

Robert McNamara: Success and Failure

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A textbook example of an outstanding public servant" was how President Lyndon B. Johnson characterized Secretary of Defense Robert S. McNamara as they stood under a black umbrella in the drizzling rain in front of the Pentagon on 29 February 1968 at farewell ceremonies for the departing secretary of defense. "This place has been called a puzzle palace. Bob McNamara may be the only man who found the secret to the puzzle and he is taking it with him," the president said as McNamara stood at his elbow, pale, shadow-faced from the strain of his final months in office, particularly from the inner tensions of managing the Vietnam War.¹

The president's remark, like so many Johnsonisms, was crude and apt. For seven years, longer than any defense secretary before or since, McNamara had presided over the largest single institution in the United States, in peace and in war, with a degree of control over its activities unparalleled in the annals of federal management.

His example is remarkable in the sometimes revolutionary fashion with which he dealt with defense issues—such as nuclear weapons policy, the Pentagon budget, and how the U.S. defense establishment communicates its aims and purposes to the outside world.

However, McNamara's career has a tragic side, for the country and for himself, since this management expert also managed the U.S. war effort in Vietnam. His public advocacy of the war mired him in controversy, so that by the time he left office, and for years after, he remained one of the most controversial, and in some quarters one of the most mistrusted, figures in modern public life.

He was criticized sharply by the left for having helped the United States into the war and, once the country was in, for not doing more to

get us out, since he was rumored to be the only high official actually running the war who was disillusioned with it. Meanwhile, the right castigated him for having prevented the military from using much greater force, which they believed would have brought victory, or at least a decisive conclusion, sooner. Today, almost twenty years after McNamara's departure, many in both camps remain as adamant in their views of him as they were on the day he left office. And the supposed lesson of McNamara's mistakes—that U.S. armed forces should never be sent to fight abroad without overwhelming prior public support—stamps U.S. foreign policy today.

Within the defense community, McNamara's primary legacy is the precedent he established for control over policy and budgets by the secretary of defense and his immediate staff, including the comptroller and the assistant secretary of defense for international security affairs. Aided by these offices and their management tools, McNamara exerted control over the military to an extent not tried by anyone in that office before or since. However, as some of the cases discussed below illustrate, his control was not as great as admirers and critics claimed, and it was sometimes counterproductive.

McNamara has another legacy, this one in the area of strategic nuclear doctrine and arms control. On this count, he was highly innovative in using the "bully pulpit" of his office to educate the public about the destructiveness of nuclear weapons and about the various strategic doctrines he put forward.

This chapter opens with a discussion of McNamara's education and his professional experience during fourteen years at the Ford Motor Company, where he rose to the presidency in 1960. It then discusses two domestic defense issues, strategic nuclear policy and Pentagon budgeting. The chapter concludes with a discussion of McNamara's handling of the war, including his management of the military entry into Vietnam and his later unsuccessful attempt to limit the American commitment. I show how the same executive style marked all these cases, leading to success on some issues and failure on others.

Early Professional Experience

Education and World War II

When he stepped onto the national stage in January 1961, McNamara had a well-developed executive style in which he had complete confidence. He had been rewarded in monetary and professional terms during the previous fourteen years at the Ford Motor Company, where he had perfected a particular brand of management based on statistical analysis. This executive style was rooted deeply in his personality and ed-

ucation and in his experience in the war and at Ford.

Though his parents had little formal education, McNamara excelled as a student, and at the University of California at Berkeley he was elected to Phi Beta Kappa and narrowly missed a Rhodes scholarship.² As a student at the Harvard Business School (1937–39), where analysis and verbal exposition of cases were the currency of success, in his first year McNamara achieved the highest grades of any student to that time.

McNamara was noticed by the faculty because he was articulate and adept at logical argument. He was unusually effective in using statistics to support his arguments. One classmate recalls, "It was terribly tempting for the rest of us to let Bob do all the work."³ Perhaps the teaching style at the school, which gave individual students a chance to shine in group discussion, also contributed to his success.

In the 1930s the Harvard Business School was in the grip of an important revolution. This was the development of the field of "financial control," pioneered by Ross Graham Walker and others in the school's accounting department and based in part on Alfred P. Sloan's innovations at General Motors in the 1920s. One course, which explored ways to organize corporate budgets in order to reflect the organization's existing goals and then monitor changes as the organization moved toward different goals, made a particular impression on McNamara. As a student and then a junior instructor (1940–43), McNamara also became enthusiastic about the broader perspective suggested by Walker's approach: that the chief executive of a large organization could build rational models of most aspects of its activities. These models could be the basis for drawing up plans and holding those at lower levels responsible for carrying them out. Thus, if centrally controlled and properly managed, even very large organizations could be brought under control and redirected to whatever goal the executive sought: more profits, different products, different markets, or a different posture toward a rival.

These new methodologies reflected the educational philosophy of the Harvard Business School, which was that business administration was a field unto itself. The school had decided earlier in the century *not* to have separate departments for railroads, banking, or utilities, but to train its students as generalists, fit to run any enterprise on more or less the same principles.⁴ So McNamara and his fellow future managers were schooled in management as a skill *apart* from the content of the business being managed. McNamara often endorsed these views in later years, and his career—spanning the auto industry, government agencies, and international banking—can be seen as an expression of this principle in practice.⁵

McNamara's first application of these lessons came in World War II; his wartime experience, following on the heels of his schooling, probably convinced him that good management had a place even in war. A pivotal figure in McNamara's early career was an equally ambitious young man, Charles Bates ("Tex") Thornton, who would later build Litton Industries into a worldwide conglomerate. In the early 1940s, Thornton was the right-hand aide to Secretary of War for Air Robert Lovett. Lovett gave Thornton the job of making weekly reports on the status of airplanes, crews, and equipment in all theaters—to be modeled on the daily investment-portfolio reports that Lovett had demanded as a banker with Brown Brothers, Harriman.⁶ In 1943 Thornton hired McNamara, who spent much of the next two years devising reporting systems for the Air Corps to use in keeping track of its equipment and in assuring the proper flows from the States to combat areas. Sent to the field to work under combat commanders, McNamara gained respect there in advising generals on the efficiency of their operations. For example, in Calcutta he figured out how to maximize the amount of fuel flown over the Hump from India into China to be available for the B-29 campaign against Japan.⁷ And while he came away from the war impressed with the high-precision operations carried out by some field commanders, he also concluded that one did not need combat experience to be able to manage military operations. This view helped to shape his behavior as defense secretary fifteen years later.

The Years at Ford

After the war, Thornton persuaded Henry Ford II, who at age twenty-eight had just taken over his grandfather's ailing company, to hire him and nine other young "stat control" officers, including McNamara, as a management team to help run the company. Thornton left in 1947; he was too dynamic and ambitious for the straight-laced promotional prospects Ford offered. But McNamara was more careful, more willing to please superiors, and more suited to remain with the company for the long term. He and most of the statistical control team stayed. McNamara was the group's natural leader after Thornton; and he was the first of the group to make it to the top as president, although several also became vice presidents.⁸

How did McNamara's Ford experience shape his management style? With hindsight, we can see at least four aspects of that experience that may have had a bearing on how he behaved at Defense.

First, he found bosses at Ford who encouraged his proclivities toward the use of innovative control strategies. Young Henry Ford knew he could not take over the company and turn it into a prosperous enterprise without senior executives who knew the business. The Thornton

group, however bright and well-educated, knew nothing about car manufacturing. So Ford recruited Ernest Breech and Lewis Crusoe from his bigger, better-run rival empire, General Motors; they deserve much of the credit for the company's success in the postwar years.

In the 1930s and 1940s, General Motors was considered a model of a "scientifically" managed company and was held up as a model at the Harvard Business School. Alfred P. Sloan had rescued GM from failure in the 1920s using management techniques that Breech and Crusoe understood. They knew from real life what McNamara and the other stat control officers had learned only through their schooling and their experience with the Air Corps. If McNamara was lucky once to have been discovered by Thornton, he was lucky a second time to have the GM men, and young Henry Ford, as patrons at Ford. McNamara put what he had learned at Harvard into practice with a vengeance, in time becoming comptroller and using that office to affect decisions companywide.

Second, it is hard to overstate the rigid conformity demanded of subordinates in the auto industry and the absolute power of the chief executive. Perhaps McNamara's executive style would have been authoritarian in any event; certainly he "grew up," professionally speaking, in an environment where the chief executive could demand and expect absolute obedience. To this day the auto companies have rigid dress codes; in several, no employee may drive a rival manufacturer's car, not even as a rented car on business trips. If word of such infractions reaches higher authority, a young man's chances for promotion can be ruined.⁹ This background may help to explain why McNamara demanded lock-step obedience to his decisions as defense secretary—and why he was so dismayed and frustrated when the military departments legally under his control sometimes worked to nullify his decisions.

A third aspect of his Ford experience was the market for U.S. automobiles in the late 1940s and early 1950s. In the 1950s, Americans were earning more and buying more consumer goods; the highway system was expanding; suburbs were springing up all over the country. It seemed as if American consumers would buy anything Detroit produced. The auto executive's job, therefore, was to produce more models to appeal to an ever-widening range of consumer tastes.¹⁰ Today, we can see that this situation drove U.S. auto companies away from the features that later would attract U.S. buyers to imported cars: precision engineering, fuel economy, smaller size, safety. But in the 1950s the market was ripe for an almost mechanistic approach to car production: build more cars at the lowest possible production cost; squeeze more and more profit out of every production line; make more models through efficient use of existing production lines; optimize scheduling; maximize efficient use

of resources at every level for a proportionately large gain. And McNamara was very successful at getting record profits and sales from a company that not only produced machines but, with respect to the market, ran like a machine.

A fourth aspect of the Ford experience should be noted.¹¹ McNamara and his colleagues entered an ailing, money-losing, irrationally run company. Fourteen years later, he was the president of a company widely publicized as a model of modern scientific management. McNamara's rise in industry was not a scramble up a predesignated corporate ladder, though there were elements of this in the demands for conformity, loyalty, and obedience. It was also a drama of corporate transformation, of the very kind of institutional goal-setting and redirection he had learned about at the Harvard Business School. His success at Ford had an element of entrepreneurship to it that anticipated the kind of reforms he would undertake later at the Department of Defense.

To summarize: As a young man, McNamara entered a field for which he was unusually gifted. He had his first work experience in three institutional settings—the Harvard Business School, the military, and Ford—that badly needed his skills. He became adroit at working for a single boss and following his wishes, and at anticipating them. He learned to expect that the chief executive could exert absolute control; and he developed a belief in the power of his particular statistical methodology to institute large-scale organizational change, to redirect organizations for "rational" purposes. His chain of successes was basically unbroken, with no major setbacks.

Managing the Department of Defense

In November 1960, McNamara was named president of the Ford Motor Company, but a few weeks later he resigned, heeding President John F. Kennedy's request that he join the new administration as secretary of defense. As defense secretary from 1961 to 1968 McNamara dealt with many issues; in this section two are discussed.

The first is the evolution of strategic nuclear policy, which illustrates McNamara's entrepreneurship regarding U.S. nuclear weapons and policy. That he was drawn to the issues of nuclear war and peace, that he became expert in analysis and exposition, should be no surprise: as we have seen McNamara was strong in the areas of analysis and exposition, and perhaps of all the issues he addressed, nuclear policy had the largest component of these. It was also uniquely suited to quantitative analysis, another McNamara strength. However, there is an operational side of the nuclear issue: the secretary of defense is responsible to the president for the actual deployment and use of nuclear forces

in times of crisis or war. On this operational side McNamara's impact was less important.

The Planning Programming Budgeting System (PPBS) illustrates how financial control can organize and track defense programs. However, the success of PPBS and its famous and notorious adjunct, systems analysis, was not due only to their intrinsic merits. They worked because McNamara insisted on making decisions and following up with implementation; he was personally suited to making strong and combative use of the information that PPBS and systems analysis gave him.

Strategic Nuclear Policy

On the spectrum from success to failure McNamara's handling of strategic nuclear weapons policy stands out as a success, though as with each of the cases discussed in this paper, success and failure are intermixed. The less successful part of his performance was on the operational side: the actual planning and targeting of nuclear forces, which required him to reach deep into the Pentagon bureaucracy. His success came in leading the revolution in public thinking about nuclear weapons; that important change in the 1960s to a large extent resulted from a fortunate confluence of McNamara's personality with the needs of the era.

Disarray is a mild term to describe the state of U.S. policy for strategic nuclear war at the close of the Eisenhower administration—if there was a policy at all. One of McNamara's earliest and most urgent assignments from President-elect Kennedy was to investigate and make recommendations to alter the nuclear-force posture and policies of the Eisenhower administration, which had been the focus of Democratic criticisms, including Kennedy's, of the incumbent during the 1960 presidential campaign.¹² McNamara's analytic skills helped in this: he plunged into the complexities of the issue with relish.

McNamara had a mandate from the president to "get the country moving again" with respect to nuclear weaponry. In response he might simply have built up the entire U.S. nuclear force. McNamara certainly did this; within two months of taking office he decided to double production of the Minuteman land-based ICBM (intercontinental ballistic missile) and to accelerate the schedules for delivery of Polaris submarines. All this was in step with his president's campaign pledges.

However, McNamara soon asserted a degree of independence. When he discovered that there was no "missile gap" putting the United States behind the Soviets in ICBMs, McNamara informed the press bluntly—despite the fact that Kennedy probably owed some of his narrow victory margin to his repeated charge that there was such a gap. Similarly, McNamara quickly decided that bombers, the Air Force's most cherished

weapon, were less cost-effective than missiles and so began cutting back the prospective bomber force.

Though these moves were significant, they were only the beginning of McNamara's complicated odyssey into the nuclear terrain. Working his way through a range of complex issues during the next three years, McNamara had by 1964 created some sort of order: he had won agreement on ceilings on nuclear delivery systems and was winning public and governmental acceptance for a doctrine called "assured destruction," which had the potential of stabilizing the arms race and building a foundation for arms control.

McNamara's efforts are notable in part because they contrasted sharply with the inactivity of his predecessors. Previous secretaries of defense had not played an important role in strategic nuclear policy. In the Eisenhower administration the key public pronouncements had been made by the secretary of state, John Foster Dulles, a man oddly willing to talk about how readily the United States would use nuclear weapons (with the implication that we would use *all* our nuclear weapons), while remaining deliberately ignorant of the characteristics of the weapons and of existing war plans.¹³ Previous secretaries of defense had been concerned primarily with Pentagon budgets, which in those days were divorced from military strategy or policy. Reaching beyond the budgetary realm, McNamara used the office of the secretary of defense as a platform to educate his fellow government officials and the broader public about U.S. nuclear policy.

One important reason why McNamara engaged the nuclear issue so actively was that his president was concerned about it too. In 1961 Kennedy was hawkish about U.S. nuclear might; the Democrats were hawkish, Washington was hawkish. The right-wing in Congress constantly hit at the administration for not doing enough. However, Kennedy and McNamara—and aides at the White House, including science adviser Jerome B. Wiesner and Carl Kaysen, special assistant to the national security adviser—soon began to see that all these nuclear weapons were too dangerous, that the arms race was getting out of control.¹⁴

Kennedy was one of the few people McNamara could talk with regarding his growing concern about the arms race and about the dangers of accidental nuclear war. Thus, we see two characteristics of McNamara's personality that drove his interest in the issue: first, his responsiveness to his boss, and second, his own private agenda of concern, which he dared not discuss too publicly for fear of bringing a storm of criticism on himself and the president. We will see the same pattern again in Vietnam.

But if McNamara was an activist in developing coherent themes

for nuclear policy, his reforms on the operational side were less effective. The operational heart of U.S. nuclear posture is the SIOP, or Single Integrated Operating Plan, which is basically a huge set of timetables run on computers that dictate when each missile is to be fired, which target it will be aimed at, and how those weapons that are not sent right away will be directed after the system has information on the nature of the enemy attack.¹⁵ Appalled by the levels of all-out destruction in the SIOP he inherited, in the summer of 1961 McNamara ordered the SIOP changed. The process took more than a year; at the end of that time the options available to the president had only been increased in the crudest fashion; now, for example, he could "withhold" forces so as not to *automatically* knock out the Soviet Union, China, and Eastern Europe all in one blow!¹⁶

McNamara held office for six more years, while the relevant technology advanced, permitting more controlled patterns of action and escalation. And during those years, McNamara publicly promulgated changes in nuclear-war doctrine. But in fact, the operational plan for the nuclear forces changed little, mainly because of the resistance of the Strategic Air Command and other parts of the defense bureaucracy.¹⁷

The Planning Programming Budgeting System

McNamara's management style leaned heavily on his control over organization budgets, as might be expected from his accounting emphasis at the Harvard Business School and the Ford Motor Company. To help him take control of the complex Defense Department budget, McNamara selected Charles Hitch as Pentagon controller. Hitch was one of the few economists at that time who had tried to assign economic values to defense activities. Though professorial in manner, Hitch was tough enough for the challenging assignment McNamara gave him. He had had lots of experience with the military during a dozen years on the staff of the Rand Corporation, which worked for the Air Force, and he enjoyed a commanding lead in his profession.

In the early 1960s Hitch was seen as a guru of modern management techniques. He was also the employer and patron, at the Pentagon, of dozens of young "whiz kids" hired to overhaul U.S. military budgets, force posture, and strategy. And to the opposition that predictably galvanized within the Pentagon, Hitch was an almost sinister figure, the "godfather" or "dark angel" of these untidy, intellectual minions who roamed the building making a travesty—some officers thought—of the military's right to conduct its own affairs.

However, the pace, style, and impact of Hitch's work were crucially linked to McNamara's personality. Years later, Hitch recalled his first

experiences at the Pentagon. He and his staff had worked hard to devise a way to institute program budgeting for the strategic forces on a trial basis; they thought implementation would require at least a year. At an early meeting, Hitch outlined the plan to McNamara. McNamara banged his hand on the table and said that that was exactly what he wanted Hitch to do—and to install the system not only for the strategic forces but for *all* military forces. And he wanted it installed inside of a year. Hitch was stunned at the magnitude of the task. When he went back and told his staff what McNamara wanted, they too were amazed.¹⁸

Some military officers admitted that tough decisions and reforms were long overdue. But so controversial were the McNamara-Hitch reforms that officers who worked with them were at times regarded by their parent services as disloyal. "The building shook" with tension, as one then-young lawyer says of the atmosphere in the Pentagon in the early 1960s.¹⁹

McNamara and Hitch's reforms centering on the budget and entailing an accompanying use of systems analysis were widely publicized outside. They started a vogue elsewhere, in government and industry, for their Planning Programming Budgeting System (PPBS). Much was made of PPBS as a methodology in its own right, an almost magic cure-all for all kinds of organizational ills (though Hitch and others warned that it was not). As a result, defense budgeting, particularly defense budgeting in the McNamara years, is a well-studied subject which enjoys a rich specialized literature.²⁰

In brief, PPBS was a means of producing *explicit criteria* for decision making on defense issues, criteria that the Office of the Secretary of Defense (OSD) considered to be in the national interest, as distinct from other factors—tradition, habit, and the narrower perspective of individual armed services. To establish these criteria, the controller's office entered into a dialogue, in effect, with all parts of the defense organization—including the armed services and the many staff agencies. Each activity or subactivity was characterized by mission. In this way, the controller's office could discover cases of duplicative systems for meeting a given requirement, or where requirements were inadequately met.

The purpose of PPBS was not merely to find gaps and duplication within the defense system; it aimed at nothing less than a complete, thoroughly rational statement of all U.S. military force requirements and all associated costs, with a projection of these at least five years into the future. For example, the OSD could use the data Hitch's people had gathered in order to define the basic building blocks of U.S. defenses, which they called "program elements." Each of these elements was classified according to the basic military requirements it was intended to meet. The cost of a given program element—for example, the Air

Force's proposed B-70 bomber force—could be projected over five years (or over the lifetime of the projected force). Then McNamara and his aides could examine the cost of meeting this requirement (which in the case of the B-70 bombers was long-range nuclear attack of predesignated Soviet targets) together with other ways to achieve the same result, such as ICBMs and the existing B-52 bomber force. Other considerations could also be analyzed. To continue the example, these might be the comparative vulnerabilities of bombers and ICBMs and the comparative costs of reducing these vulnerabilities. Once there was an "agreed" statement of the requirement the whole force was to meet, highly "rational" decisions could, in theory, be made.²¹

The purpose of the system was to maximize the quality of American defenses at the lowest cost and, more basically, to obtain a clearer understanding of what American defenses were trying to do. Thus, McNamara saw PPBS as an essential element in an approach that began with the explicit goals of U.S. foreign policy and its global commitments, progressing next to the resulting needs for U.S. defense forces, and then deducing how to get that capability at the minimum cost and maximum effectiveness. The system also permitted the OSD to have close control over the annual budget cycle, to discuss prospective spending with the individual services, and to ratchet budgets up and down to make them conform to policy.

It also permitted a complete annual statement of what DOD thought it was doing. The classified versions of these were the Draft Presidential Memorandums (DPMs), which were circulated and commented upon within DOD, generating statements of opposing positions, before McNamara sent them to the president. By the time McNamara left office, there were DPMs for sixteen force missions, ranging from amphibious forces to nuclear weapons and materials requirements.

The public form of these statements was the *Annual Report* of the secretary, which was in effect a declassified version of the DPMs with supporting documentation and argument. The *Annual Report* was published each January when the overall administration budget was submitted to Congress. Under McNamara's predecessors the report had included little more than brief statements by each of the services and the secretary, on the threats the world posed and what forces the United States had. Under McNamara, it became an elaborate volume of analysis, more than two hundred pages in length, with many additional pages of detailed tables.

PPBS was better at getting a good understanding—and hence control—of some issues than others. McNamara aides Enthoven and Smith, in their definitive description of the method, admit that they never got a good handle on the problem of land-warfare force readiness, because

this was difficult to measure. They do claim that their system "shook out" the issues in the strategic nuclear field very well, and they take credit for elucidating the "assured destruction" nuclear doctrine. Also, these analytical techniques became the basis for canceling numerous weapons systems and accelerating others.

As PPBS evolved at the Pentagon, it was shaped by the needs of its principal consumer, Robert McNamara. While very much Hitch's in conception and execution, the system was built around McNamara (right down to the preference for tables over graphs in all writing and reports because tables, not graphs, were the kind of data that McNamara preferred to read). As we have seen, his training and disposition gave McNamara an unshakeable faith in the importance of financial controls, in the "truth" as discoverable through statistics, and in the importance of using this kind of information as the basis for organizational planning and control.

Thus, McNamara was impelled to involve himself deeply in the analytical details. He asked each of his key civilian aides to come to his office once a week, same day and time, for the next installment in their particular study area—tactical forces, land warfare, strategic nuclear forces, military pay scales. He would hover over the analyses, fascinated by how they were coming out. He would sketch on paper additional prospective tables for the analysts to fill in. Often he gave these "whiz kids" specific new assignments, and sometimes he conjectured accurately how the analysis would come out. He was intellectually engaged at many levels with his subordinates' use of PPBS.

This active involvement enabled him to function quickly and efficiently, to make decisions rapidly, one at each meeting, no meeting longer than half an hour—an hour at most—and to maintain the image of tight control over the vast organization beneath. It also shifted the terms of discussion of defense issues to the statistical analytic grounds at which he and his aides excelled, thus putting others—foreign policy hands from the State Department, generals and admirals unable to adapt to his lingo—at a disadvantage in debate. And it saved time, illustrating that to McNamara speed was as important a criterion of decision making as the content of the decision.

Committees, in McNamara's view, were useless for garnering consensus. They were too fuzzy a mechanism; indeed, they could be seen as the antithesis of the rational quantification of PPBS. In November 1961, in the journal *Armed Forces Management*, McNamara wrote that committees were inefficient as a way to run an organization; he boasted that he had eliminated 424 committees and scheduled another 129 for deactivation. The important thing, he explained, was speed. Decisions

at his department were not being made fast enough, said this monarch of decision making.²²

With his penchant—and even passion—for analysis, personal involvement, and quick decisions, McNamara was able to function effectively in a system that tossed up the issues to him in a highly structured form, ready for his particular style of intervention. As PPBS was instituted in other government departments and spread in the private sector, it often proved less useful in meeting the organization's problems, especially when the boss's personality was different from McNamara's. As Thomas C. Schelling wrote in 1968:

Systems analysis and other modern techniques of evaluation require a consumer, some responsible person or body that wants an orderly technique for bringing judgment to bear on a decision. PPBS works best for an aggressive master; and where there is no master, or where the master wants the machinery to produce his decisions without his own participation, the value of PPBS is likely to be modest and, depending on the people, may even be negative.²³

The Uses and Limitations of an Analytic Style

From the foregoing cases, we can identify the attributes of McNamara's executive style at Ford and DOD and relate them to the idea of public-sector entrepreneurship described in this volume.

First, McNamara implemented a deep personal belief that the responsibility of the leader was to make decisions, to set overall goals for the institution, and to redirect the institution to work toward those goals. This concept of leadership was buttressed by his skills in abstract reasoning, his ability to formulate problems in quantitative terms, and his fondness for argument and exposition.

In 1946, the Ford Motor Company desperately needed strong central organization and executives determined to follow through on decisions and to discipline the sprawling feudal enterprise. McNamara and the other new executives hired in 1946–47 had these skills; in particular, their use of statistical techniques was well suited to solve the many problems the company faced at that time. We saw how the method of reform depended on cadres of subordinates trained in financial control to carry reform into the larger company. McNamara's personal traits—his loyalty to his boss, his willingness to shoulder responsibility to protect his boss, and his skilled, combative wielding of executive power—helped his rise.

At DOD, McNamara used these same qualities. On nuclear policy, from the morass of ideas about nuclear strategy and force structure

floating around Rand and the universities in the late 1950s, McNamara identified specific doctrines and policy. His appetite for detailed rational exposition spurred him to put forward these concepts inside government and before Congress, the public, and the press. It was part of the idea of getting everyone to agree on common goals, and common policy, an educative process not unlike what he and the others had done at Ford. He showed on this issue the traits associated with public-sector entrepreneurship: creating a program, explaining it, gathering constituencies, and ridding the organization of elements contrary to the program.

His installation of PPBS and systems analysis sprang from these same traits: he seized on new tools, in this case the Rand work on budgeting for program control and his own background in financial control, and used them to define objectives, compare alternative strategies, and select the defense packages that he concluded would be most effective. However, if McNamara had had a different personality—if he had been less adept at abstract and statistical methods, less stubborn or combative—his reforms would not have gone so far.

But we also saw the negative side of his style, which bred resistance and backlash. With PPBS and the nuclear question, the success of reform depended upon cadres of people (mostly civilian analysts) who understood his goals and carried them forward into the military bureaucracies. But these bureaucracies sometimes resented being reformed; many of their members felt they were victims, rather than beneficiaries, of McNamara's plans. Thus, adversary relationships sprang up between the civilian cadres and military men, with contrary views based on their own analyses and traditions. McNamara's leadership style bred opposition between the leaders and the led.²⁴ And because the civilians seemed to disregard the military's tradition, lore, and accepted wisdom, opposition widened and deepened.

McNamara's analytic strengths were coupled with a limited personal capacity to understand and empathize with the culture and traditions of the organizations he commanded. In the 1960s, the military press often repeated a criticism heard in the officer corps—that McNamara rarely attended awards ceremonies or service academy commencements. His spokesmen would answer that McNamara believed it more important to spend the time in his office making decisions and managing the department. Moreover, those who watched him on ceremonial occasions saw that he seemed personally uncomfortable.

Many military careerists were strongly attached to the tradition and pomp of these events, and they wanted his participation as an indication that he understood and appreciated their values. But McNamara conveyed little interest in their ceremonies and their traditions.

Had he been able to reach out in these ways, his capacity to gain effective control and lead the organization might have been greater.

Managing the Vietnam War

While deeply engaged in efforts to "reform the Pentagon," McNamara also took on a major role in shaping America's involvement in Vietnam. In his first years as secretary of defense, McNamara attempted to shape the way the military conducted the war against a background of huge self-confidence in his powers of executive control (massive arrogance, his critics later said). Later, as he saw that the original plans were not working, he tried to reshape the commitment against a backdrop of traumatic military failure in the field.

This discussion does not, of course, assume that McNamara was solely responsible for the war; the decisions were made by the president with the advice of many advisers. Still, McNamara was possibly the most influential of these aides, and the way in which the war was managed from Washington reflected McNamara's management style.

The Early Years

During his first years in office, McNamara conveyed to others, and probably felt, great confidence that the political and military turbulence in Vietnam could be quelled through proper management. Testifying before Congress on the foreign aid request in 1961, he assured the House Foreign Affairs Committee that South Vietnam would not fall to the Communists. But the South Vietnamese government would require increased U.S. aid in the form of training and equipment to deal with the guerrillas coming from the North.²⁵

McNamara began managing the Vietnam problem in 1961 by flying regularly to Honolulu, where he scheduled monthly meetings of top U.S. civilian and military leaders. This followed the pattern he had set in Washington, where he held regular meetings with officials who had specific tasks in order to review their work and guide the next phase. By 1962, McNamara's visits included the famous flying trips to Vietnam—leave on Wednesday, back on Saturday, for example—where he would be shown around by the military brass, listen to briefings, meet with the U.S. ambassador and the South Vietnamese leaders, wave, give a brief press statement, and step back onto the plane to Washington.²⁶

These trips resulted in regular—and optimistic—statements about the progress his activist management was bringing about. After the March 1962 Honolulu meeting, for example, he said: "I am pleased to

learn that the armed forces of Vietnam are taking the offensive throughout the country, carrying the war to the Viet Cong, inflicting higher casualty rates, and capturing Viet Cong weapons and supplies in greater numbers. . . . We must not, of course, expect miracles overnight." After the first of his trips to Saigon, in May of that year, McNamara said, "Every quantitative measurement . . . shows that we are winning the war."²⁷

Later, the statistics McNamara used to document the U.S. success there would symbolize Washington's lack of understanding of the situation in Vietnam.²⁸ But in the early days, McNamara's use of statistics was seen as another earmark of his effective management style. This was "hands on" management by central authority, formulating plans, watching over implementation—the trusted supermanager in action.

The fate of the counterinsurgency strategy. In the discussion of domestic defense issues, we saw that McNamara's control over the organizations did not always extend to the operational level. Indeed, in the middle levels of these organizations there was often resistance, some of it to change in general, some of it to the style in which change was being imposed from above.

Another example of this resistance occurred in South Vietnam, when President Kennedy, early in 1961, asked that the military use the Vietnam conflict as a test case for a new kind of ground warfare, counterinsurgency war. It was McNamara's job to see that Kennedy's wish was carried out. Ironically, McNamara the supermanager who loyally carried out presidential orders, who took pride in his control over the bureaucracy, was unable to implement President Kennedy's orders on counterinsurgency warfare. For McNamara to have carried out this task, he would have needed a good understanding of military fighting strategy and tradition. But this kind of knowledge was not McNamara's forte.

In brief, the story is this: Kennedy believed that communism would challenge the West by wars of national liberation in the developing world. At his first National Security Council meeting on 1 February 1961, he instructed McNamara to have the Pentagon put more emphasis on counterinsurgency war (CI). The president publicized his personal interest in CI in 1961 and 1962. He attended exercises by the 82d Airborne light-mobile division at Fort Bragg, North Carolina, the home of the Special Warfare Division. In January 1962 he set up a White House task force on CI.

The military responded by expanding the Army Special Forces, and the president himself decided they should wear distinctive green berets as symbols of their elite status (such distinctions being, however, anathema to the traditional military). And the Special Forces indeed were

sent to Vietnam to "test" CI theories in the field. The bureaucracy even had statistics showing that more officers were receiving CI training at military schools and academies.

But CI was very different from what military scholar Andrew Krepinevich terms the "Army Concept" of war, which consists of set-piece battles for territory using mechanized units and high firepower in a setting like that of Europe.²⁹ The military had little heart for CI, or for CI training. It largely went its own way, training the South Vietnamese to fight in traditional ways and when regular U.S. troops entered the war in large numbers, it emphasized traditional concepts in training them as well.

McNamara is important to this story as the watchdog in the Sherlock Holmes tale: he didn't bark. He appointed his deputy, Roswell Gilpatric, to chair an interagency task force on Vietnam. And his statements emphasized the need to simplify battlefield weapons and to train soldiers to work in companies and squads rather than battle groups. But McNamara never appeared interested in digging deeply into the issue or in learning about military strategy and culture so that he could explore meaningful steps to turn the CI concept into operational reality.³⁰

Escalation in 1965

Public-sector entrepreneurs organize institutions and programs to run along new, often original, lines; one way these leaders make their mark is by modifying the behavior of institutions so they will fulfill new programs. McNamara, as we have seen, believed that the formulation of goals and modifying of institutional behavior to meet those goals were the essence of his role as an executive.

McNamara's behavior on the question of escalation in early 1965 followed the same pattern of entrepreneurial leadership identified in the domestic defense issues described earlier. At the end of 1964 there was a vacuum in U.S. policy for South Vietnam. The official policy was to encourage the South Vietnamese to fight ever more effectively themselves so that U.S. advisers could be withdrawn, but this policy had been less and less viable as governments came and went in Saigon and as weakness in the capital encouraged Viet Cong successes in the countryside.

In McNamara's view, the policy vacuum called for decisive action. He consulted with McGeorge Bundy, the president's national security adviser, who wrote to Johnson in late January on behalf of himself and McNamara, urging that the present, uncertain course be replaced with clearer policy. Then they held a private meeting with the president to press for a firm military commitment by the United States, arguing

that South Vietnam's failures were the result of a perceived lack of American will. In most accounts these steps mark the beginning of McNamara and Bundy's push to get the president to intervene.³¹

By February they had succeeded: Johnson authorized reprisal bombing attacks on North Vietnam that would gradually phase into sustained bombing. McNamara then asked the Joint Chiefs of Staff to lay out an eight-week program of gradually escalating bombing pressures. It quickly became clear to the Joint Chiefs, however, that the president and McNamara would maintain tight operational control over the ways in which air power would be used. Target selection began to be made by LBJ, McNamara, and their close aides.³² Their plan was to bomb selectively, then reduce bombing while threatening to escalate the devastation if the North did not cease its efforts in the South, and then escalate the bombing again if the lull failed to bring about the desired change.³³

The plan did not work; North Vietnam's leaders did not respond according to the McNamara tenets of rationality. Captured by their own logic, LBJ and McNamara felt they had no choice but to escalate a little further in the hope that increased pressure would change Hanoi's stance. In the end, huge tonnages of bombs were dropped, but with few discernible results.

Meanwhile, the McNamara style of direct management control (in this case, over the bombing) and the unwillingness of McNamara and his boss to "unleash" the military bred deep resentment among the military advocates of the "sharp knock." Let us bomb our way—all ninety-four key targets at once—and you will see results, they argued in the councils of state. Such arguments were made publicly by congressmen and senators who also objected to the "micromanaging" of the bombing from Washington. What McNamara and Johnson saw as necessary and responsible restraints on the use of military power increasingly became a political liability as critics charged that American power was being withheld and the war "needlessly" prolonged.³⁴

Changing Course Again

Having modified the military's preferred institutional repertoires when the United States went into Vietnam, McNamara tried to shape the character of the military involvement once again, in 1966 and 1967, as he realized that the North Vietnamese could force the U.S. side to escalate the ground and air war almost indefinitely. Gradually, he took a series of positions in favor of limiting the bombing, and he argued for limiting U.S. ground commitments, even as the commanding general, William Westmoreland, demanded more and more troops.

A major trait of McNamara's management style—his analytic

bent—shaped his ability to see that his previous policy course was headed for disaster. If in the early 1960s he was blinded by the statistical reporting from Vietnam, which reported growing enemy body counts and battlefield victories, and so believed the United States was winning, by 1966 he was aware that what the statistics really meant was that continued escalation would cost the United States more, in dollars and domestic controversy, than the country could afford.³⁵ In a series of memos, McNamara laid out the case for a leveling off of the commitment—much to the anger of the Joint Chiefs, who favored escalation as a means of getting the war over with more quickly, they said. McNamara was simply too good an analyst himself to ignore the reality that the statistics only partially described. He thus became something of a loner in the inner circle, for Dean Rusk, National Security Adviser Walt W. Rostow, and even the president favored the existing course.³⁶

McNamara finally began using his cadres of analysts in Vietnam in 1966–67. At Ford, in his management reforms at DOD, and in strategic nuclear policy, having his analytic teams was crucial to his success. And in late 1966 the Office of Systems Analysis was turned loose on the war, analyzing the strategy of attrition that Westmoreland was following and finding it to be counterproductive; analyzing the bombing and documenting its failure.

If McNamara was drawing on his earlier strengths as a manager, why did he fail to turn policy his way? There are many reasons, the most obvious one being that the situation was, by 1966–67, beyond his control: the president was driven to widen the bombing for reasons that McNamara could not change; anyone in the inner circle who opposed expanding the bombing was bound to fall from favor. Similarly, to limit the ground commitment to a holding action for the long haul would have required a massive change in Westmoreland's strategy—and possibly the removal of Westmoreland himself. Again, the political forces were too large for McNamara to change. As with his bombing recommendations, his proposal for limiting the ground war only backfired on him.

At the personal level, McNamara's failure to redirect the war effort in 1966–67 also stemmed from the weaknesses of his style as an executive. Much of his success was based on his ability to loyally serve a single boss—Henry Ford II, John Kennedy, or Lyndon Johnson. He was very loyal, very obedient—and therefore not a skilled dissenter. McNamara's memos to the president of 19 May and 1 November 1967, on the need to limit the war and ways to do it are models of apparent logic and clarity.³⁷ They show that McNamara, true to form, was trying to persuade by exposition, logic, and the facts. But Johnson was a political animal. In 1967 there was a climactic debate over enlarging the

bombing that was the culmination of many earlier debates in which the Joint Chiefs wanted more targets authorized and McNamara argued that the additions would make no difference; now the president began yielding to pressures from inside and outside to widen the bombing and began moving closer to the Chiefs and away from the once-trusted McNamara. McNamara, seeking to strengthen the hand of those opposed to the bombing, went public with his arguments against adding more targets to the list. Johnson was furious and soon after decided to move McNamara out of his job to be president of the World Bank. The change was announced in November, leading to the ceremony at the Pentagon the 29th of February.

But in defeat McNamara found victory. To insulate himself from criticisms of the kind pressed by McNamara, Johnson appointed a known hawk, the veteran Washington attorney Clark Clifford, to succeed him. McNamara assigned various analysts the job of briefing his successor on the war in Vietnam, and the result was one of the most remarkable turnarounds in American political history.³⁸ Within a month of taking office, not only was Clifford persuaded that the policy was wrong, that the bombing was accomplishing nothing, but he had so persuaded the president. And Lyndon Johnson decided on a partial bombing halt, and not to seek reelection—in other words, to let the American people elect a new president who could make the fresh decisions on the war that he could not. It was a startling, dramatic conclusion to a beleaguered presidency.

Why did Clifford succeed where McNamara had apparently failed? McNamara's style was expository and argumentative, while Clifford had become famous—and rich—for his subtlety and shrewdness in dealing with the Washington power structure. Yet Clifford could not have been persuaded himself, nor could he have persuaded Johnson, if McNamara had not commissioned the analysis, sifted from the mass of data the key arguments for a different program, and laid them out lucidly in his own memoranda. McNamara prepared the ground and planted the seeds of a different perspective on the war, one that was to persuade Clifford and then the president.

Conclusion

McNamara's farewell ceremony in the drizzling rain outside the Pentagon in February 1968 symbolized the mixed record of his seven years as secretary of defense. No secretary of defense, before or since, had made as significant a contribution to defense management or U.S. nuclear policy. On the other hand, his role in the Vietnam War discredited him in the eyes of the left and the right.

The characteristics of McNamara's management style shaped his success at Ford and his mixed record of success in the two domestic defense issues examined. We have seen how his confidence in the power of the executive led him to assume vast responsibility for the war, including the detailed management of its military aspects, particularly the bombing. The skills honed throughout his previous career made him the valued manager of the war.

But these very qualities made McNamara less effective when he tried to redirect the commitment again, after he realized that the original program for the war would not work. His loyalty prevented him from resigning in protest or speaking out more openly. His preference for logical exposition made his dissenting memos targets for those who opposed his proposed course of action. His management revolution had brought change, but it had also bred resentment and resistance within the armed services, so that when his original strategy of gradualism did not work, the military were unwilling to credit any new strategy he might propose. Instead of drawing the military and their civilian leaders together, the war drove them more and more apart, and worsened the antagonisms that were already present.

It is useful also to think of what would have happened if someone else had held the defense secretary's job during this period. Another person might have felt that his job was to let the military fight the war their way, that, as a civilian, he was unqualified to second guess their requirements. Would this have led to a more violent war? Would a more violent war—such as the “sharp knock” bombing campaign the Chiefs originally wanted—have been more successful? Or would the military's recommendations, not modified by a defense secretary trying to limit and shape them, have so appalled the president that he would have declined to fight in Vietnam at all? If these questions are unanswerable, they nonetheless illuminate the critical role of the personality of the secretary of defense in shaping U.S. military options and the choices of the president in war.

But institutions, as well as the personality of the secretary of defense, shaped the president's choices and, even more, shaped events. The drama of McNamara's case is not only a personal one of his strengths and weaknesses as an executive; it is also the drama of the military services, each of which tried to fight the Vietnam War according to its preferred institutional roles. The services then found themselves in a war very different from the one they had expected to fight and so faced the trauma of changing course in the midst of failure in the field and conflict with civilian superiors.

Thomas Carlyle wrote that the history of what man has accomplished “is at bottom the History of the Great Men. . . . They were the

leaders of men . . . and in a wide sense creators, of whatsoever the general mass of men contrived to do or to attain.”³⁹ But the McNamara case reminds us that institutions, as well as the leader's personality, shape the history of any era. And as more documents come out, as the institutional histories of the war are published, we will gradually get the full story of the Defense Department's response to McNamara's domestic reforms and to his management of the Vietnam War. This tension between executive and institution, so evident in the McNamara case, is at the heart of the concept of public-sector entrepreneurship.

Notes

1. The quotations are from ABC News film of the Pentagon farewell ceremony, 28 February 1968 (Grindberg Film Research Libraries, New York, N.Y.).
2. Henry Trehwitt, *McNamara: His Ordeal in the Pentagon* (New York: Harper & Row, 1971), 26–31.
3. Quoted in *ibid.*, 35.
4. See Melvin T. Copeland, *And Mark An Era* (Boston: Little, Brown, 1958), generally for the early philosophy of the Harvard Business School; Walker's accounting teaching is discussed on p. 158.
5. McNamara's generation would lead the postwar era in American business; they can also be seen as forerunners of the later generation of Harvard Business School graduates of the 1950s and 1960s, who sparked the still further evolution in business doctrine and made their fortunes by running businesses exclusively by profit-and-loss criteria, to the neglect of content and craft.
6. Beirne Lay, Jr., *Someone Has to Make It Happen: The Inside Story of Tex Thornton, the Man Who Built Litton Industries* (Englewood Cliffs, N.J.: Prentice-Hall, 1969), 52–76.
7. Trehwitt, *McNamara*, 36–39.
8. Allan Nevins and Frank Ernst Hill, *Ford, Decline and Rebirth, 1933–1962* (New York: Charles Scribners Sons, 1963), 252, 254, 294, 307–31.
9. Brock Yates, *The Decline and Fall of the American Automobile Industry* (New York: Empire Books, 1983); David Lewis, interview with the author, 1985, Ann Arbor, Mich.
10. Author interviews, 1985.
11. David Halberstam, *The Best and the Brightest* (New York: Random House, 1972), 229–39.
12. Arthur M. Schlesinger, Jr., *A Thousand Days* (Cambridge, Mass.: Houghton Mifflin Co., 1965), 315–19; Desmond Ball, *Politics and Force Levels* (Berkeley and Los Angeles: University of California Press, 1980), 3–40.
13. Townsend Hoopes, *The Devil and John Foster Dulles* (Boston: Atlantic Monthly Press, 1973), 126, 196–200.
14. Ball, *Politics and Force Levels*, 84–87; Halberstam, *The Best and the Brightest*, 241–45. See also Gregg Herken, *Counsels of War* (New York: Alfred A. Knopf, 1985), 161; and author interviews, 1984.
15. David Alan Rosenberg, “The Origins of Overkill: Nuclear Weapons and American Strategy, 1945–1960,” *International Security* 7 (Spring 1983): 4–8; author interviews, 1984.

16. Ball, *Politics and Force Levels*, 190–92; Herken, *Counsels of War*, 156, 259; Rosenberg, "Origins of Overkill," 67–71.
17. See Rosenberg, "Origins of Overkill," 68.
18. Author interview material.
19. Ibid.
20. See Alain C. Enthoven and C. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961–69* (New York: Harper & Row, 1971); William W. Kaufmann, *The McNamara Strategy* (New York: Harper & Row, 1964); and Stephen Enke, ed., *Defense Management* (Englewood Cliffs, N.J.: Prentice-Hall, 1967).
21. Enthoven and Smith, *How Much Is Enough?* 32–35, 40, 41, 53–60, 199, 243.
22. Robert S. McNamara, "Committees Are of Value Only for Exchanging Ideas," *Armed Forces Management*, November 1961, 22–23.
23. Thomas C. Schelling, "PPBS and Foreign Affairs," *The Public Interest*, Spring 1968, 27. See also John Wayne Fuller, "Congress and the Defense Budget: A Study of the McNamara Years" (Ph.D. diss., Princeton University, 1972), 52–56, 72–78.
24. An interesting argument to the effect that managers stressing "control" of the kind taught by the Harvard Business School create resistance in the institutions beneath them is found in Abraham Zaleznik, "Managers and Leaders: Are They Different?" *Harvard Business Review* 55 (May–June 1971): 67–78.
25. "McNamara Says Viet Nam Will Not Fall," *New York Herald Tribune*, 9 June 1961.
26. Trehwhitt, *McNamara*, 197–202; Roger Hilsman, *To Move a Nation* (Garden City, N.Y.: Doubleday, 1967), 507.
27. Trehwhitt, *McNamara*, 199–200.
28. Stanley Karnow, *Vietnam: A History* (New York: Viking, 1983), 254.
29. Andrew F. Krepinevich, Jr., "The Army Concept and Vietnam: A Case Study in Organizational Failure" (Ph.D. diss., Harvard University, 1983), 131–88, passim; Arthur M. Schlesinger, Jr., *Robert Kennedy and His Times* (Boston: Houghton Mifflin, 1978), 465–67.
30. See Kaufmann, *The McNamara Strategy*, 77, 79, and Roswell Gilpatric, interview with Dennis J. O'Brien, 5 May 1970, Roswell Gilpatric Oral History, Boston: John F. Kennedy Library, 36.
31. McGeorge Bundy, "Memorandum for the President, Re: Basic Policy in Vietnam," 27 January 1965, National Security File, NSC History File, box 40, File Folder "Deployment of Major U.S. Forces, Vol. II, tabs 120–140," Lyndon B. Johnson Library, Austin, Texas.
32. *United States–Vietnam Relations, 1945–1967: Study Prepared by the Department of Defense* [Pentagon Papers] (Washington, D.C.: GPO, 1971), vol. 4, bk. IV.C.3, 35–73.
33. That McNamara was thinking along the lines of graduated military pressure bringing desirable outcomes at minimal risk shows in the language of the memos of his chief aide on the issue, John T. McNaughton, and in his own memoranda to the president in this period (see, for example, Larry Berman, *Planning a Tragedy: The Americanization of the War in Vietnam* [New York: W. W. Norton & Co., 1982], 79, 101–3).
34. The literature on this is extensive. See, for example, Ulysses G. Sharp, *Strategy for Defeat: Vietnam in Retrospect* (San Rafael, Calif.: Presidio Press, 1978). See also U.S. Congress, Senate, *Air War against North Vietnam: Hearings before the Preparedness Investigating Subcommittee of the Committee on Armed Services*, 90th Cong., 1st sess., 25 August 1967.
35. Robert S. McNamara, "Memorandum for the President, Subject: Actions

- Recommended for Vietnam," 14 October 1966, National Security File, NSC Meetings File, box 2, File Folder "NSC Meetings, Vol. 4, Tab 47, 10/14/66," LBJ Library.
36. Trehwhitt, *McNamara*, 272–76.
37. See Robert S. McNamara, "Draft Memorandum for the President, Subject: Future Action in Viet Nam," 19 May 1967, and "Memorandum for the President, Subject: A Fifteen Month Program for Military Operations in Southeast Asia," 1 November 1967, both in National Security File, Country File, Vietnam, boxes 74 and 75, File Folder "Vietnam 2 EE 1965–67," LBJ Library.
38. See, generally, Herbert V. Schandler, *The Unmaking of a President: Lyndon Johnson and Vietnam* (Princeton, N.J.: Princeton University Press, 1977).
39. Thomas Carlyle, *On Heroes, Hero-Worship, and the Heroic in History* (1840), 1.