WHY LEADERS

The end of the Cuban missile crisis is generally regarded as a triumph of leadership for President John F. Kennedy. As his advisers prepared plans for invading Cuba and enduring a nuclear war, the young chief executive held out for settlement, and managed to reach an understanding with his Soviet counterpart, Nikita Kruschev: The USSR would withdraw the missiles it was installing in Cuba, in exchange for which the US would remove its own Jupiter missiles from bases in Turkey, on the Soviet border.It was a good trade (thanks to new class of submarine-launched nuclear missiles, the Jupiters were obsolete anyway). But there was a catch: Kennedy felt he could not be seen to give in to his enemy, nor could he publicly violate American commitments to Turkey about the missiles. The Soviets would pull their missiles publicly, but the American quid pro quo would be kept secret. The Soviets agreed, and Kennedy, when asked if he'd made the missiles-for-missiles trade, lied and said no.

Like other forms of deception, lying is a fact of life. The psychologist Bella DePaulo of the University of California at Santa Barbara has quantified this common-sense observation. She once had 147 students keep diaries of their dealings with other people for a week, asking that they record "any time you intentionally try to mislead someone." Her perfectly ordinary volunteers lied, on average, 1.5 times a day. And so it's a fact of life that in their day-to-day lives, leaders lie too. (When a loved one asks, "How do I look?" or "It's a new recipe; do you like it?" frankness won't serve you, or anyone else, very well.)

BY DAVID BERREBY

But the lie that averted Armageddon illustrates a seldom-acknowledged truth: Sometimes leaders deceive where nonleaders would not; sometimes leaders deceive because they're leaders. They fib (and spin and mislead) because they can. (Until and unless something goes wrong, no one objects to a falsehood that led to success.) More important, leaders lie because leadership at times requires deception. "It is clear from the historical record," writes the University of Chicago political scientist John J. Mearsheimer, "that although lying is often condemned as shameful behavior, leaders of all kinds think that it is a useful tool."

Of course, leaders need to set an example of honesty and integrity for their organizations. (They shouldn't lie for selfish reasons.) But part of the art of leadership is knowing when lies have to be told, and being able to distinguish those deceptions — the ones created for unselfish reasons — from the purely self-serving kind.

Strategic deception, of course, needn't involve out-and-out lies. There are many more subtle ways to deny people accurate information that they would like to have. There is, for example, telling the truth but creating a false impression. In 1992, the Centel Corporation, a telecommunications company, held an auction to assess interest from potential buyers (a process that eventually ended in the company's sale to Sprint the next year). During this auction, Centel issued a statement that "the bidding process continues to go very well." (In fact, the bidding was going very badly — the company was discovering that it had no takers.)

Then too, there's "spin" — statements that arrange the facts to paint the rosiest possible picture — and the mega-spin that the philosopher Harry G. Frankfurt calls "bullshit." (At least liars know the truth, Frankfurt writes. But the defining trait of b.s. is that the issuer isn't paying any attention to truth at all.)

Some, like Eric Bergman, a communications consultant in Toronto, even include "staying on message" in their list of deceptive tactics (since sticking to one's message means ignoring questions you're asked in favor of the subjects you would rather talk about).

In the abstract, you could argue — as for example, the philosopher Sissela Bok suggests in her influential work "Lying" — that none of these tactics are as good as plain unvarnished truth-telling. But a place in the C suite can land you in situations that most spouses, parents or friends never face, and in those special circumstances, different standards for deception do apply. Consider, for example, a bad presentation by one of your direct reports (Is calling her out in front of the whole team really the best move?). Or a crucial negotiation (Who gives away their reservation price before the game starts?). Or a press release about downsizing (There has to be a better way to say, "We can't afford to keep paying these people"). Or a firing ("Of course, we'll say you're leaving to pursue other opportunities and give you a letter of recommendation").

History is rich in leaders who decided that spin, omission or outright lies — whatever it took to get people to do what had to be done — would serve their constituencies better than the truth. (The founder of the modern Turkish republic, Kemal Ataturk, had a saying: "For the people. Despite the people.") Consider, as Mearsheimer recounts in his recent book, "Why Leaders Lie," the reason that heavy-duty armored vehicles are called "tanks": during World War I, British leaders told the public they were developing a water-delivery system on wheels for the troops in the trenches. They chose deception in order not to give away their real plans to the enemy. Should they instead have told the truth about

the new weapon, thus endangering their own soldiers and their nation's interests?

Under the theory of "role-differentiated morality," the philosopher Fritz Allhoff of Western Michigan University argues, certain jobs make some acts permissible, or even obligatory, that wouldn't be in any other context.(For example, a good lawyer undermines a hostile witness, even if that witness is sincere and truthful, because the lawyer's job is to make the client's case. A good soldier is willing to kill people, because his duty is to help win the war.)

Trouble is, the temptation to lie arises without reference to moral philosophy. A selfish lie that doesn't necessarily help the organization can feel, in the moment, like the best choice. In fact, casual and selfish lying — which makes life easier for individuals but doesn't help the organization — is the bane of many a business. It leads to the substandard culture that the Harvard Business School's Ginger L. Graham calls "the organizational lie": "marketing materials touting a commitment to 'customer delight' even as customer relationships falter; silence when an individual isn't performing or has behaved inappropriately; denial when a program isn't yielding results, allowing it to continue."

How, then, to separate deceptive urges that are purely selfish and lazy (the ones that help you escape embarrassment or that avoid unpleasant but needed confrontations) from the ones that are genuinely and strategically necessary? Getting clear on this distinction requires getting clear on the exact nature of those responsibilities to an organization that would alter a leader's moral calculus about deception.

The most obvious difference between the roles of leader and follower, of course, is that the leader is responsible for the survival of the organization. Since the late Renaissance, for example, political thinkers have referred to "reasons of state" to describe the imperative to keep the nation in existence, no matter what. Respecting this principle, a leader deceives when the truth would kill her organization; she deceives to survive and fight another day. "There's nothing sacred, neither fellowship or faith, when kingship's at stake," wrote the Roman poet Ennius.

A number of philosophers think the same rule applies to business ethics. The philosopher Alan Strudler of the Wharton School, for example, argues that deception in business can be the equivalent of self-defense in a bar fight. Centel's executives, for example, knew that presenting an accurate picture of their auction would cause investors to clobber the company's stock. So the company said the auction process was going well, which was technically true (procedures went without a hitch) but still deceptive (those procedures showed that no one would buy the company's assets). When several investors sued about this, they lost. Courts recognized that Centel's leadership had wide latitude to defend the share price.

More commonly, though, the fate of the entire organization isn't in play, and the reason for deception is what Plato called "the noble lie." The noble lie emerges from a situation where the truth, while not fatal, would nonetheless lead to worse outcomes than would a well-chosen falsehood. For example, Kennedy's missile

Whom Do You Trust?

In ordinary life, we tend to be more frank and confiding with those we trust; and when we have a close relationship with someone, we feel we owe him or her the truth. But leaders of democratic nations, John J. Mearsheimer found, are more inclined to lie to those who trust them — their people — and less inclined to lie to other leaders.

"When I began this study," he wrote, "I expected to find abundant evidence of statesmen and diplomats lying to each other. But that initial assumption turned out to be wrong." The reason: national leaders function in a competitive and ruthless landscape where almost anything goes, because the stakes are nothing less than national survival. Therefore, they don't much trust one another.

Paradoxically, that reduces their incentive to lie to each other. If you're inclined to be skeptical of everything I say and to verify it independently, then what do I have to gain by trying to deceive you? You will find me out soon enough. Therefore, Mearsheimer reports, in his study of decades of diplomatic activity, he found few instances of leaders lying to one another. Instead, he concluded, leaders tell lies to those who do trust them — their own people. If you want the truth, it seems, the best place to get it from is your competitors.

fib was the right decision, Mearsheimer argues in "Why Leaders Lie," "since that lie helped settle the Cuban missile crisis and avert a possible war between the nuclear-armed superpowers." To go from the geopolitical to the personal, every résumé contains some noble lies, at least from the perspective of its authors. The sin of exaggerating responsibilities here or puffing up skills there will be outweighed by the great job I'll do when I get the position. The same goes for talking up the superstar "friend" you haven't actually seen since 2002 or, for that matter, dyeing your hair.

A Liar's Library

A number of executives, political scientists and, especially, philosophers have pondered the relationship of deception to leadership. Here are the best books and papers to sharpen your thinking.

Books:

- Sissela Bok, "Lying: Moral Choice in Public and Private Life." Vintage, 1999
- John J. Mearsheimer, "Why Leaders Lie: The Truth About Lying in International Politics." Oxford University Press, 2011
- J.J.C. Smart. "Ethics, Persuasion and Truth." Routledge & Kegan Paul, 1984

Journal articles:

- Fritz Allhoff, "Business Bluffing Reconsidered," *Journal of Business Ethics* 45 (2003): 283-89
- Albert Z. Carr, "Is Business Bluffing Ethical?" *Harvard Business Review*, January-February 1968, 143.
- Thomas Carson, "Second Thoughts about Bluffing," *Business Ethics Quarterly* 3(4) (1993).
- Stephen L. Carter, "The Insufficiency of Honesty," *Atlantic Monthly*, 277, 2 (February 1996).
- Ginger L. Graham, "If You Want Honesty, Break Some Rules," *Harvard Business Review* (April 2002).
- Alan Strudler, "Deception Unraveled," *Journal of Philosophy*, 102, 9 (September 2005).

According to many of the philosophers who have pondered the ethics of deception in business, many business negotiations practically require the "noble lie." "Is Business Bluffing Ethical?," the author Albert Carr asked in a famous *Harvard Business Review* article published in 1968. Carr said it was, because negotiations have different rules from normal conversations. Like poker games, he argued, they require that "players" hide truths from one another. To quote the British statesman Henry Taylor, a "falsehood ceases to be a falsehood when it is understood on all hands that the truth is not expected to be spoken." For example, when Centel investors sued over the company's deceptive statements about its auction process, courts held that no one involved had a right to expect total disclosure. (In the federal appeals court decision, Judge Richard Posner held that investors know to look at a company's reports the same way that employers look at piles of recommendation letters, all of which describe every candidate as outstanding.)

Sometimes, though, the stakes involved in deception are less about an urgent organizational need than they are about maintaining order, morale and focus. Leaders will lie, at times, to preserve what the military calls "social honor": the dignity and self-respect of the brand, the organization and individual team members. (As Mearsheimer recounts, as a West Point cadet he was forbidden to deceive others, except when a fib would preserve "social honor.") Consider, for example, the firing by Mayor Michael R. Bloomberg of New York of a deputy mayor last summer. The official, Stephen Goldsmith, was arrested on a domestic violence charge after an argument with his wife (who later did not press charges or endorse the police report). Bloomberg decided that his deputy had to go. He also decided that he would announce that Goldsmith was leaving to "pursue private-sector opportunities in infrastructure finance."

When journalists put the real story before the public, the mayor was unrepentant about rating honor above candor. "I make no apologies for either the fact that Mr. Goldsmith has left city service, or for treating the Goldsmith family with basic decency as he left," Bloomberg said. The enduring impression that his direct reports are honorable people, and that team members are loyal to one another, was worth preserving, in Bloomberg's view, at the relatively small expense of public information. "I have long believed that public officials are all too willing to humiliate the people who work for them whenever it's politically

convenient or advantageous," he said."It's an outrage, and I refuse to play that game."

If survival, damage control and "social honor" all can justify deception, the central task for a leader is this: distinguishing the situations where those motives do justify falsehood, from those where deception would still be wrong. Granted that leadership sometimes requires an atypical relationship to the obligation to tell the truth, how are you supposed to tell when your situation meets the criteria for a special case?

In hindsight, there's no denying, the ultimate standard is success. In international politics, Mearsheimer writes, "the main reason that a leader would likely incur his public's wrath is because the policy failed, not because he lied." Generally, he adds, "success excuses lying, or at least makes it tolerable." But, of course, future success can't be your criterion for choosing a strategy before implementation. Everyone thinks his or her decision will lead to success, but not everyone is right, because success is unpredictable. Leaders need guidelines for decision making when information is imperfect and outcomes are still uncertain.

On this score, Sissela Bok proposes a methodology that's both insightful and practical. In "Lying" she applied the framework only to out-and-out falsehood, but it works too when pondering more finely shaded forms of deception, like artful omission, spinning, b.s.-ing and so on. Bok argues that any possible lie should be subjected to two tests.

First, the principle of veracity (the self-evident fact that people need to tell the truth most of the time for their business, and the larger society, to function) requires that you ask yourself some tough questions: Are there truthful ways of accomplishing what the falsehood would achieve? What are the arguments both for and against the lie? What effect would this lie have on the general practice of truth telling?

If, after some clear-sighted answers to these questions, you still find that deception looks justifiable, Bok argues, you need to go further. Because we are all self-serving in our judgments, especially under stress, your argument with yourself is not enough. You need to see how other reasonable people view the potential lie. How would it look to your colleagues? Your friends? Your fellow leaders? Even more important, how would it look to people with a different perspective on life — to other stakeholders and other members of society?

Obviously, this consultation is sometimes impossible, but you can, if you take a moment, imagine how other reasonable people would react to your planned deception. And, Bok argues, you must do this in order to really weigh the costs of a possible deception against its benefits.

Her argument is general for all people in all places, but it has a particular resonance for leaders precisely because the gap between ordinary obligations and those of leaders is greatest in times of stress.

Sometimes, a proposed deception, omission or spin will pass all these tests. Sometimes, though, you might find an alternative. Part of the art of leadership, it seems, is knowing the difference between when you could deceive and when you really have to.

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