like many Southerners at the time, saw *Brown v. Board* as a radical change in America.

Eisenhower was certainly not an active advocate of segregation, and his approach to civil rights wasn't hostile. He did not stand in the way of his attorney general's efforts to push through a civil-rights act. My read on him is that he was just utterly unaware of black life in America. Having succeeded in a segregated military—after all, the army was segregated for his entire military career—he had seen black people only in subservient roles. He had come from a very white town in a very white state. Most of his friends in the army were Southerners. His favorite place to play golf was in the highly segregated golf club in Augusta, Georgia. Many people in positions of privilege and influence want to perpetuate the environment in which they've succeeded. It doesn't mean that they're bad people; it means that they're human. He didn't get it all right, and I don't think we've gotten it all right yet, either. Eisenhower was a man of his times. But in a sense, he's also a man of our times. Q

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