**DEBATING IDEAS**

**ON JUNE 23,** President Obama relieved Gen. Stanley A. McCrystal of his command in Afghanistan. In announcing his decision, the president said, “I welcome debate among my team, but I won’t tolerate division.” The decision involved maintaining civilian oversight of the military, but the event may provide some lessons for those of us in the transportation industry.

There was a time when it seemed like all senior management had experienced compulsory military service, which instilled in them a respect for the chain of command. This training was perfect preparation for the railroad industry, whose culture was transferred almost intact from the U.S. Army.

Perhaps the near financial death of Conrail contributed to transforming the rail culture, which became willing to engage in active debate, and ultimately save the company. Employees who were “fired” one day in the heat of an argument were expected back at work the next day — with the boss frequently (if quietly) implementing suggested changes.

This practice paid off, for in those same early days of deregulation, one famous intermodal subsidiary was paralyzed between transformation and status quo strategies. When discussions in staff meetings became heated, the president would leave the room. The secretary would hover outside the door until the argument ended and then advise him to return. The staff advocating change, which never came, left (voluntarily or not), and the company, an industry leader for more than a century, collapsed under a failing business model.

Militaristic journalist Lucian Truscott IV has commented that McCrystal’s feelings about his staff (“I’d die for them. And they’d die for me”) are indicative of “a man who is sentimental about his job, and who has confused sentimentality with command.”

I’m sure all of us have seen the problem of loyal staff supporting flawed policies in an effort to show loyalty, and to tell the leader only what he wants to hear. (A friend recently commented about a former co-worker, “I remember when he was smart — before he went to work at _____.”

Douglas MacArthur is frequently mentioned with the McCrystal story. Many contemporary historians have exposed “Dugout Doug” as a vain — practically incompetent — leader who surrounded himself with sycophants and publicists. It will be interesting to see if some of the self-anointed leaders of our industry suffer similar historical re-evaluation.

Much has been made that the article causing Gen. McCrystal’s demise was written by a freelance writer for Rolling Stone. Andrew Sullivan has called this a “devastating indictment” of the Washington media elite, which is too concerned with protecting sources (or getting invited to the White House Easter Egg Hunt) to do the tough questioning expected of journalists.

Our industry has this problem, too. Fifteen years ago, steady advertisers in one trade publication were literally guaranteed fawning profiles by the publisher. (His exasperated reporters developed a graphic term for these puff pieces.) When a certain railroad didn’t like the publicity it was receiving from The Wall Street Journal, it refused to allow its reporter on business railcar trips until he promised to “write nice.”

Such problems still exist. Some companies seem to spend more time focusing on the press and Wall Street than they do on running the business. In counterpoint, one of the most successful companies in our industry, Expeditors International of Washington, has a CEO, Peter Rose, who makes it a point of honor to focus on customers and employees and to ignore Wall Street and the press. The scrappy culture that made the company a successful startup 30 years ago still persists.

What happens when there is no debate and division? Moises Naim, the editor of Foreign Policy, recently noticed that Japan — the world’s second-largest economy, failed to place a single individual in a list of the Top 100 Global Thinkers. Naim attributes this to a culture that abhors disrespect toward reigning ideas.

Some industry observers believe many transportation companies (notably Class I railroads) have come to resemble Japanese-like companies — where the collective interest comes first, and new ideas, real innovation, are missing. Yes, ships and planes get bigger, and trains get longer, but can you name even one truly radical new idea that has hit the transportation industry in the past 20 years?

Intellectual stagnation is not what made our industry successful. We can only stifle debate in the name of preventing division for so long, before inevitable decline. 

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