From Point A to Point B

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LESSONS IN LEADERSHIP

From

Walter Scott Jr.

By Perry L. Cochell

www.scouting.org

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Lessons in Leadership Series

Steady at the Helm
Lessons in Leadership From Stephen D. Bechtel Jr.

Your Word Is Your Bond
Lessons in Leadership From Rex W. Tillerson

With Respect
Lessons in Leadership From T. Michael Goodrich

From Point A to Point B
Lessons in Leadership From Walter Scott Jr.

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"You're my Star, a stargazer too, and I wish that I were Heaven,
with a billion eyes to look at you!"

Plato

Foreword

On January 19, 1961, a strong nor'easter slammed into Washington, D.C., blanketing the city under 8 inches of snow and ice. Despite the massive storm, the U.S. Army Corps of Engineers was directed to do whatever it took to clear the streets so that the inauguration of John F. Kennedy as the 35th president of the United States could take place outdoors on the steps of the U.S. Capitol the next morning.

The Commander of the Engineers quickly discovered that even with several hundred troops backed up by a thousand District of Columbia workers using plows, sanders, and even flamethrowers, clearing the snow in time for the ceremony might just be impossible. Of course, not getting the job done was not an option. The Commander picked up his phone at 2 a.m. on inauguration morning and placed a call to the one organization he knew could deliver the assistance he needed to complete the mission: the Boy Scouts of America.

By the time the snow flurries subsided and the sun rose above the Capitol dome on inauguration morning, nearly 1,700 Boy Scouts and their leaders were fanned out along the city streets leading to the East Portico of the U.S. Capitol. They shoveled out hundreds of stranded cars, cleared the main roads of snow, and scraped snow and ice off pedestrian sidewalks. The Scouts finished their task in time for many of them to see the new president take the oath of office under a cold, sunny sky just before 1 p.m.[1]

[1]Samenow, Jason. "Inauguration Weather: The Case of Kennedy." *The Washington Post* (January 5, 2009).

The president later thanked a delegation of D.C.-area Scouts for their help when they visited the White House. What made that occasion even more memorable was the fact that John F. Kennedy was the first American president in history who had been a Boy Scout.

The values of leadership that Scouting promotes were deeply ingrained in Scouting culture long before President Kennedy took office, of course. Since the day the Boy Scouts of America was founded in 1910, the task of instilling the principles and practice of leadership into every new Scout has been a top priority of the organization.

You don't have to look far to see the results of that enduring focus. In the field of governance, for example, Scouting has a long and distinguished history of helping to equip local, state, and national leaders with the tools, skills, and attitudes to effectively represent their constituents. Among the 535 members of the 115th Congress (which meets through January 3, 2019), at least 150 have been involved in the Scouting program. That's more than a quarter of the entire United States Congress! Add to that list 18 currently serving state governors and three sitting members of the U.S. Supreme Court, and it is clear that Scouting's continuing role in the development of outstanding leaders is deeply embedded in the fabric of American life.[2]

American business leaders also have deep historical ties to Scouting. Stephen D. Bechtel Jr., namesake and pioneer benefactor of the BSA's Summit Bechtel Family National Scout Reserve in West Virginia, was at the helm of one of the world's leading construction and engineering firms for over three decades. Mr. Bechtel is an Eagle Scout. In the field of exploration, Neil Armstrong, the first human to set foot on the moon, also

[2] www.scouting.org/About/FactSheets/Congress.aspx.

attained the rank of Eagle Scout. And Gerald R. Ford, 38th president of the United States, was the first Eagle Scout to ascend to that office. In short, to look through any directory of distinguished leaders in American science, technology, media, the arts, industry, education, governance, and business is to come across Scout after Scout after Scout.

Each of these leaders—no matter what kind of work they went on to do—shares one thing in common: a formative Scouting experience that was instrumental in shaping the paths they took in the future. Many of them tell me stories about the leadership skills they first learned, practiced, and sharpened in their respective troops. Planning meals, assigning camp chores, encouraging younger troop members, knowing when to push and when to pull—responsibility by responsibility, leadership decision by leadership decision—Scouting helped prepare these future leaders to be forward-thinking, decisive, thoughtful, and fair.

These are among the core attributes of leadership that thousands of American leaders became familiar with through Scouting. Those fundamental skill sets were enhanced, broadened, and deepened by study at college, during service in the military, on the playing field, and for many, through long years of apprenticeship in private-sector business or as self-employed owners of their own enterprises. It is gratifying to hear how many accomplished leaders look back on their Scouting experience as the place where the seeds of their lifelong appreciation for leadership were first planted and nurtured.

The Boy Scouts of America is justifiably proud of the leadership roles that have been played by Scouts in the past century across all sectors of American life. That pride is matched by an acute awareness of the paramount importance of the mission to train current and future generations of leaders, Scout by Scout. An important part of that ongoing mission is the book you are holding in your hand.

We in Scouting have long appreciated the vast and diverse treasure trove of accumulated wisdom, experience, motivational stories, and life lessons store-housed by former Scouts who have reached the pinnacle of influence within their chosen fields. That very significant fact raises an equally important question: How could that enormously large reservoir of invaluable insight, practical information, and real-world experience about leadership be tapped, distilled, distributed, and utilized for the benefit of Scouts today, and for generations to come?

That question has been foremost in my mind for a long time. In my role as director of the Office of Philanthropy for the Boy Scouts of America, I have been privileged to meet many of the nation's most outstanding leaders. Each has excelled in his or her chosen field. From aviation and engineering to logistics and natural resources development, from hotel and restaurant operations to construction, real estate, and technology, I have been fortunate to meet former Scouts from just about every kind of business one can identify on the global map. Over time, I observed that as much as these individuals might differ in their adult backgrounds and experiences, there are two things they share in common: First, they are deeply appreciative for the training they received in their youth as Scouts. Second, they strongly desire to pass the lessons they learned in Scouting—and in life—to following generations.

In the summer of 2016, we took an important step toward achieving the objective of helping leaders share those lessons with the Scouting community when we broke ground for the Thomas S. Monson Leadership Excellence Complex at the Summit Bechtel Reserve.

At this historic event, the Boy Scouts of America honored the namesake and founders of this premier youth leadership venue. The namesake, Thomas S. Monson, has given a lifetime of extraordinary service to Scouting nationally and throughout the world. He has received both the BSA's and World

Scouting's highest awards of Silver Buffalo and Bronze Wolf, respectively, and is the longest-tenured member of the National Executive Board in BSA history. The four founders of the Thomas S. Monson Leadership Excellence Complex—John D. Tickle, Rex W. Tillerson, J.W. Marriott Jr., and Philip M. Condit—each have moving testimonies about how Scouting impacted their lives in a profound way, inspiring them to provide transformational leadership opportunities for young people. All of them have set themselves apart as leaders within their professions, and each is one of the very rare individuals to be bestowed with both the Distinguished Eagle Scout Award and Silver Buffalo Award for his exceptional service on behalf of youth.

The Thomas S. Monson Leadership Excellence Complex comprises three primary venues:

• The John D. Tickle National Training and Leadership Center will provide essential training to ensure that Scouts and adult leaders at every level of Scouting have the tools they need to provide the highest quality Scouting programs available.

• Scott Summit Center will feature the Rex W. Tillerson Leadership Center, which will offer various leadership modules in half-day experiences where Scouts participating in any Summit Bechtel Reserve program, from the Paul R. Christen National High Adventure Base to the national Scout jamboree, can spend a portion of their time absorbing invaluable leadership skills through experiential learning.

• On Leadership Ridge, the J.W. Marriott, Jr. Leadership Center will offer extended multiple-day leadership training and experiences in a more contemplative environment. It will be supported by Philip M. Condit Pointe as a primary venue for participants to reflect on their leadership journey and challenge themselves to achieve their potential.

Among the core offerings at the complex will be an ever-growing series of monographs that focus on the topic of leadership. Each monograph

is based upon interviews with a former Scout who has gone on to achieve leadership positions of national and international prominence in his or her career, and who has also provided support and expertise for Scouting initiatives, including the Summit Bechtel Reserve. Each new book in the series will take its place in the complex's libraries to encourage the promotion of youth leadership and character development.

The books will be as wide-ranging as the topic of leadership itself. Each relates the path taken by one individual that brought him or her to a place where the consistent application of sound and ethical leadership principles was often all that stood between success and failure for the business or organization. These are not books on leadership theory; they share real stories about real events that brought into sharp focus both the short-term and long-term consequences of decisions made by leaders on the front lines. Readers of all backgrounds—especially youth—will have the opportunity to get to know the subjects of these books as real people who remained true to their principles through good times and bad. The leaders profiled are not hoisted up on pedestals. Instead, they are introduced as if they were standing behind a lectern in a small group classroom, eye-to-eye with their students, be they Scouts, Scout leaders, or the public at large.

Leadership is an art based in science. It can be modeled, and it can be both taught and learned. Those who argue that leaders are born, not made, are only partly right: I believe that every person who is provided the opportunity to do so can benefit from instruction in leadership skills. To the extent that includes nearly every person everywhere, it is fair to say that leaders are born.

However, to become an effective, efficient, encouraging leader who sets the right tone in the never-ending quest to do the right thing for his business, community, or organization, the leader must first be a student. Some of that

education will be delivered by life experiences. Some will come by accident. And some will come through stories, study, and reflection as found in the *Lessons in Leadership* series.

Wherever you might be reading this book, I wish you well on your own journey to acquiring and utilizing the kinds of leadership skills that each of the subjects in this series has so superbly demonstrated. If you are fortunate enough to visit the Summit Bechtel Reserve in person (including a visit to the Thomas S. Monson Leadership Excellence Complex), take a moment to stand outside on the high ground and look out over the facility. Everything that you see, every building and adventure base feature, every trail and tent and bike and zip line, every education center, and every event taking place at the amphitheater is there because individuals who love Scouting applied the leadership principles they acquired over a lifetime to make everything you are looking at become a reality.

Now, it is up to you to take on your own mantle of leadership and share the fruits of the wisdom and experience you gain over the years with your generation and the generations that follow. That is the essence of leadership.

On behalf of Scouts and Scouting supporters everywhere, I want to thank each of those who are profiled in these books for their extraordinary generosity, for the commitment of time they made to the process of writing the books, and especially for their demonstration of leadership qualities that have distinguished their careers and their lives. Generations of Scouts will forever be in their debt.

Perry L. Cochell, J.D.
Irving, Texas

Prologue

April 1826
Missouri Territory

THE EXPLORER SHIFTED IN HIS SADDLE and checked to see that his Hawken rifle was secure in its leather sheath. From his vantage point on the limestone ridge, he could see for miles along the meandering Platte River, brown and silty from hundreds of creeks that tumbled into it during the late spring rains. The shallow, swampy waterway was lined with cottonwood trees in full bloom and dotted with small islands. It was a pretty vista in the gathering twilight, but the explorer knew the braided riverbank below him would soon be swarming with thick masses of ravenous mosquitos. As for the Arapaho encampment he had spotted a few hundred yards from the bank, well, the more leeway he gave them, the better. His history with the Arapaho and their neighboring tribe, the Utes, hadn't always been so friendly.

His journey had begun three months earlier at the headwaters of the Platte high up in the Medicine Bow Mountains of Colorado, a region teeming with antelope, deer, and buffalo. The spring thaw opened the high-country trails almost overnight and made for easy travel from his campsite on Grizzly Creek toward his final destination at the confluence of the Platte

and Missouri rivers. In all, he would be traveling alone on horseback through mostly unpopulated areas for more than 900 miles. He'd hunt for his own food, repair his own gear, and also deal with any medical emergencies he might face.

The purpose of his journey could be found in the watertight pouches strapped to the side of his pack horse beside his other supplies. Inside the pouches were eight leather-bound journals, each containing about a hundred sheets of parchment paper. The pages of three of the journals were filled with his notes, including drawings of plants, animals, and landscapes, observations about the weather, locations of native encampments, estimates of the size of buffalo herds and the quantity of beaver lodges, and measurements of the depth of the river and its tributaries.

The explorer was not a scientist or a geographer. In fact, until a year ago he had been a beaver trapper. His family moved from Ohio to St. Louis (population 900) in 1796, where he was born on April 30, 1803, the very day that the Louisiana Purchase Treaty was signed in Paris, France. The significance of his birthdate was not lost on the explorer: With the stroke of a pen and a payment of only $15 million, the United States was suddenly in possession of an additional 828,000 square miles of territory. It was, without question, one of the most important and transformative land transactions in history. The explorer would grow up to become a part of the vanguard of frontiersmen who would follow in the footsteps of Captain Meriwether Lewis and Lieutenant William Clark's monumental 1804–1806 Corps of Discovery expedition.

On his 17th birthday, the explorer set out from St. Charles, Missouri, the same small town from which Lewis and Clark had begun their epic journey 16 years earlier. The Corps of Discovery had been charged by President Thomas Jefferson with the task of exploring and mapping the new territories, finding practical travel routes to the West, and "planting

the American flag" in the far-flung regions as a way of keeping European nations from attempting to take control of any of the new lands.

His own journey of discovery would take the explorer to places even Lewis and Clark had not seen. He learned how to trap beaver, prepare their pelts, and take them by canoe to market. He traveled back and forth across the endless expanse of tall grass prairie in search of untapped streams teeming with beaver lodges. He dressed like an Indian from his thick moccasins and elkskin trousers to his buffalo-hide belt and fringed jacket dotted with porcupine quills. He lived under the open sky when the prairie temperature was sweltering, and when the great blizzards blew down from Canada to blanket the Great Plains and Rocky Mountains under sheets of ice and snow, he hunkered down in a log lean-to. He fought off packs of hungry wolves at night and rattlesnakes in the heat of day. Once, he sat atop a sandstone ridge and waited for two full days as a steady stream of buffalo thundered past him. He estimated there were more than 250,000 animals in the herd.

He went for months at a time with no human companionship, and the few people with whom he visited were more likely to be Pawnee or Cheyenne or Lakota than trappers like himself. A year earlier, he attended the first rendezvous of traders and fur trappers in McKinnon, Wyoming. Almost a thousand people were in attendance, and after a week of trading, resupplying, catching up on news of the world, and eating and drinking more than he had in years, the explorer was ready to return to the life of solitude and danger he loved so much.

His plans changed, however, during a chance meeting with a trader from St. Louis. The man was part of a commercial syndicate made up of businessmen who believed that the unlimited potential of the vast western territories was not only untapped, but in fact, the size and scope and potential of what all that land represented was barely understood.

"The truth is, we don't have any clear idea just how many opportunities are out there," said the trader as they shared coffee and bacon one morning. "We just know there is no limit to what can be accomplished if we are willing to take the time to study and explore every inch of these lands and match the opportunities waiting out there with the needs of all those folks in the East."

The American population is exploding, explained the trader. And with limited jobs, higher land prices, and greater competition for resources, pretty much the whole darned nation was getting ready to head out West, in his estimation.

"There is going to be a great migration," said the trader. "The biggest in history. And not just from here in America, but from all over the world. It may not happen next year or the year after that, but it's coming; nothing can stop it. Folks will travel across the prairies in wagons, they'll navigate the rivers on barges, they'll ride horseback; heck, they will walk if they have to. Whole families, thousands and thousands of them."

"And when they get out here," asked the explorer, "what will they do?"

"That's the question, isn't it," replied the trader. "Sure, they will farm and ranch, and some will settle in new towns and open shops and businesses. But there will be more, much more. Shoot, son, the settlers headed this way are going to need *everything*, from saw mills and blacksmith shops to dry goods stores, schools, churches, and everything in between."

"So that's what you are going to do, build towns and such," said the explorer.

The trader chuckled. "Look out there," he said as he swept his arm in the direction of the mountains to the west of the meadow in which the rendezvous was encamped. "Row upon row of peaks marching north and south with all that green forest on the slopes and that glorious snow on the caps. Some of them are over 14,000 feet high, and darned if you can't see them for over a hundred miles out into the prairie. You probably see those

mountains as obstacles, something that prevents you from getting where you need to be."

The explorer nodded. The great granite peaks had their beauty, no doubt about it, but for someone in his business, what they really represented was toil and danger, pretty much in that order.

"But that's not what they are, son. They are signposts for travelers, ones that cannot be missed or ignored. And they are probably packed with gold and silver, not to mention covered with the lumber that we'll need to build those homes and towns. Someday, and don't think me crazy, but someday I am convinced there will even be roads through those mountain passes that people will be able to travel year-round."

Now it was the explorer's turn to chuckle. "That would be something," he said politely. "It would sure make my life a whole lot easier. But I don't expect you'll be building them roads this year."

He stood up from the camp chair and made ready to leave. That's when the trader made the explorer the offer that would change his life forever.

"No, my syndicate won't be building roads through the mountains this year. First, we need to find out more about those mountains, the rivers they spawn, and the best way, frankly, for folks to get from Point A to Point B the best, fastest, and most economical way possible. Let me show you something. . . ."

The trader unfurled a large map and laid it on the log table by his tent. It was a representation of what was known about the lands included in the Louisiana Purchase starting at the Canadian border on the north, then south to New Orleans, and from St. Louis in the east to the high deserts of western Colorado. Other than a few small settlements, the tracks of major rivers, and the lines denoting the trails blazed by Lewis and Clark and a generation of trappers, the map was mostly empty. Tens of thousands of square miles were simply blank spots on the oilcloth map.

"This is 1825," said the trader, "and it has been nearly 20 years since the Corps of Discovery's explorations of the West. Here we are today, and we still haven't filled in the blanks on our maps. My partners and I are going to change that. And you are going to help us."

That last sentence got the explorer's attention. What did he have to do with such business? He didn't know a thing about mapmaking or have any of the scientific knowledge needed to identify, gather, and preserve plant and animal specimens. Oh, he could get from Point A to Point B, all right. He knew how to read the stars, how to use the transit of the sun at midday to fix his position, even how to use distant rocks or other landscape features to plan his course and stay on track. And if any of those navigational skills failed him, he just relied on his gut instinct. He had never been lost, not even in the boundless sea of grass that was the American prairie.

"I appreciate your confidence in my skills," said the explorer. "But I am a fur trapper, not a cartographer or a botanist. I think you're talking to the wrong fella."

"And I'm sure I am talking to exactly the right man," said the trader. "Do you know the Platte River?"

"I do," replied the explorer. "I've travelled along much of it these past several years. Used to be some prime beaver trapping in the north, but there aren't near as many as there used to be."

The trader smiled. "That's just the kind of observation we want our explorers to make. And not just the observation, but some of the facts behind it. How much has the beaver population declined? Why? Are they being overtrapped, or is there some kind of disease responsible? Does the decline look like it's temporary, or is it here to stay?"

"And that kind of information is valuable to you?" asked the explorer.

The trader finished his coffee and set the cup on a rock near the fire. "I'll tell you something," he said. "That kind of information is more valuable

than every stack of beaver pelts being traded at this rendezvous. And since I'm one of the folks putting out his hard-earned dollars for those pelts, you can trust that I know what I'm talking about."

"So you want me to do a survey of beaver populations?"

"Not exactly. I want you to come with me to St. Louis to meet my partners. Then I want you to spend about a month learning from our experts. And when you've done that, I want you to spend the next year or so traveling from the headwaters of the Platte to its confluence with the Missouri River."

"Gathering all them facts? But if you already have folks in St. Louis who can do the work, why not send them," asked the explorer.

"That's simple," replied the trader. "Not one of them could get from Point A to Point B the way that you can. Especially out here."

The explorer swung off his horse and tethered it next to the packhorse. He would make camp here and spend the next several days studying the plants, animals, rock formations, and grasslands in this stretch of the Platte.

It had been only six months since his conversation with the trader beside the campfire in Wyoming. He had learned more about the natural world applying the observation techniques he was taught in St. Louis than he had in the previous five years of fur-trapping.

He had become a competent cartographer. His sketches of plants, animals, birds, and fish rivaled those of his teachers. And he discovered that observing the natural world was as much an art as it was science; his writing began to take on an almost poetic quality, especially in his descriptions of the rhythms of the seasons. His relationships with many of the native peoples who lived along the river (though not all) took on a new character as he became more comfortable engaging them in conversations about their ways of life and their beliefs.

He set up his tent, made dinner, and then pulled out a fresh journal to begin the day's entries in the light of the campfire. He had made the decision some months ago to write a book about his experiences when his journey down the river was complete and he had made his report to the trader in St. Louis. There had never been a question in his mind about what he would call the book. The title sounded simple, but it actually represented everything that a person sets out to accomplish in life—the sum total of his goals, objectives, and dreams, along with the story behind every path he followed to achieve them. His book would be titled:

From Point A to Point B

Introduction

Walter Scott Jr. believes that accomplishing the goals and objectives you set for yourself can be a lot of fun. He also believes that if you ever come to a time in your life when you think that you have accomplished every one of your goals, you probably weren't reaching high enough when you set them. For Scott, life has been about setting and achieving goals consistently and, even more importantly, about setting his sights on higher and higher goals each time he checked another accomplishment off his list.

Scott was born into a working-class family in 1931 in the early years of the greatest economic depression the world has ever known. Over the course of his career, he worked up through the ranks of one of the largest construction firms in the world, and he pursued his dream of creating his own businesses. He persevered through enormous professional and personal hardships while earning a well-deserved reputation for the significant contributions he made to the construction, mining, power generation, and telecommunications industries. And, Scott's success as an innovative and successful business executive and internationally respected corporate leader has been complemented for decades by his tireless support for philanthropic and charitable causes that reflect his desire to help promote values that strengthen society.

Success in life is the product of clear and unambiguous influences. For Scott, one of the most important of those influences was the Boy Scouts of America. He often says that the instruction he received during his Scouting experience in how to formulate, follow through with, and achieve concrete

goals was a foundational experience in his personal journey to success. It was also just plain fun. When Scott became an Eagle Scout in 1946, he enjoyed learning Scoutcraft and building camaraderie with his fellow Scouts, and he especially enjoyed camping. The love and respect for the outdoors and the natural environment that Scouting instilled in Scott continues to this day.

He spent many summers of his youth working as a ranch hand in central Oregon, and after high school he headed off to college at Colorado Agricultural and Mechanical College, which today is known as Colorado State University. While pursuing a degree in civil engineering, Scott worked for Peter Kiewit Sons' Company, the international construction, mining, and engineering company founded in 1884, where his father worked as an engineer. After graduation, Scott briefly worked as an engineer in Kiewit's Omaha, Nebraska–area operations before joining the U.S. Air Force. His duty as an air installation officer included inspection and construction of road and runway construction projects.

Upon completion of his military service, Scott returned to Kiewit, this time as an engineer on the Monticello Dam, a 304-foot-high concrete arch dam in Napa County, California, that was built between 1953 and 1957. In 1954, he worked as a project engineer on a channel excavation project on the St. Lawrence Seaway, a system of locks, canals, and channels in Canada and the United States that permit oceangoing vessels to travel from the Atlantic Ocean to the Great Lakes, as far inland as the western end of Lake Superior. Four years later, he was transferred to Kiewit's Cleveland district, where he was responsible for preparing estimates for highway projects. In 1959, Scott was promoted to the position of district engineer, where his responsibilities now included the district's project estimating and bidding activities. He was appointed assistant district manager in 1961 and district manager in 1962.

In 1964, his years of migrating from one Kiewit site to another came

to an end. Scott was elected a vice president of the company and was transferred to Kiewit's headquarters in Omaha to assume responsibility for all construction operations east of the Mississippi River. He was elevated to an executive vice president position the following year, with the added responsibility of overseeing construction operations in the eastern provinces of Canada, and in 1979, Scott was elected president of Kiewit. When Peter Kiewit died later that year, Scott was selected to succeed him as chairman.

The leadership transition proved to be a difficult period for both the company and for Scott himself. Early in Scott's 19-year tenure at the head of Kiewit, there was a deep slump in the construction market, both in the United States and abroad. Faced with limited opportunities to grow Kiewit's core construction and mining operations, Scott took the lead in moving the company into energy and telecommunications investments.

He carefully engineered the separation of these new ventures from the historic construction and mining firm. The energy assets became MidAmerican Energy Holdings, based in Des Moines, Iowa, and now majority-owned by Berkshire Hathaway Energy. The telecommunications assets became Level 3 Communications, based in Broomfield, Colorado. After his semiretirement in 1998, Scott continued his involvement in these operations. He retired from the board of directors of Level 3 in 2014.

Walter and his late wife, Suzanne, provided philanthropic support to numerous causes in and around Omaha, across Nebraska, and throughout the United States. Scott believes that it is imperative for people to give something back to their community that will allow people in the future to enjoy better education, greater opportunity, and especially, to experience a better start in life.

His appreciation for the values of Scouting and the role they have played in his own life spurred his investment in the creation of the Summit Bechtel Family National Scout Reserve in West Virginia. He strongly believes that

the Summit Bechtel Reserve experience will foster the development of character, values, and leadership in Scouts that will be vital to the future of the nation. The United States faces many challenges, Scott has noted, but he is convinced that if we make sure our future leaders are people of good character, the kind of character that Scouting has helped thousands of youth to develop, then the USA will overcome its challenges and remain strong.

Scott has no intention of slowing down; in fact, he likes to remind people that they are "not in the business of being done." There is always another goal to work toward. Keep in mind, too, he adds, that life should be fun.

Now, in his own voice, Walter Scott Jr. shares his personal philosophy of leadership and explains how he came to possess it and utilize it over the course of his career.

I

I GREW UP DURING THE DEPRESSION, in modest circumstances. Even so, my family was luckier than many others. My father was fortunate to have a good job, and we were all healthy. My mother was in her 30s when my sister and I were born—that was relatively old for a woman to be childbearing in those days. My mother was kind, friendly, and warm. My father was the head of our household. I always looked up to him.

My father's parents, my grandparents, emigrated from Scotland in their mid-30s. My grandfather came first, by way of Canada. Then he sent word for my grandmother to join him. Eventually, they moved from Canada to a small town of about 100 in Nebraska that was made up mostly of Scottish immigrants. My father and his sister were born there.

We all spoke the same language, but they spoke with what is called a Scottish burr—a looseness to their articulation of certain words (especially a trilling of the "r" in the back of the mouth) that caused words to melt into one another indecipherably. Sometimes it was difficult for me to understand what they were saying. In addition to their accents and elocution, they sometimes behaved in ways that seemed to have a slight burr, at least compared to what I saw in the families of my friends. There is a stereotype that holds that Scottish people tend to be a little on the frugal side. I can remember Grandma making meatloaf in a little baking dish, a 6-inch

rectangular pan. She would make that little meatloaf and then it would last the two of them all week. And there was not a lot of variety in our meals; you got what you got.

My grandfather was a carpenter. He worked on residential projects in Lincoln. He went off to work each day wearing overalls and carrying his toolkit—a big, open wooden box filled with tools. But when he was at home, he was always working with odd pieces of unusual wood that he had found left over at different job sites. In his spare time, he liked to craft little boxes and checkerboards and other things out of wood, then give them away. He was a true craftsman.

Carpentry was in his blood. His own father, my great-grandfather, was indentured in Dundee, Scotland, to a gentleman who taught him the carpentry trade. My great-grandfather's indenture stipulated that if he satisfactorily served this gentleman, at the end of the first year, my great-grandfather received a payment of £1 sterling. At the end of the second year, if he continued to serve the gentleman satisfactorily, he received £2 sterling. At the end of the third year, he got £3 sterling, and then it was recorded in the court that he had successfully completed the terms of his indenture. He literally served 24 hours a day, seven days a week, for three years of his life; by doing so, he learned a trade and earned the grand sum of £6 (less than $1,000 in today's money).

My great-grandfather learned carpentry as an indentured servant in Scotland. His son, my grandfather, was a carpenter as well here. My father learned to be a carpenter also, but his formal education prepared him for a career in engineering. I would eventually carry on the Scott tradition in carpentry. One of the first things I did when I went to work for Kiewit after I got out of the service was join the carpenters union when I was working on the Monticello Dam in California. Though I would, like my father before me, apply myself to the larger vocation of building rather than

directly to the craft of carpentry, I am the fourth generation in my family to have the satisfaction of standing before a project or a building that I had a hand in seeing built. I am proud to be a part of that lineage and to know that, generations from now, many of the projects that I worked on will still be around, in use, having a positive effect on society. That is very fulfilling.

My father served in World War I. After returning home, he attended the University of Nebraska and graduated as an engineer. After graduation, he worked in Lincoln for several local contractors on residential and commercial projects. A few years before the Depression, he went to work for Kiewit as an engineer. Back then, there were not a whole lot of people working at the firm. Dad was a good engineer, but management was not one of his strengths. He would be content to work as an engineer throughout his career. When millions of Americans were out of work during the Depression, he had a stable job.

I appreciated only so much of that at the time. I was busy being a kid. We didn't have a whole lot in terms of what might be referred to today as entertainment. I played with the kids from the neighborhood outside almost every day. While we didn't have a lot of means, that didn't preclude us from having our fun. We would play capture the flag; all that took was a handkerchief. We would play kick the can—literally. When I was in grade school, we would go outside during recess and play soccer or baseball or something like that. It was the same outside of school; there were no youth sports leagues. If there was a group of six or eight kids, you'd divide up and play against each other. That was as organized as it got, aside from my experience in the Boy Scouts. It wouldn't be until high school, when I played football for three years, that I got to experience organized team sports.

When I was a kid, it was safe to play right out in the street because there just weren't that many cars. It wasn't uncommon to even see the occasional horse. My neighborhood was a close-knit, supportive community.

People were friendly with one another. I was close with a group of about a half-dozen guys around my age who lived nearby. We somewhat facetiously referred to ourselves as the Jones Street Gang. Whenever we weren't in school, we were always doing something together. We got into a fair amount of mischief; we might have done a couple of things that we shouldn't have done; we probably did some things that could have resulted in one or more of us getting hurt. In short, we acted like boys. In the end, we all turned out all right, and we had a lot of fun together.

When I was young, I'm not sure that education was particularly high on my list of priorities. I was never a great student. I knew I was expected to get passing grades in all my subjects, and that's what I did. But I didn't work much harder than I had to. In high school, I came to appreciate math and science. I was all right with the humanities subjects like history and English and language, but I began to genuinely enjoy math and science. It wasn't that I necessarily had some special aptitude for the subject matter; I just found it to be rather interesting.

I could have done a better job with school; there are many things that I could have picked up during my formal education that I didn't pick up for whatever reason. There are a number of things that I don't do a particularly good job of. But I've gotten along fine. I have always been able to find a person who could take care of whatever it might be that I was struggling with.

2

Omaha has historically been fairly insulated from the extremes of any given economic cycle. It experiences ups and downs like anyplace else, of course, but at least dating back to my childhood, Omaha hasn't experienced a major economic boom or gone through a major bust like some of the booms and busts that have occurred in the big coastal cities. This was true even during the Great Depression; Omaha suffered just like every other city in America suffered, we just might have struggled a little bit less than some other places.

Kiewit was an established firm, but up through the Depression it was essentially a local contractor, like most other construction companies at the time. And even though the business climate around Omaha might have been slightly better than it was elsewhere, Kiewit struggled to get work in those days. It wasn't until World War II that the firm began to grow in earnest because now there was a lot of work available for anybody that had the background know-how and the wherewithal to go out and get it done. Peter Kiewit had put together a group of people with that express purpose in mind, and as a result, the company began winning contracts. At first, these were relatively modest contracts, on the order of a few hundred thousand dollars. But the size and scope of the projects grew with each successful completion, and we steadily became recognized across the country.

World War II marked Kiewit's transition from some pretty difficult years in the 1930s to a postwar environment where we could pretty much do whatever job was out there.

Of course, I didn't quite appreciate all of this at the time. I grew up around the firm; the people who worked for the company were almost like extended family. Peter's mother lived in an old clapboard house not far from where we lived, and I occasionally got to go over there on Saturday mornings. She baked her own bread, and she'd cut the heel off of a loaf and slather it in butter and give it to me. I always valued that as a tyke.

It wasn't until the World War II years that I developed an awareness and appreciation for the fact that the company was involved in some pretty big projects. My father would tell me about some barracks that they were building out in Washington State or someplace exotic, far away from familiar Omaha. He was taking on more responsibility at the company; that often meant him hopping on a train and spending weeks at a time out at a job site. It all seemed pretty exciting and fun to me.

While my father was away in the kind of exotic locales that sent my young imagination running wild, I found my own way to become involved in fun activities closer to home. We had a neighbor three doors down who was a Scoutmaster. His name was Mr. Rippy. He got me interested in Scouting, and he kept me interested. I don't think that I would have earned the rank of Eagle Scout it if it hadn't been for him. He was always encouraging you to push yourself, to learn something new, to do something more. Other than my parents, he was the most important mentor I had in those years.

Mr. Rippy was a great motivator. There were times when I wasn't quite as interested as I should have been in working toward rank advancement. I was a teenager; it was easy to let things slide. But Mr. Rippy would come along and say, "No, you don't do that. This is what you gotta do." I think that he gets probably 90 percent of the credit for the fact that I wound up

making it all the way through Scouting. (My mother deserves the other 10 percent.)

For the most part, the stuff we did in Scouting was fun. I didn't need any special encouragement to hang out with the guys, play sandlot baseball, or camp out in the city park that was located just a block from my house. I used to go over there all the time with my cousin and then also with guys from my Scout troop. It was a wonderful time to be a boy. Today, parents might be concerned about their children going down to the park and playing. But in those days, other than breaking an arm or a leg because you were doing something you shouldn't have been doing, parents weren't concerned about letting you go roam—they didn't need to be concerned.

The fact that the park was close by gave us the opportunity to do lots of things, like overnight camping. We typically didn't even have pup tents; we slept on the ground under a tarp we stretched between two trees. Mr. Rippy was always pulling a group of four or six or eight kids together to take us out camping. It was a great thing to be able to do. I had the chance to sit around a campfire, look up at the stars, and talk about the experience with my friends. I didn't have any brothers, and when we were young, my sister and I were often at odds, so it was great to be able to be with other people of my age. Plus, my father was gone a lot. It was pretty neat to have some peers whom I enjoyed being with.

I learned a lot from my friends, fellow Scouts, and Mr. Rippy. At the time, I'm not sure I thought I was learning a lot, but I really was. I learned about getting along with people and the importance of being helpful. It was a great experience built around learning to live and interact with people who weren't direct relatives. It was a great preparation for the rest of my life.

3

I STARTED WORKING DURING MY SUMMER BREAKS as soon as I was 14. Dad had a friend with a ranch in Oregon, and I worked out there for a few summers. I took the train from Nebraska to Oregon. The folks from the ranch picked me up at the train station, and it took another day of overland travel to get to the ranch. I would stay out there all summer, and then return home in late August.

I learned a good amount about the farming and ranching businesses. I even got to run a hay buck before that process became mechanized. We worked with a team of horses. There were giant forks out in front of the horses, and we ran those forks through all of the hay in a row. They windrowed it, and then we'd go through with the buck and pick it up, then dump it on the lift. A horse was hooked up to the lift; when it walked away, the bale was raised up. Three people up on the stack then unloaded it by hand. There were so many people and so many horses involved in getting that work done in that old manner. It was a fascinating thing to be a part of.

I sharpened sickles and raked hay, and I also became fairly adept at killing chickens. The very first day that I was there, the wife of the man who ran the ranch asked me to help her with something. In a matter-of-fact voice she said, "OK, this is what I want you to do." Then she grabbed one of the 150 chickens they raised by its leg, held it firmly and positioned it so that

its neck was exposed on the chopping block. She picked up a little hatchet and, with one measured thwack, took the chicken's head off. Then she held it upside down and let it bleed out. "I want you to do the same thing to all these, and then bring the chickens into the house," she said. After working through that many chickens, chopping off the heads and then holding them upside down to bleed out, one side of me was coated in blood. It was sticky and smelly and greasy. It was an interesting experience, though I don't think my clothes were quite the same again.

Working on that ranch was great fun. I got to see and do a lot of things for the first time in my life. I also got to meet and work with a pretty interesting group of people. There were about 30 hands on staff, five or six of whom were around my age. Some of the workers stayed at the ranch year-round; others were itinerant workers who would move on to other jobs after a pay cycle. Some fellows drank a lot until they were out of money, then worked until they got paid again, and then did it all over. I learned to live with all sorts of folks.

We were housed in a dormitory, a two-story building with around 10 people on each floor. The permanent staff had separate quarters. That meant there was a strong sense of camaraderie among those of us who shared this building together. In some ways, it was almost like a college fraternity. We worked hard together and had a lot of fun together. On Saturday mornings, our job was to get the equipment in shape for Monday. We would finish around midday, and then the owners would let us borrow a truck. We'd all pile in and head down to town. "Town" was Prairie City, Oregon. At that time, Prairie City was about two blocks long; that was it. Another 10 or 15 miles away was John Day, Oregon—the big town. It was quite an experience.

You learn a lot when you are away from home in a situation like that—in particular, about things that you might not have had the opportunity

to learn back home and even about some things you would never tell your parents about. During my first summer, when I was 14, I got to know another guy who was working on the ranch who was 18 or 19. Somehow, he had gotten access to an airplane, a little single-engine crop duster. On Sunday mornings, I'd go over to the airstrip and fly with him. It didn't much occur to me at the time that there might be anything unusual about this. I didn't think much of the fact that he would manually recalibrate the altimeter to zero before we would take off—and we were up in the mountains. He was the pilot and he didn't know what he was doing; I knew less than zero. At the time, none of that mattered—this was thrilling. We would go joyriding, just up in the sky instead of in a car. We would get up two or three thousand feet and throw a roll of toilet paper out the window. As it fell, it would unfurl and there would be an enormous streamer slowly drifting down to Earth. Then we'd see how many times we could cut the streamer with the plane's wing before it got too low to the ground. I don't know how we didn't kill ourselves pulling that particular stunt.

Sadly, the older boy did die in an airplane crash the next year. I was very lucky that my youthful pursuit of thrills in the sky hadn't gotten me killed. That experience proved to be a sobering example of the dangers of bad judgment. When you are young and impressionable, it can be hard to turn down things that look downright fun and exciting. I am extremely fortunate that I didn't pay the same price my friend did.

4

A GOOD MENTOR is a person whom you can be open with; most importantly though, they must be someone whom you are willing to listen to. Many people have had mentors at one time or another in their lives, usually when it was convenient and didn't carry a big price tag in terms of making changes recommended by the mentor. But as soon as they come across something the mentor suggests that they didn't like, they are done. It's true that you don't have to *like* everything a mentor says; but it usually is a pretty good idea to *listen* to what they have to say.

I have benefited greatly from the patient guidance of many wise mentors in my life. In several important capacities, my mother was a good mentor. My father, on the other hand, wasn't. The difference between the two was that I was comfortable talking to my mother, and while my father was a really nice person, it was sometimes difficult for us to communicate. Mr. Rippy, my Scoutmaster, was probably as good a mentor as I could have had when I was a Boy Scout. As I moved through life, there were other great mentors who made a big impact on my life.

In high school, for example, I had a music teacher named Regina Place. We affectionately referred to her as Queenie. She put in so much time and effort with her students; she was truly dedicated to her job and to us. For whatever reason, she took a particular interest in me. I never thought I was

very good at singing, but she suggested I join a quartet that she directed. I listened to her advice, and it turned out to be a wonderful experience.

We sang at all kinds of school functions. And then she started helping us get jobs on weekends, where we'd go sing as a quartet and maybe make $5. That was a decent amount of money even after splitting it four ways. Queenie was a huge encouragement to me during a tricky period of adolescence. I came to appreciate that her guidance was helpful, and I did my best to follow what she suggested. Beyond her abilities as a singing coach, she was also somebody you could talk to. She was a good person to turn to if you had an issue or a problem, that's for sure. She pushed me to do my best, and my high school experience was much richer because of her.

In those days, it wasn't a given that you would go on to college after high school. In fact, people who went on to college were the exception. Most of the people in high school at the time went directly into the labor force after graduation. My high school had technical training programs to teach practical skills that would prepare a person to enter a trade—plumbing, mechanic, carpenter, electrician, etc. Though I came from a family of carpenters, I had found my experiences of working on ranches in the summer to be really enjoyable. I liked that experience so much that I wanted to get formal training in ranching.

We had a family friend by the name of Gene Miller who was going to Colorado A&M in Fort Collins. Gene's mother and my mother were in school together and had remained good friends over the years. They lived in Lexington, Nebraska, about 200 miles from where we lived. When I was growing up, we would see them a couple of times per year. Gene was a couple of years older than me. I looked up to him a bit; he was a pretty cool fellow.

Just as it wasn't the norm to go to college out of high school, it wasn't typical to go around looking at a number of colleges to decide which one

you wanted to attend. If you found one, you were lucky to have found it, and you were luckier still to get into it. I checked out Colorado A&M because Gene went there. I liked it. I applied, and I got in. It was that simple.

I started out with the intention to study range management because I thought I wanted to go into ranching. Gene was the only person I knew out there, and we spent time together from the start. Gene asked me early on what I was planning on studying. I was a freshman, and he was a junior. He had useful experience that I lacked.

"Range management," I told him.

"Why don't you consider taking engineering?" he asked. "It's a tougher degree to earn, but you'll get a better education. You will have to work harder. But you'd get an education that would teach you to think logically so that you always could figure out how to get from Point A to Point B. You can do lots of things with an engineering degree besides actual engineering."

I couldn't argue with his logic. So, like my father before me, I entered into a course of study in engineering. I worked harder than I had ever worked before in school. I might not have been the greatest student, but I graduated in four years. I received a great education. I never did use my engineering degree in the traditional sense—that is, to design something. As Gene had suggested might be the case, I found far more non-engineering applications for the system of logical thinking and problem-solving that I learned in my coursework.

In general, I liked the engineering courses I took. And there were a number of other non-engineering courses that would prove useful. I took a speech class, which meant getting up and talking in front of people. That was a difficult thing for me to do, but it helped me later in life. It forced me out of my comfort zone. I think communications, and personal communications especially, is an area of human interaction that people generally don't do a particularly good job of. The speech class taught me

how important it is to communicate and how important it is to be sure of your own point of view. It taught me how to test my viewpoint and how to make sure that the other people understood it. I learned that good communicators take responsibility for explaining their point of view in such a way that no person can possibly misunderstand them or their message.

I had the importance of communication reinforced for me time and again in the years that followed. After my freshman year at Colorado A&M, I continued to work during summer breaks. That summer, since I had turned 18, I was eligible to work for the Kiewit Company for the first time. I was sent to work on the Garrison Dam project in North Dakota. That dam was part of the Missouri River development, a major project aimed principally at flood control, and funded through the Pick-Sloan Plan. The Garrison Dam was one of about eight dams that were being built. The end result of the massive undertaking was the creation of a substantial amount of hydroelectric power development, recreational development, and agricultural irrigation development, in addition to controlling the flooding that had historically plagued the region.

My initial job up there was on a survey crew. I was just what they call a "stake chaser." I carried the stakes around and pounded them into the ground. That was the start of the first of three summers I spent working at Garrison Dam in various capacities. It was exciting to be a part of such an enormous project. At the time, it was probably as big as any civil engineering project in the United States. It was a camp job, so we lived in a barracks and ate in the mess hall with a big group of people—probably close to 1,500 of us on the job, all told. I had a lot of fun.

Each subsequent summer found me taking on jobs that entailed slightly more responsibility. My second summer, I was assigned to a survey crew again, but I moved up the ladder from stake-chaser to rodman, where I was in charge of transporting and setting up the instruments and equipment

associated with surveying land and preparing the job site for our survey. Later, I was allowed to do a little instrument work. By my last year, I was a foreman on a night crew. I was responsible for directing six or eight bulldozers that were supposed to continuously move the mud pile and keep it level. I don't remember the specific numbers, but directionally speaking, the foreman got paid maybe $2 per hour, and the guys running the dozers got $4 an hour—double the rate.

By the end of my senior year, there was no question about where I was working. I didn't even stay for graduation. I had my sights set on eventually starting my own business, but I knew I needed to gain sufficient real-world experience before I could venture out on my own. I went to work full-time for Kiewit.

5

AT SOME POINT DURING MY HIGH SCHOOL OR COLLEGE YEARS, I started setting goals for myself. I believe it's important to set goals in life—specifically, goals that might make you have to stretch a bit in order to get to where you want to be. You don't want to set goals that are too easily accomplished; there is always room to push yourself a little bit more. But it's also important to reset the goals if it looks like achieving them is unrealistic.

Some of my earliest goals were fairly simple and straightforward—"graduate college" was a goal. But while I was in college, my biggest long-term goal was to get enough background and experience to start a business of my own. I suppose you could say that I never quite got there. Early on, I would say to myself, "I'm going to do this for another three years, then I'll step out and start my own business."

That mantra of "another three years" kept getting repeated for at least the first 15 years of my time with the company. Every single time I started to have a little bit of an itch that now would be a good time to think about leaving and doing my own thing, Peter Kiewit would give me a new job that was quite a bit more of a challenge and quite a bit more responsibility than the old job. And then I'd end up resetting my goals. Finally, in 1963, he moved me to Omaha.

At that point, I started setting goals as to what I thought the company

could do rather than what I could do.

Of course, much later on, in the 1980s and 1990s, we did, in fact, start several businesses. But those efforts were mainly in conjunction with the goals and operations of the company, more than I necessarily considered them to be my own separate businesses. I don't believe any of that would have happened, though, if I weren't in the habit of continuously setting a new goal or objective for myself.

I'm really not sure what would have happened without the mentorship of one of the most important people in my life: Peter Kiewit. Of course, I knew of Peter long before he knew of me. I always had a great deal of respect and admiration for him. He was a man ahead of his time. He was a visionary.

He was a great giver to the community—a patron, a philanthropist. In the final analysis, he left everything he had to his foundation—the accumulation of a lot of his time, effort, and work over a lifetime. His foundation has gone on to do a lot of incredible things in the community and still does to this day. Along the way, he got personally involved in a lot of causes in the community to help good things happen. He would support something he believed in with his time as much as he did with his money. He genuinely wanted to make good things happen within the community for the benefit of the community, not for the aggrandizement of his name. You can't help but have admiration and respect for somebody like that.

Peter was about as generous a person as you ever run into, but he was tough, too. He was great with people. He had the ability to push you right to the point where you were just about ready to tell him to go to hell, and then he'd just walk away to let you think about it. He never pushed you in an antagonistic, nasty way, though. Sometimes it seemed as if he believed in you more than you believed in yourself—as if he could see that you still had extra fuel left in some secret cranny of your tank that you were totally

unaware of, and now that he had pointed that out to you, you knew you could do it. He had the ability to get more out of people than anybody I've ever run into.

A great reason for this was the fact that people wanted to work for him. He chose to empower—to encourage you to take charge in the manner that best suited your own style—rather than rule by decree. Peter never sat down with me and said, "Now this is what you are going to do." He would say something along the lines of, "This is the outcome we need to achieve; once you get it done, come back and fill me in on what you did."

Sometimes you were successful, and sometimes you weren't. Peter was the sort of leader who understood that failure was inherent to the process of growth and improvement. Nothing ventured, nothing gained. Peter always wanted to talk about our failures; he was not interested in talking about successes. As we reviewed our individual and collective failures, the purpose was never to blame or embarrass, but rather to discover what went wrong and how to avoid doing that again in the future. The company has always been tolerant of mistakes.

6

My first wife, Carolyn, and I discussed what my career in this field could mean and how it might affect our family. There really wasn't a way to prepare you for it, though. We moved more than a dozen times over 10 years when the kids were little. We were finally able to get off the merry-go-round and settle down when I was brought to Omaha in 1963.

I told my wife that the kind of business we were in was the kind of business that required working at the location, hands-on, at the site. In construction and engineering, you go to the work; it doesn't come to you. Sometimes I stayed on a job for the duration, but more often than not, I was called in to help finish up a job or was present at the start of a job to help get things moving. It was difficult, in different ways, for all of us. The hope was that the benefits of paying one's dues at the start of a career might lead to greater and greater success down the line.

I made a promise to my wife. I told her, "I promise you that every time we move, we'll always do a little bit better." That part seemed to always work out. It would not have worked with a family that was less open and less accommodating of the fickle, nomadic lifestyle we lived for so long. But my wife was very good about it. She never complained. She may not have liked it, but she never complained. And the children, for their part, seemed to follow along themselves.

The family was apparently so well-adjusted to the requirements of my work that they were sometimes surprised to find me at home. One day shortly after we moved to Omaha, I thought it would be nice to head home early to see if there was anything I might do to help around the new home we had moved into. I got home a little after 3 o'clock.

"What are you doing here?" my wife asked as I came in.

"Well," I said, "I thought I could be helpful."

"OK. Why don't you walk down the street? The kids will be heading home from school." She just as well might have said, "Why don't you get out of my hair? I've got a lot of work to do."

So, I walked down the street. Sure enough, a few minutes later, along came the kids.

"Dad, what are you doing here?" they asked.

I got the message fairly quickly that it was time for me to go back to work. Whatever the pitfalls of my job, with few exceptions, everyone seemed to adapt to each new situation or each new location pretty readily. I think the kids came to understand that they would be moving again, that there would be new people to meet, new places to see, new experiences to have. It certainly was a learning experience for us all. In general, I think the kids made the best of it and had their fair share of fun.

At some point, after a few years of moving from job to job, receiving a few bumps in title and compensation, and being asked to take on more responsibilities, it became clear that things were going well for my career. The upper management of the company wasn't asking me to move from job to job because they were unhappy with my performance. I was being asked to learn more and more about various facets of the business with each new challenge; over time, I learned a great deal.

All through that process, I continued to keep the idea of leaving the company to start my own business close to my heart. I really thought about

it quite a bit. But after I was called to Omaha, it became easier to recognize that my immediate future lay in Kiewit. When I was elected to the board of Peter Kiewit Sons' Inc. in 1964, every last whisper of a question left my mind. Serving on the board proved to be an important, formative experience for me.

For one thing, a board is a bit different in a private company than it is in a public company. Because Kiewit was a private company, every member of the board was an employee. As one of the older directors said to me, because we were a private company, "You need to understand that 9 yeses and 1 no means no."

Over time, I came to know a number of other businessmen at other firms across a broad range of industries; by the mid-1970s, I came to be involved with a number of public companies. Through the experience of participating on the boards of public companies, I came to appreciate a few things. First, it was always interesting to me that at a public company there was a board of directors and a CEO. Those two entities were not necessarily in line with each other at any given point in time. The board of directors could very easily shoot down a CEO. If the CEO does his job, he won't get shot down. In a private company, on the other hand, it was certainly possible that you could do a lousy job and not get shot down.

Even as I was participating in a leadership capacity at the highest levels of the firm, I don't think I had a conscious thought about the possibility that I might run the company until Peter himself brought it up in conversation one day in the late 1970s.

The question almost seemed to come out of nowhere: "Do you think you could run the company someday?"

"Yeah," I answered him, "I think I can run the company. But I don't think I would run it like you did." That was the beginning and the end of the conversation.

I reflected on that exchange a fair amount after the fact. I was somewhat surprised with how assuredly—and without hesitation—I had answered the question when Peter posed it to me. It had literally never consciously occurred to me that such a question could possibly be directed at me, and yet I had responded as if I had known it was coming all along.

Of course, now that Peter had brought it up with me, I couldn't help but think about it. I didn't feel a burning desire to be the top man at the firm, but if that opportunity came my way, I damn well wanted to succeed.

In 1979, when Peter's health wasn't so good, I was elected president of the company.

Not long after that, Peter went into the hospital. I would go down there periodically to tell him what was going on with the business. The last day that I went down there, he was scheduled for an operation. I think he had some sixth sense that he wasn't going to come out of it. When he spoke, it was almost as if he was attempting to formally pass the torch to the next generation. "Well," he said, "I've tried to give you all the background and information you need to run the company. Good luck." That was Peter—always pragmatic.

He didn't come out of the operation.

I was selected to take over the now-vacant post of chairman. I had lost a close friend, the mentor who made the biggest difference in my life—and now I was tasked with filling his shoes. Those early years of my tenure at the head of Kiewit would prove to be quite difficult for me.

7

ONE OF THE MAJOR MOVES I MADE several years after Peter Kiewit's death was to bring two outside directors onto the board. It would be an understatement to say that this decision was not met with roses and applause. Within the company, this was almost heresy. But my participation on other boards made this an open-and-shut issue to me. My argument was that, "You and I are together all the time, and we feed on each other's biases. I know what yours are, and you know what mine are. We really need to have some people on the board who know and understand business and are the kind of quality people that we want, but who don't feed on the same biases that we feed on."

Change can be excruciatingly difficult, but we did install the two outside directors, and we have had outside directors on the board ever since. I believe that their presence has been invaluable. We specifically have them there so that we have people listening to what all of the other directors are saying, but who might—by virtue of their different status and perspective—be less susceptible to the echo chamber phenomenon that can sometimes plague private boards.

My goal, to borrow one of Peter's mantras, was to make Kiewit the best construction and engineering company in the country, rather than the biggest. Our pursuit of superlative performance meant that everything was a potential target for improvement. Ample opportunity lay ahead.

The model for success in the construction business appeared to have not changed in a long time. The process wasn't that complicated: You bid the work; if you get the contract, you proceed to building the work at the lowest cost possible; lastly, you take care of whatever assets are left over after costs have been covered.

Things were pretty darn basic when I began my career in the 1950s. You didn't have to worry too much about training and development; believe it or not, there really weren't that many government regulations. The government did not require anything in particular when it came to safety programs. People would wear felt hats—or no hat at all—when they were working at a job site, because hardhats weren't required. People worked in T-shirts, and people got sunstroke—but nobody sued.

It seemed that the period of time coinciding with when I came to lead the company also happened to shepherd in a whole slew of new attitudes, new rules, and new regulations that completely transformed the industry. That may or may not have been the case. The changes are not all good, and they're not all bad; working in construction is just a couple orders of magnitude more complex now than it was a generation or two ago. For starters, your average worker on a job site today is expected to know and understand all the safety regulations and to know and understand all the environmental regulations—and he, as an individual, can get sued if he doesn't. We have greatly increased the complexity of the work even though the work itself hasn't changed, functionally, at all. We have also placed a hell of a lot more responsibility on some very young people and basically set them up. You need to be able to decipher legalese as well as you can swing a hammer.

As the firm transitioned, we had to deal with a number of problems—and we had to do it without Peter. It was tough. Fiscally, we were in good shape. But we faced rising inflation and interest rates of 18 to 20 percent.

To add to that, there were plenty of people who weren't sure whether they liked what I was doing and still others who had already made up their minds that they didn't like what I was doing. It was a tough period. Right before Peter died, a legal problem cropped up that had major ramifications for our future. If we were found to be culpable for the actions of some rogue employees who had engaged in illegal bidding practices without the knowledge or consent of the company, then we could be debarred. That would be catastrophic, as it would prevent us from bidding on any project that had government money in it—and upwards of 90 percent of our work had government money in it, in some form or another. That was a problem. I felt that in order for the company to survive, we needed to look in some new directions.

So, we invested. We bought into a conglomerate called the Continental Group for about $3.5 billion, which was a hell of a lot more money than we had. We had to borrow money to do this, and a lot of shareholders were very unhappy with me. I felt like it was a critical act, though, that what we were doing was necessary to preserve the firm. It was quite possible that we could be debarred; if that happened, we simply would not be able to continue the way we had been in the contracting business.

In the end, the company was cleared, though some individuals who had acted without knowledge of the company were found guilty. Those individuals went to jail for their crimes, and Kiewit was not debarred. It was an ugly situation and a reminder of how large the company had grown; long gone were the days when it was possible to know every person at the firm by first name. It wasn't easy to keep track of everybody. Every single employee was instructed to recognize the right thing. But as it turned out, just because every employee knew what the right thing was to do didn't mean that those people would actually do the right thing.

While the outcome was still up in the air, I acted. I made some major

commitments for the company. As a result of buying a conglomerate like the Continental Group, we were in engaged in several businesses. And we were still running our contracting business. This was right around the time when Judge Green broke up Ma Bell, the telephone giant. It seemed like a safe bet that there would be a number of startup businesses looking to put fiber in the ground. We decided that we ought to get involved in that from a contracting standpoint.

Eventually we found ourselves in a situation where we had a contract to build a fiber optic loop for a startup company in Chicago. They lacked the financial capacity to take this competitive access provider concept nationwide, so we started a company called Metro Fiber Systems and began building in Philadelphia and Baltimore. Many more cities followed, and we later acquired the Chicago company. We invested about $500 million into Metro Fiber Systems. All of these businesses were owned by our employees, since we don't have any outside shareholders. After putting the $500 million into it, we made a deal to sell it to what was then WorldCom for about $14 billion. Even after this monumental success, a number of people complained. We were engaging in actions that forced some people out of their comfort zone. Some people didn't care about the money at all—they were simply unhappy because we weren't what we used to be.

From a personal standpoint, this period was easily the most stressful time in my life. As we dealt with the legal problems, we were building a brand-new business in a field that none of us was familiar with. Then my wife came down with cancer. She was sick for the next several years and eventually died. It felt like everything was on overload at the same time. It was really a tough period for me.

I made it through the only way I could. I got into motion, I set goals, I created objectives for myself so that I had something to work toward. The same logical system of interacting with the world as it is—the same system

that helped me to identify the most efficient way to get from Point A to Point B—would enable me to move forward through the most difficult period of my life, step by step.

I didn't give much thought to what might happen if I didn't succeed. I just worked at it, every day. I don't recall a specific turning point, when I was suddenly aware that what lay ahead would be smoother sailing than the tumult I had just lived through. I just worked at it, every day. I didn't question whether the effort was worth it. I didn't bother to take the time to ponder whether I would make it. I just worked at it, every day. I felt I had an obligation to my wife, Carolyn, and an obligation to the company to do everything I could to constructively work at it, every day.

On a daily basis, I was asking other people to take the plunge and be willing to step out of their comfort zone in the name of the greater good of the company, or the job, or the community. I certainly didn't think that I should be immune from having to take the same plunge myself. The nature of life and the nature of the business required that level of dedication. I could stay engaged or disconnect entirely. There was no way I could do the latter and still sleep at night. The work never stopped. As a company, we bid on quite a number of jobs every week. There was no way to know which job we'd get and which job we wouldn't.

Each job was a new opportunity. Each job carried the promise of a fresh start. Though each job was different, each job followed a certain rhythm and a certain process. There was always a beginning, a middle, and an end. You had to understand what you were building before you could do the build. And you had to build an organization that had the right amount of experience, skill, knowledge, and adaptability to complete the sorts of jobs that had never been done before. You were always diving into something new, yet the processes that governed your movement were always consistent. One day it is sunny. The next day it is freezing. Sometimes you encounter a rock where there wasn't supposed to be a rock. Flexibility is not optional.

8

Our company didn't necessarily want to be the biggest; we wanted to be the best. In order for us to be the best, according to Peter, we had to follow some simple rules: We had to bid the work at the right price, build at the lowest cost, and conserve the assets we accumulated.

While we had found ways to consistently succeed at the first two points, that last point, about an institution shepherding its own assets, was something that required a lot more thought and patience. This line of thinking might be traced to a banker friend of Peter's who came down to Omaha to talk with company leadership at one point. This banker was pretty persuasive, and he influenced Peter. The banker explained that the failures typically cropping up in the contracting business usually weren't related to securing contracts and completing work. Most of those failures, rather, affected those that had successfully accumulated cash. The basic problem, as he saw it, was that contracting businesses typically didn't know what to do with that cash. Firms—and the individuals who ran them—would squander the money they had earned on unnecessary outlays like boats and airplanes before they went out of business. The firms that lasted were the firms that reinvested in themselves and ensured there would be diverse streams of income in the future.

We did a lot of different things in response to this line of thinking.

After I took over the company following Peter's death, it was clear that we could very well go out of business within five years if the legal issue dragged on and we didn't make some major changes. So, we made some moves—like into fiber optics—and some of those moves paid off handsomely.

I thought, "Well, maybe we ought to find other things to invest in," for the company, and for myself. I decided to get into the energy business without any preconceived ideas about what was involved or how complicated it might be; the only thing I knew about the energy business was that it seemed potentially lucrative, so it was worth looking into. After we performed some investigations, we decided to reinvest some of the windfall from our other investments to buy a controlling interest in a company called California Energy, which had geothermal projects down in the Imperial Valley. The parent corporation was broke but had a great project, and because of banking requirements, even though they had a very profitable product, they had to let it go. Under those circumstances, we were able to take it over, and that initial foray into energy has led to many further engagements. That private company, which was originally called MidAmerican Energy, became Berkshire Hathaway Energy in 2014. Warren Buffett's Berkshire Hathaway owns a controlling interest. I am one of three shareholders. It's easier to keep tabs on something like that when there are fewer moving parts, and much less debate about things as well.

Today, we are one of the largest utilities in the United States. But unlike most every utility, we've never paid a dividend, and we've never sold any stock. Most utilities pay out huge dividends. We take everything we have and plow it back into it the business, building new transmission lines, adding powerhouses, making certain that ancillary issues never get in the way of bottom-line production.

Building a business is a bit like building bridges or dams, in that the product that is involved can be worth quite a bit of money. But the appeal is exactly the same: You are creating something. Nothing else can give you that sense of satisfaction. The stakes seem a bit different, too, when you are working as a representative of some larger entity versus working on your own behalf. Some people—some business owners, most investors—are short-term, return-driven beasts. For whatever reason, I've always been interested in long-term, period.

This instinct, too, might have received its impetus from Peter. One time, when I was out on a job, Peter stopped by for a site visit. He saw that there was a column that had been poured that contained a rock pocket, a slight imperfection that resulted from exposure to vibrations while the concrete was hardening. It really could have been caused by a number of factors. But Peter took one look at the column and let out a curse.

The manager who was directly responsible for the people who had poured the column stepped forward immediately and ordered his men to "butter up" the spot. This involved filling in the hole with new cement and smoothing it over, repairing it cosmetically as well as structurally. This was the typical, accepted response to such an issue. It was a quick fix.

Peter said, "No. You tear that out."

The manager looked uncertain.

"We are known for doing the very best," Peter said, "and I'm not going to be known for not doing the very best. You tear that out, and you do it again."

That was thinking for the long-term. It was a hell of a lesson for the people who were standing around there, me included. Tearing out the column and replacing it was expensive and time-consuming. But when you're trying to build a company, your reputation matters a great deal. It is eminently more important that you be known for building the best

building, building it on time and within budget, than that you might come out at the end with a few hundred or a few thousand extra dollars in profit on your side. You don't cover up your mistakes—even if they are very minor mistakes—you do whatever it takes to correct them.

9

The contracting business requires you to stay on your toes. You have to be flexible if you're going to be successful. I'm not sure whether that is something I learned from someone else or whether I just came with a predisposition for tolerating those sorts of circumstances and gravitated toward an industry where a big part of your ability to be successful was determined by your ability to adapt on the fly.

Either way, it is clear to me that flexibility is a paragon virtue in this business and something that a leader in any arena needs to be able to channel. Those who serve in a leadership capacity in this business are expected to be able to move from one place to another, one mode to another, one problem to another, one geography to another, from one day to the next. But then you need to be ready to settle into a four-year job out in the middle of nowhere, if that's what it takes. Consistency matters under those conditions. It's a business that doesn't allow you to sit in a comfort zone on a continuing basis.

Those are the sorts of conditions that help to illustrate the differences between leadership and management. Management describes a function; leadership is part of that function. If you don't show leadership, you probably aren't going to manage your people very well. You have to be able to describe a goal and objective and get a group of people to buy in to that target. You have to be able to get different people to be enthusiastic about

what they are doing. In most cases, you have to spend enough time with your people that you get on the same page, so that you are almost jointly coming up with what you collectively think are reasonable ways of getting to that goal or accomplishing that objective.

Management involves making sure that all of the cookie cutters on an assembly line are 6.5 inches apart, and that precisely 4 ounces of dough is injected into each mold. Leadership created the recipe for the cookies and designed the process by which they could be mass-produced.

Leadership involves the ability to see and appreciate the bigger picture and to generate enthusiasm so that others will get on board in working to make sure the desired outcome is achieved. In order to do that, leaders need to be able to describe why and how something is important or beneficial. It is one thing to say, "We need to build this new road from here to Denver to replace the old one." It is another thing entirely to say, "You'll be able to drive down this new road and get to Denver in only 8 hours instead of 20 hours. And it will last for the next 80 years. It's going to be a real value to society for generations to come."

The contracting business is one of the few businesses that involves considerations that will continue to have an impact tens or even hundreds of years down the line. I happen to like that. At the end of the day, you can point to a finished project, stand back and look at it—or drive your car down it to Denver. There is something so satisfying about that. In most cases, you've built something that you can see, that is tangible. It's beneficial in some form or another to society. You're building dams, and roads, and bridges, and powerhouses, aqueducts and whatnot. These are things that help an entire community, things that you can feel good about.

I was lucky to have the experience of standing in front of a newly completed project and feeling a sense of satisfaction in knowing that I had played some part in seeing its creation more times than I can count.

It's something you feel good about every single time, no matter how big or small the project. Every single project is different; the path to the completion of a project can be winding and treacherous, or really straightforward and easy. But they all make you feel some sense of satisfaction at the end.

Some of the projects stand out more than others. In certain cases, the path itself turns out to be absolutely fascinating, particularly from an engineering standpoint. Hibernia—or the Hibernia Gravity Base Structure—was one such project. Nominally, it is an offshore drilling platform purpose-built for the Hibernia oil field, beneath the North Atlantic Ocean, 200 miles east of St. John's, Newfoundland. It is unlike any other superstructure ever conceived or constructed. It is the largest oil platform ever built. It operates in one of the most inhospitable locations on the planet. It was designed to withstand collision with a 6-million-metric-ton free-floating iceberg and storms stronger than the worst hurricane. For all of these reasons, as contrasted to the typical steel platforms that you see in more temperate climates, Hibernia is made of concrete. It weighs over 600,000 metric tons—so monstrously heavy that it serves as its own anchor holding itself in place on the ocean floor—and yet it had to float from where it was built to where it is installed, in hundreds of feet of water, hundreds of miles away from everything out in the middle of the ocean.

Building this sort of one-of-a-kind structure involved devising and employing one-of-a-kind building techniques. To build the gigantic concrete base that the drilling apparatus sits on top of, high above the water, we had to first find a bay, dam it up, and then drain all of the water out. That created a surface on which we could start building the concrete slab. The gigantic concrete structure is ringed with a protective concrete skirt to ward off icebergs and tsunami-sized rogue waves. That concrete skirt is something like 3 feet thick, 150 feet across, and extends high above the waterline. You steadily build the concrete skirt up from the floor of the dewatered bay

until you're above the waterline, close off the top of the thing, then let the bay fill back in with water. Now you've got the world's biggest bubble of captured air supporting the world's biggest-ever floating concrete structure.

You tear the dam out, and then you can float the hulking thing over to where you can sink it down in a fjord that's a lot deeper than the previous bay, so you've got the depth you need to add to the height of the structure. Just moving it is a treacherous business; if it cants even a few degrees too much at any moment during transit, the air bubble can be released and the thing would sink. After you are able to slowly work it into position in the middle of the fjord, you hook it up with anchors to steady it so that as you add further concrete on top of the existing concrete superstructure, the whole thing sinks uniformly down into the fjord in a controlled manner. After the whole of the base was completed, the whole giant thing was floated to another location, where it paused under a bridgelike structure from which all of the topside works—the dorms and mess halls for the workers, the frac tanks and storage tanks for the oil production business, and so on—can be safely installed.

After all of that had been gingerly executed, the finished oil platform was floated to its offshore location. After it was positioned precisely with GPS coordination, the ballast tanks were slowly released, and gravity set the entire creation permanently into place, married with the ocean bottom.

At any instant along the line, you could ruin a billion-and-a-half dollars' worth of work. You could just inadvertently tip it over or run it into something. Moving the thing required coordination with all kinds of tugs and barges and complicated machines and computers and human operators. But nothing did go wrong. The project was completed exactly to the specifications and demands that were laid out at the outset. The end result has been called one of the modern marvels of the world—one of the most complicated and most difficult to produce engineering projects

in human history. That was a truly satisfying and truly fun project to be involved with, the sort of project you hang your hat on.

Of course, there have been some abject disasters, too.

But there's nothing wrong with that. People will always make mistakes. Sometimes those mistakes can cost millions of dollars; sometimes those mistakes can do catastrophic harm to the environment; sometimes those mistakes can cost lives. We have always—dating back to Peter or even earlier—had a very understanding attitude toward mistakes. As a company, we are very tolerant of mistakes, because you learn scores more from a mistake than you learn from a success. You just have to hope that a person is able to make a mistake that is serious enough for them to appreciate the gravity of the error and the potential negative repercussions that would arise if they were to repeat it a second time, but to make that serious error under conditions whereby nothing is actually hurt.

This is a business that is subject to the vagaries of changing conditions of all types. Sometimes it is impossible for even the best-trained and most experienced professional to account for variables in a given project. One project that didn't go as well as we would have liked due to changing conditions that we never could have anticipated involved building a tunnel for trains to run underneath the North Sea from Copenhagen, which is on an island, to the Danish mainland.

We built an island—a ringed dike, to be specific—to support the effort. We launched two tunneling machines from opposite ends of what would be the finished line. These tunneling machines are some of the largest machines ever built, about 900 feet long and costing more than $20 million each. At an advanced stage of the build, when the tunnels were extended almost to the point of meeting in the middle, we ran into a pocket of boulders. An engineer was down there on a Sunday morning, down in the heading, where the front end of the tunneling machine is, and he heard the

sound of water gurgling. At this point, we were 150 feet underneath the bottom of the North Sea. He decided that he didn't want to drown, and he contacted people who would know what to do. He pulled his workers out of the tunnel, and shortly thereafter, the water broke through, flooding the whole thing all the way back, flooding everything inside the dike, and flooding down through the other tunnel. It flooded the machines, and everything was now underwater.

When that kind of a disaster happens, you have to take a step back and really question all of your assumptions and all of the circumstances. You try to answer the question, "Well, what happened?" As it turned out eventually in this case, the soil samples didn't reveal it, but there were glaciated areas along the tunnel route where there was just a chimney of rocks that went all the way from where we were some 150 feet beneath the ocean bottom on up. In this particular situation, there were just boulders all the way up—there literally wasn't anything we could have done at the time to stop the water from eventually flooding the tunnel.

Fixing that problem was quite costly, but that's the nature of the contracting business. We sometimes have to deal with acts of God and other things that we don't assume responsibility for, like earthquakes. We had a clause in this particular contract that covered any "change of conditions" that detrimentally affected our ability to complete the project. From our point of view, the presence of boulders directly in the path of the tunnel we were building under the sea when the experts had not discovered the presence of such boulder pockets surely constituted a change of conditions. That was what we contended. We got some compensation for that, but we still lost money overall on the job. In our business, unfortunately, that sometimes happens.

There's not really a way to account for when or how that kind of thing might happen. There's no scientific way to measure or predict or

prepare for it. We make what we think are intelligent guesses, and then we take on the responsibility of making it happen. Sometimes it doesn't go to plan. The important thing is that we never repeat a mistake that can be corrected.

10

An individual can do only so much by himself. I don't know of any business in which an individual could do very much if he insists on doing everything himself. If you have goals and objectives that are broader than what you can plainly do yourself, then you need to figure out how to work with others. The entire process of collaboration begins with you taking stock of your own abilities: What are you best at? What can you least afford to waste time on? Where do you most often get bogged down? If you cannot be realistic about your own capacities, how will you be able to integrate your efforts with the efforts of another person?

One of the most basic tenets of successfully working with others is communicating with other people on an adult-to-adult level. A key element of this ability is being realistic about the knowledge and skills that other people can bring to the table, just as you are honest about what you bring to the table. Communication determines the success of every endeavor. How do you ensure that the people you are working with are knowledgeable about the goals and objectives that are on the table? Do you know that your teammates agree with your thoughts about how best to get to where you need to go? What is a reasonable way of getting there? Are you proposing something reasonable? There are usually dozens of different ways of getting somewhere. How and why have you picked your particular route?

I've always considered myself lucky to be able to find high-quality people who were willing to buy into a vision of achieving big goals through hard work together with the people around them. Of course, it helps that the goals and objectives you are generating are goals and objectives that are specific and ultimately achievable. The best chance you have of accomplishing what you'd like to accomplish is to find people who will enthusiastically share that same goal and objective. And, it's also important to remember that not every person is naturally calibrated to working on a team.

Making these kinds of determinations about people is not easy, especially as leaders are always looking for great people. To this day, I keep track of people whom I believe fit the description of goal-oriented team players. For example, I know there are a few people around my town right now who I think are really able, people with good skills and abilities in various areas. If something came up that I thought really fit them, I'd go talk to them. It's that simple. It's also true that it is much harder to know if a person is technically qualified in a particular area. In some ways, technical competency is easier to measure; in other ways, it is harder to read.

How do you know when somebody is capable? What sorts of things do you look for? For me, it begins by just sitting down with a person and asking some focused questions. If a person can participate in the give and take, call and response of the discourse around the topic of potential work, it is also possible that they would be capable of completing the communicative functions required by the job. I try to ask a lot of questions, including some broader questions that might not seem directly linked with what they might be asked to do in the context of our potential work engagement.

"What do you really want to do in life? What have you done? If that's what you want to do, how do you think you'd get there? Do you need more education? Do you think you have the experience to do it now? What, if

anything, is missing?" There is no replacement for this kind of conversation. As a leader, you have to make a judgment based on these conversations. It is easy to be wrong, and when you are, try to not be too hard on yourself. You are human; no matter what position you may occupy in an organization—up to and including CEO—be assured that you will make your share of mistakes. Learn from them, and do your best not to make the same mistake twice.

The biggest disappointments I have had in life, and the potentially largest successes, too, both involved finding—or not finding—the right people. Those have all been related to thinking somebody was better than they actually were, and then suffering the pain of having to accept the fact that they just didn't meet my expectations. The point is, over the long haul, you'll end up on both sides of that equation. If you hire enough people, you'll make mistakes. You might get the first one right. You might get the first one wrong. However it works out, don't count on two in a row.

II

I BELIEVE GREAT OPPORTUNITIES are still available in this country. I also think that people have to work harder to achieve their aspirations today than they did 50 years ago. More hurdles confront those who are working to achieve their dreams today; they face more issues, more problems, more regulations and restrictions than ever before. Together, these forces act to gobble up their time, effort, and capital, even as they unnecessarily muddy the waters. Business activities that used to be done in one step now require seven or more steps. It is almost as if "efficiency" is a four-letter word in certain circles. (And sadly, we might well say the same thing about the whole idea of "competency.")

Part of the problem faced by those who are working to achieve their dreams today even includes the language we use when we discuss what the "American dream" means. Here, I think our society was done a disservice by politicians of the previous couple of generations who spread the idea that homeownership was the end-all, be-all measure of success. This is a big part of why and how we got ourselves into trouble. Everybody needs shelter, but everybody does not need to own a house. Owning a house has nothing to do with the American dream.

The American dream is opportunity—the opportunity to do what you have the ability to do, whether that's marrying your high school sweetheart

and raising a family, working in a factory, starting your own business, or whatever else. There are no guarantees in life. Just because you have the opportunity does not mean you will be successful. When politicians employ the rhetoric of class warfare and the language of the haves versus the have-nots, they are injecting an implication into the discourse that something that is merely an opportunity is actually a right, an entitlement. After several decades of beating that drum, politicians have succeeded in convincing a large portion of the population that they are owed something. The result is that today we are—by almost every measure—a softer people than the generations that came before us.

It is hard to speculate about what that might mean for the future of our society. I have great confidence in our young people; nonetheless, the financial and economic problems we are facing are not being adequately addressed by anyone in either political party. Too many people just talk around the problems. They don't take the politically difficult actions that are necessary to substantively address our nation's greatest problems. The longer these problems fester without being forcefully and honestly addressed, the greater the burden will be for today's young people. Instead of spending adequate money on research, development, and growth so that we could remain competitive with the developments of other nations like China, we have committed a gigantic portion of our future spending to social programs. I have seen projections that suggest upwards of 40 percent of our nation's gross domestic product (GDP) will be dedicated exclusively to social programs by 2030. That is an untenable number. We cannot afford it.

Our politicians cannot steel themselves and be honest about addressing our problems; if a politician were to stand at a podium and announce tomorrow that people won't be getting their Social Security checks because we are broke (a premise that most economists agree is the reality), that politician wouldn't be re-elected. And for far too many of our elected

leaders, re-election is the name of the game, more important than their fundamental obligation to say and do what is best for our nation no matter the cost to their careers. Social Security was introduced as a temporary safety net to help folks make it through tough times, but the program has turned into a de facto "paycheck" that people expect to receive in their mailbox each month. It's time for us to reassess what the purpose of Social Security is and make the program solvent.

It is easy to paint a terribly bleak picture of the problems we face in our nation today. They are enormous. However, I also take solace in what Winston Churchill once said about the American people: "After they've tried everything else, they'll do the right thing." There is a lot of merit to that statement. I want to believe that we will eventually snap out of it and recognize that we need to make substantive changes, and that we will eventually figure out the best path forward. I don't pretend to know what that path is, and I don't know when we might begin to see a shift in the attitudes and policies that have brought us to this point. We will be fine in the long-term, but I am certain we are going to struggle until we recognize what we have to do and make changes to the course we have been following. There will continue to be opportunities for people to pursue, of course, but the good opportunities are fewer and farther between, which means that achieving success is more difficult for individuals, families, communities, and businesses than it has ever been in our nation's history.

12

IT IS CRITICAL THAT WE LEARN from the past. That belief explains why I'm such a student of history; most of the questions that we ask again and again as a society we ask because we have such a short collective memory. The old saying, "Those who don't learn from history are condemned to repeat it," is absolutely true. I have a great personal appreciation for American history, so much so that I have been moved to make efforts to help preserve certain historical artifacts that I find important. For example, I own the original documents of the Louisiana Purchase. They include the original handwritten proclamation signed by President Thomas Jefferson and Secretary of State James Madison that informed the American public of the landmark purchase of 828,000 square miles of land from France that essentially doubled the size of the United States overnight. The 16-page document contains the complete text of the treaty and the two conventions that together constitute the agreement. The Proclamation bears the original, official United States seal embellished with silk ribbons.

The Louisiana Purchase had great consequences for the development of our country, and in particular for the region of our nation that framed my life.

The people who founded the original American colonies came mostly from England. The East Coast was claimed by England and populated

predominantly by English people. The Spanish, on the other hand, came up into the American West through Mexico and claimed that broad swath of territory. France had laid claim to New Orleans, Louisiana, and much of the central part of what we know as the United States today. What's interesting is that none of these world powers appreciated the incredible value of the real estate they were sitting on. If they had, they most likely would have fought to keep the territory for themselves. As it happened, after the American Revolution and independence from Great Britain, Spain and France were more than willing to be persuaded through various means that their claim was far less important than it really was—or that it was simply not worth fighting for.

Thomas Jefferson appreciated the importance of formally expanding the territory of the United States, even if the lands that were acquired wouldn't be settled for some time. He impressed upon Congress just how important this proposed expansion was to our nation's future. At first, Congress didn't listen; among other reasons, the asking price of $15 million was considered far too high for land we knew very little about. Eventually, Congress came to see Jefferson's viewpoint and approved negotiations for loans that would help raise the money to pay France for the territory.

Thank goodness Congress was capable of actually getting something done in those days. The Louisiana Purchase changed the course of history for many nations. It opened the way for the Lewis and Clark Expedition to explore and map the rest of the western United States, and it permitted Emperor Napoleon of France to concentrate on his wars in Europe. The purchase also sowed the seeds of the War of 1812 between the United States and Great Britain, and it was the beginning of the end of the Spanish empire in North America.

We would live on a radically different continent today if the Louisiana Purchase had not been approved. In fact, we could very well have three

significant countries here—a Spanish West Coast, a French Midwest, and an English East Coast. In my view, that would have resulted in the ultimate development of three economies that in total would be smaller than our single American economy is today. It would certainly have meant less population growth, more trade and political conflict, and probably more wars between the three territories, as well.

While it is still true today, it was even more the fact in those days that people usually went to war because of conflict arising around two core issues: religion and land. In fact, to examine the history of armed conflict around the world is to see how almost every notable squabble related back to some issues around one or both of those two themes. From my perspective, it seems like there's not a whole heck of a lot else that can get people sufficiently riled up to be willing to risk losing their children on the field of battle.

Many major turning points in history have been reached when a single individual recognized a particularly grand opportunity and then committed himself to bringing others around to his viewpoint. The Louisiana Purchase is an example of that phenomenon. Thomas Jefferson was a visionary. He recognized that the lands that could be acquired from the French would make all of the difference in tipping the balance of control of the continent permanently over to the side of the fledgling United States. It didn't matter much in the short-term; there weren't enough people available at the time to move into the new territory to justify the acquisition. But there would be enough people in time, and it was to the future that Jefferson was looking.

He sent James Monroe to France to negotiate the purchase from Napoleon. The French leader lived in a state of perpetual belligerence; he was almost always in need of more money to keep his army fed and outfitted. That meant that he was more than a little interested in Monroe's offer. Napoleon's more cool-headed advisors argued against the sale of the land

to the United States. Their arguments went nowhere, however. Napoleon was faced with rekindling the ongoing war with Great Britain. He needed to buy guns and boots and food and uniforms far more than he needed vast tracts of land on the other side of the world that were providing him with nothing. He apparently told his cabinet not to worry about the sale, though, because as soon as he finished with Great Britain he said he would return to America and simply take back the land by force.

When Napoleon agreed to the sale, America did not have the cash to make the purchase. So, the British—our mortal enemy a few decades prior—loaned us almost half of the money for the purchase. The United States gave those funds to Napoleon, who promptly turned around and paid the money to the British to make uniforms for his troops! Not long after that exchange, some of the Frenchmen wearing those British-made uniforms lined up on the battlefield to fight the very government that had helped to fund the people who were now trying to kill them.

History is fascinating and filled with amazing stories like this one. The Louisiana Purchase documents are essentially the bill of sale for the land that I happen to live on and that my family lived on before me. They also signify and memorialize the acquisition of at least a third of the land mass of our nation, which led to the unification of the continent from the Atlantic to the Pacific oceans. The documents are a physical representation, a remnant from one of those exact moments when we as a nation were at a fork in the road of history.

The United States is one of the very few countries on our planet that can be properly referred to as a "melting pot." We are a nation of immigrants, made up of people from every imaginable sort of background. When you look at much of the rest of the world, the populations of nations tend to be much more homogenous than the broad diversity we have come to know here. Japan is mostly populated by ethnic Japanese, China by ethnic Chinese,

Germany by ethnic Germans, and so on. So many of the nations around the world identify themselves along certain ethnic associations as a way to define their population. In the United States, on the other hand, we more commonly identify ourselves as individuals and as a people around certain sets of beliefs.

There is a strong likelihood that if we hadn't purchased Louisiana, the North American continent would be divided into British, French, and Spanish states that would act in identifiably idiosyncratic British, French, and Spanish ways. There's not anything necessarily wrong with older societies that favor a particular homogeneity; I simply prefer the diversity of background we enjoy here today, a fact that is all the more remarkable because even with all of our different backgrounds and ethnicities, Americans have collectively chosen to subscribe to a unique set of common values. We certainly don't live within a perfect system, but I believe we do things a bit better here than in most other countries on this planet.

We're young as nations go; just a couple hundred years into this grand experiment that is the American Republic. Clearly, we haven't got it all figured out as of yet. It takes a hell of a long time for a nation to develop to its full potential. We are still very much in the development stage.

The founders of our nation did a remarkable job in creating the U.S. Constitution and the Bill of Rights. As far as organizing principles go, those documents have held up well. That said, if another group of people on the other side of the world drafted an almost identical set of principles and chose to found a nation upon them, there's a high likelihood that their experiment wouldn't turn out anything like ours has.

No one in history could have imagined in their wildest dreams that this wild patch of the Western Hemisphere known today as the United States of America would become the greatest economic, political, military, and cultural powerhouse the world has ever seen.

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It's important not to forget that the people who came before us made possible all of the conditions that we were born into. Everything, from major issues like national defense to local issues like education and the creation of strong local economies, was important to our parents and grandparents. In truth, we do stand on the shoulders of those who came before us. They did their part as custodians of the important values that underpin our nation, and now it's our turn. I feel a sense of real responsibility about what I might be able to do for future generations.

Of course, there is a difference between society at large and the communities within which we interact on a personal, daily level. I've been quite active in our local community. Over the years, I have also become involved on a national scale. One of the organizations and programs that I have been lucky to participate in is the Horatio Alger Association. We provide need-based scholarships for about 1,800 children across the nation. We encourage young people to believe in themselves and to push boldly ahead into the world without regard or concern for where their journey began. Push forward and go out and create your own success, we tell the children with whom we work. Sure, you have faced adversity, and you might not have had much support up until now, but now is the time for you to take control of your own destiny and carve your own path. My work with this

organization has been enormously fulfilling, and I know that we are making a difference in the lives that need it the most.

I have also supported the Boy Scouts of America over the years. I believe that Scouting is the one of largest organizations in the world that consciously and conscientiously supports leadership, values, and character education for youth. That set of objectives constitutes a tricky endeavor when you consider all of the programs that go into making such youth development a reality. The work that Scouting does is a truly noble undertaking. The young people of today will be running the show in the years ahead, after all. That is no small reality. And as they learn today, so will the world become tomorrow. The development of youth is something that needs to be taken very seriously. It will make a huge difference if we can help even a small portion of the young people today to appreciate the importance of respect, good health habits, safety, giving back to their community, helping others, avoiding drugs, and living with integrity.

Integrity and ethics are different things. Everybody seems to talk about ethics. In my estimation, ethics are the standards established by society. Of course, there are many different societies in the world, and what is ethical in one society may or may not be ethical in another. I think that people sometimes lose sight of the fact that when they are talking about ethics, they are typically referring to the standards that are unique to the particular society in which they live.

Integrity, on the other hand, is personal, not societal. Integrity is a set of standards and subscriptions that emanate from within, not from any external source. Living with integrity means living in such a manner that if the day-to-day events of your life were reprinted in the newspaper tomorrow, you would be pleased to have your friends and family read about it. If people have integrity, ethics don't become a problem. People who live outside of the ethical standards of a given society are people who don't have

integrity in the first place.

The concepts and ideals of ethics and integrity don't develop overnight—in individuals or in societies at large. I recall receiving lectures from my parents and teachers about the importance of doing the right thing when I was a child. I'm not sure I possessed a fully formed sense of what it meant to live with integrity until my adult years when I witnessed the actions and observed the repercussions experienced by people who acted without integrity. Seeing the cost paid by those who lived without integrity had a significant impact on me.

I'm not sure that youth today have the same appreciation for the unique values that helped to distinguish our nation as my generation did when we were growing up. We could do a better job as a nation to help young people soak up the lessons of history, for example. That's how to ensure that they won't have to repeat the mistakes of the past. What's clear to me is that our national system of public education has been struggling for some time. In fact, I don't believe our schools are doing their job.

In my own experience, I have seen our local public school system essentially shuffle children from one grade to the next, with zero regard as to whether the children are prepared academically to be promoted. Too many children moving from eighth grade into high school aren't reading at grade level, and many can't do eighth-grade math. Even so, the vast majority of them get socially promoted. I can only conclude that the education system doesn't care about the children. If it did, children would be held accountable in the same way the real world will eventually hold them accountable after they graduate, if indeed they do graduate. The dropout rate in American public high schools is terribly high.

Some of what is happening in public education is also something we see on a societal level; in particular, we are a society that worries a lot about individual feelings—not rights, but feelings. We don't want children

to think that they didn't win at something, and so much of the time we don't even keep score. Unfortunately for children, the world *does* keep score. That's a brutal lesson for young people to learn, and we do them no favors by pretending that winning isn't important.

It is a truly sad state of affairs.

Many of the problems that afflict public education today can rightfully be attributed to laws that make it almost impossible for teachers to maintain discipline in the classroom. That situation has turned many teachers into babysitters, not educators. The problems plaguing our public schools are not because of inadequate funding, either. We pay enormous tax levies to support our schools—some of the highest in the world, in fact. Unfortunately, we don't get results in terms of academic performance and individual behavior that reflect anything like the tens of billions of dollars we spend on schools each year.

In my own area, we have a huge problem with truancy, particularly among high school students. That sad fact is part of a tragic situation in which most students who have reached the second semester of their senior year have probably met all of the requirements for graduation required by the state—not for passing the classes, mind you, but simply for showing up. Grades don't matter. It's fair to say that many schools don't really care if the students actually passed their required classes. They receive the same per-pupil funding whether students fail or pass their classes. And after the students have met their state-mandated course requirements, they aren't even required to continue attending school. Many students just quit going. The system is failing, and no one, anywhere, at any level—from the parents to the kids to the teachers to the administrators—seems willing to accept the consequences of that failure.

It is certainly true that the problems that confront our schools are multidimensional; there is no silver bullet or magic fix that will make

everything better. But it is also true that there is *always* something more we can do. For example, we have another local program for kids that we call Avenue Scholars. We invite the counselors in seven of the high schools to select students from the junior class at each school. After school every day, these students stick around to meet with a mentor and a counselor for an hour and a half. They talk about things like setting and working toward long-term goals. We want to see each child make it through high school, go on to college, and get a good job after they graduate.

Our goal and objective with the Avenue Scholars program is to take the kids from juniors in high school through college and into their first job. These are all local kids, and all of them are entitled to free and reduced lunches, so they all come from poor backgrounds. They have an average GPA of 1.5 upon entering the program. Those in the program see their GPAs rise up to about 3.0. Most of them go on to the local community colleges, where they can get technical training in different trades. That means they can earn a living after graduation.

This local program is being driven by private money. We don't take a penny from the government. There are about 700 kids enrolled in the program today. Because of the time and money commitments involved, we have to cap the program at about 1,000 students. It does bother me that we're really only putting a bandage on a hemorrhaging wound; just in my area, there are at least 40,000 kids locally that could meet the same qualifications as the 1,000 we are able to serve. So many of these kids came up in difficult surroundings. But, our program is a start.

We are doing something worthwhile for these kids. You could argue that the single biggest benefit for some of them is the opportunity to participate in a system where they will be held accountable for their actions; for some of them, this program is a first in that department. It's not an easy program by any means; we do not believe in a

three-strikes-and-you're-out policy. We tell them what the rules are on day one: *One* strike, and you're out. We don't put up with anything. We make sure they understand that. We make sure they understand the rules and what is expected of them. The vast majority of the kids thrive under these clarifying conditions. The public school system graduates around 50 percent of high school students. About 80 percent of the Avenue Scholars graduate. That is a huge difference. Better still, a lot of these kids end up doing something worthwhile and fulfilling. In short, they hold down a job and pay their bills instead of falling back into gangs or crime and prison.

It is a shame that we had to construct a program to supplement the terrible job that the public schools have been doing. We know our program is really a Band-Aid, an inadequate response to an almost intractable problem. But the effort to improve the system must continue. That effort is entirely worthwhile. I believe that if this program works here, it can work anywhere.

I am involved with scholarship programs and support programs on both ends of the spectrum. I provide full-ride scholarships to 150 students through the Peter Kiewit Institute. That program is for the best and the brightest. The gap between the best of the best in that program and the least of the struggling we see in the Avenue Scholars program is incredible. The fact that the same area produces this wide range of outcomes is particularly troubling. Periodically, I receive a letter from a former participant, writing to share the news: "I've got a job here. I'm doing this," and what have you. Those letters make all the difference.

Many factors explain the failure of public education. Too many parents are skipping out on their responsibilities, for one thing. That doesn't mean there aren't some really damn fine parents out there. It just means that there are too many doing a lousy job. Part of the reason for that is economic, and some is because they just don't know any other way. It is almost impossible for parents who have known only poverty, crime, abuse, and dead-end jobs

in their own lives to make it possible for their child to experience something better. Even so, we try.

Another issue that adversely impacts kids these days is the misplaced emphasis that the high school system places on preparing to ship kids off to college. Not everybody should go to college. Not everybody turns out to be a doctor or a nuclear physicist. We need people training in areas of practical expertise—learning to be mechanics, electricians, plumbers, and so forth. Look in the help wanted section of the paper or on the Internet. The best jobs are in the trades. Why aren't we identifying kids who have an aptitude for the trades and helping them get there instead of trying to push everyone to college?

Reading, writing, and arithmetic form the basis for everything you're going to do in your life. If you can't read, and you can't write, and you don't understand math, your potential ceiling for accomplishment in life is extraordinarily low. My fear is that the problems in education I see locally might be representative of a wider problem afflicting our entire nation.

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We live in a diverse world with plenty of space for different people and different views. Sometimes, though, it is easy to get bogged down by focusing only on the differences that separate people and by allowing those differences to define us. Some of the most difficult (and the most rewarding!) work in life lies in finding commonalities, the connective threads that tie us all together.

When my sister and I were growing up, we were almost constant adversaries. We squabbled about all kinds of things that really didn't matter much in hindsight, though I'm sure they seemed like they were worth fighting over at the time. As an adult, I came to understand that while there actually are some things worth fighting over, the list of justifications for going to war has shrunk considerably. This is in part a function of the presence of more patience among people and nations, combined with a willingness to communicate more conscientiously.

My sister and I outgrew the conflicts of our childhood. I wish politicians would do the same thing. Clear communication is fundamental to the optimal functioning of our system, and yet when I look at politicians, it seems like they are always talking past one another. That's not real communication. They don't articulate their separate positions, listen carefully to what the other has to say, and then engage in respectful, constructive dialogue.

We need to listen better, communicate more clearly, and be willing to sit down and honestly discuss the issues. Doing those simple things would bring steady and significant improvement to many of the issues we face as a nation.

There are three things that young people should never take for granted. The first is that the greatest thing you possess is your good health. Don't do anything to damage it or destroy it, and do everything you can to maintain it. Second, the best thing you can acquire is a good education. It's yours alone, nobody can take it from you, and you can use it all your life. The third thing is to remember that you live in a society. You are a part of a larger whole. Do what you can to help improve the world around you. Be a giver, not a taker. We have all the takers we need. I did my best to emphasize the importance of these same three things to my children as they were growing up.

These days, I am trying to do my own small part to improve the world around me. I recognize that there are no silver bullets to magically fix the ills of the world, but that doesn't stop me from attempting to do some good in the areas where I think some good can be accomplished. We need to take on the problems I have discussed here head on and then work seriously at them one piece at a time. What we are up against is formidable; it may seem too big to tackle if we don't break it all down into manageable chunks.

It is also important to remember that it is so much more difficult for a person to learn something didactically than it is for them to learn through experience. I don't believe young people in Scouting develop good character as a result of memorizing the Scout Law; good character arises out of engaging in and living a system of belief. Good character is developed over time. That's one of the reasons I'm excited to be involved in the development of the Summit Bechtel Reserve. I believe that facility will go a long way toward keeping young people around Scouting because the high-adventure experiences are so challenging and so fun. Of course, while they're sticking

around having fun, their character is developing.

I chuckle when I think about some of the character-building activities that my friends and I engaged in when we were boys. A lot of them resulted in muddy clothes, scraped knees, and bruises. Our lives were framed by the openness and endless possibility of the blank canvas that was the outdoors. Today, it seems like the lives of young people are increasingly framed by screens—TV, computers, phones, and video games. A somewhat sobering statistic was recently pointed out to me. The average young person spends 43 hours per week looking at a screen. I'm not exactly certain what that might mean for the future, but I do know that's sure not camping.

Building character involves learning to be part of your society, learning to get along with people, learning to be tolerant, learning to be open to the possibility that every interaction you have with every different person could potentially impart a crucial lesson about life. People who possess unimpeachable character tend to move well through life, and they sleep well at night, too. Most of us know instinctively who it is around us who possesses good character. We don't need to analyze it, or even to verbalize it. We just know. It goes hand in hand with having a good reputation or a good name. As Peter Kiewit said, "A reputation is like fine china. You have to work incredibly hard to carefully build it. But it sure doesn't take very much to break it."

Integrity is something that a person carries within himself; character is something that can be built up and developed over time. I think that interacting with the grandeur of nature is one avenue for building character—and that's another thing that Scouting recognizes. Going on adventures in the great outdoors will always be a major draw for the Scouts, an experience that people will find edifying no matter what advances in technology might arise in the future. I have always loved the outdoors. I like to fish, and I like to hunt. Those are activities I've been pursuing my

whole life. I did a little bit of fishing and some hunting with my parents when I was young. My mother liked fishing; I remember using cane poles and a single worm for bait on a plain hook. I've continued to enjoy those pursuits over the years.

I still get out and do some big-game hunting and bird shooting. I go on deep-sea fishing trips a few times a year. I love to commune with the natural world. In a very elemental way, I just like to be outside. I like seeing the animals and the birds. Most of all, I like being able to do these activities with members of my family. When I get to go out with my grandchildren, the feeling is just like it was when I was a kid.

Nowadays, I get the most enjoyment out of those activities and the work I do in areas like education. I plan to carry on with it all. A person always has unfinished business to complete. There are quite a few things that I'd still like to do in the community, for example. I don't see myself getting any less busy any time soon. On a typical day, I get up around 5 a.m. I take care of the dogs, I exercise, and I read the paper. I go to the office, take half a dozen or so phone calls, and participate in three to five meetings each day. Those meetings used to be all business, but nowadays, they're probably 40 percent business and 60 percent related to other local activities.

I keep busy, and I do my best to have a lot of fun. It's nice to say that life is a lot of fun. Too many people don't appreciate how important it is that life be fun.

I often try to underscore the importance of incorporating fun and enjoyment into life when I talk to young people. It is crucial that a person strive to find a job or a calling in something that he or she genuinely enjoys, something that they like doing. Of course, it's difficult to love anything all of the time. You will always encounter bumps in the road. I certainly have encountered my share. And yet, as a friend has said, I tap dance to work every day. There might be a bit of hyperbole in that statement, but I wish

that every person would find something they enjoy that much and pursue it with all of their heart. The world would be a much better place if we all found a way to put more of ourselves into the things we truly love.

When I am outdoors at night, I always look up to the sky. I have been a stargazer my whole life. I find wonder in the vastness of the universe—and that is yet another thing that makes life so fun, so interesting, and so enjoyable.

Here's hoping that you will be a stargazer, too.

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