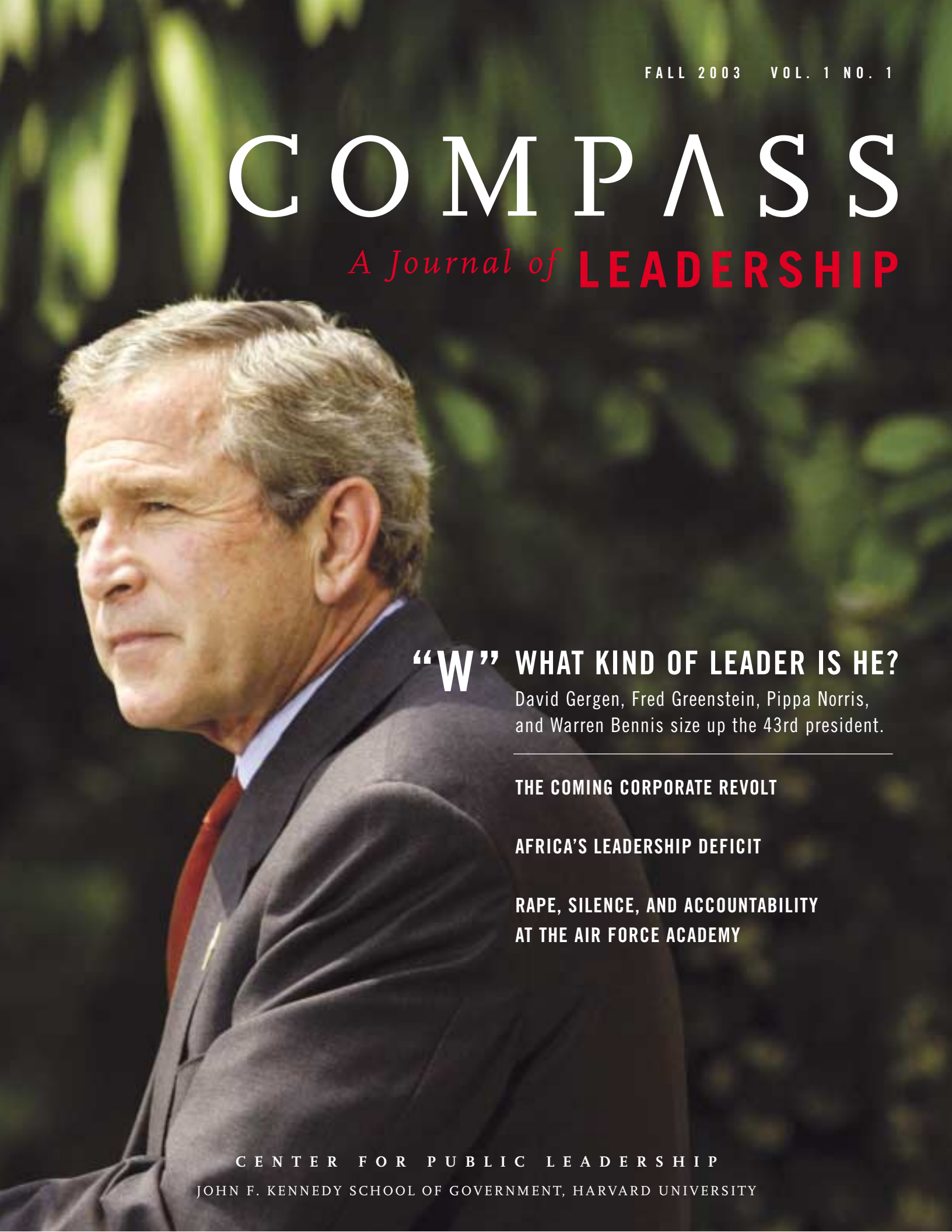
FALL 2003 VOL. 1 NO. 1

COMPASS

A Journal of LEADERSHIP



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AFRICA'S LEADERSHIP DEFICIT

RAPE, SILENCE, AND ACCOUNTABILITY AT THE AIR FORCE ACADEMY

CENTER FOR PUBLIC LEADERSHIP
JOHN F. KENNEDY SCHOOL OF GOVERNMENT, HARVARD UNIVERSITY

COMPASS

A Journal of LEADERSHIP

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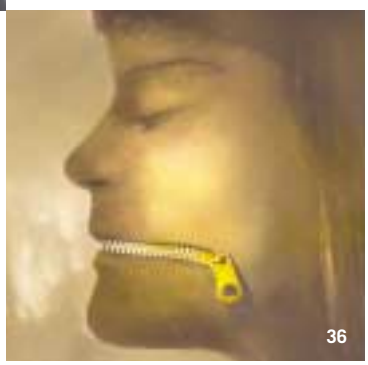

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COMPASS

A Journal of **LEADERSHIP**

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We regret that we cannot return manuscripts unless they are accompanied by a postage-paid return envelope.

Forward, March

The magazine before you is new, but it has a pedigree. The Center for Public Leadership first published a newsletter shortly after the Center opened for business at Harvard University's John F. Kennedy School of Government in 2000. Last year, with impetus from David Gergen and Barbara Kellerman, and with the generous support of the Wexner Foundation, the newsletter evolved into a magazine called *Leadership*.

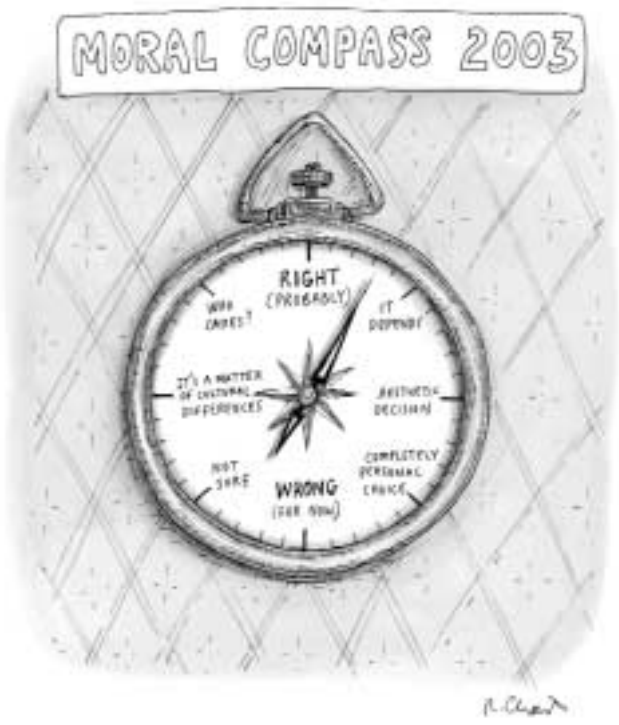
Welcome to the next stage in the evolution. *Compass*, like its predecessors, reflects the CPL's mission to change the conversation about leadership, in part by bringing new voices and views into the exchange. Just how wide do we intend to cast our net? The range of articles in this issue might give you an idea. At the heart of the magazine is a four-part examination of the world's most prominent leader, U.S. President George W. Bush. Whatever your opinion of this polarizing figure, this special report will convince you that the forty-third president should not, as he might himself say, be misunderestimated.

Compass doesn't stop at politics. In "The Coming Corporate Revolt," Roger Martin, dean of the Rotman School of Business at the University of Toronto, challenges the corporate world to renounce its self-defeating creed of shareholder value. In "Broken Code," Boston-based journalist Leslie Brokaw brings to light previously unreported details about the sexual abuse scandal that has rocked the Air Force Academy. And be sure to read Robert Rotberg's nuanced and deeply informed inquiry into African leaders' perplexing legacy of despotism. But don't stop there: from the spirituality of Debashis Chatterjee ("The Leadership Connection") to the pragmatism of Deborah Ancona ("Tune Up Your Leadership"), the ideas and perspectives you will find in *Compass* are, I'm confident, worth your time and attention.

I'm supposed to say a word about the cartoon. As I write this, Dennis Kozlowski, formerly Tyco Corp.'s free-spending CEO, is sitting in a New York courtroom, on trial for racketeering. The Justice Department is investigating whether revenge-minded White House officials blew the cover of a CIA agent. How much more setup is necessary?

Please join *Compass* as we explore the fascinating terrain of leadership. If you would like to share this magazine with friends or colleagues, please e-mail their names and addresses to **CPL@ksg.harvard.edu**, and we'll add them to our mailing list. And please let us know how we're doing. You'll find me at **harris_collingwood@harvard.edu**. I look forward to hearing from you.

Welcome,



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leading the news

The leadership secrets of Arthur Sulzberger, Ted Turner, and other media luminaries

Howell Raines: Did he forget Sulzberger's "rules of the road?"

by Shelby Coffey III

It was late August 2001, and *The New York Times* was on the verge of a momentous transition. Executive editor Joe Lelyveld was giving way to Howell Raines, most recently the paper's editorial page editor and a supremely gifted journalist. I was in town conducting interviews for the Freedom Forum, talking leadership with some of the brightest lights in the news business. One of my subjects was New York Times Co. chairman Arthur Sulzberger Jr., himself a keen student of leadership.

During our talk, Sulzberger described "the rules of the road," the ten key management principles that are supposed to guide the daily operations of the world's most important newspaper. "Treat each other with honesty, respect, and civility," Sulzberger said. "That's rule number one. We have asked people to leave our employ who were exceptional at making the numbers or making the stories but did so on the backs of their people and created a work environment that was antithetical to the company I want to work for or I want to lead. And we've done that knowing that our employees were looking to us to live up to the rules of the road. In the end, these rules are only as good as your willingness to live by them."

Those words resonated for me a year and a half later, when a management upheaval convulsed the *Times* and cost Howell Raines his dream job. The high-water mark of Raines's tenure was undoubtedly the record seven Pulitzer Prizes the *Times* won for its coverage of the September 11 atrocities and their aftermath. The low point was the staff meeting called after the paper was embarrassed by serial plagiarist and fabricator Jayson Blair. The focus of the gathering was at times not just Blair but Raines himself. Raines acknowledged that many staffers saw him as "arrogant and inaccessible," a favorites-player leading a "culture of fear." He said he aimed to win back the trust of his staff. Days later, according to Raines, Sulzburger reluctantly asked for his resignation.

Since then, commentators of all stripes have squeezed most of the symbolic juice out of the imbroglio, seizing on the incident to score points against affirmative action or in favor of participatory management, or simply to indulge in the ever-popular sport of *Times* bashing. But a simple truth has been overlooked in all the chatter: news organizations, unlike widget makers, are constitutionally protected, but both widget making and news reporting require leaders, and those leaders had better be prepared for a calling whose only constant is surprise.

What can the best leaders in the news business teach the rest of us? That's what the Freedom Forum set out to learn from interviews with twenty of the most senior and respected people in the news business, with a cumulative 800 years' experience. They ranged from Time Inc. editor in chief Norman Pearlstine to NBC News president Neal Shapiro, from the Times Co.'s Sulzberger to former CNN president and *Los Angeles Times* publisher Tom Johnson. I can't do justice to the breadth of their thinking in a brief article, but it is possible to group the gist of their reflections on leadership under a few handy headings. So listen up, because when these leaders speak, they're not just talking to other media professionals. They have something to say to every leader who ever faced a conference room full of anxious, skeptical employees or a hotel ballroom full of impatient stockholders.

Catch people doing things right. Humans are hard-wired to focus on what's wrong, and for good reason. Our ability to find problems and fix them has served us well as a species. But don't overdo the fault finding. The people you work with lean out for love and approval; give it honestly and often. "It's incredibly motivating," says Tim McGuire, past president of the American Society of Newspaper Editors.

Don't bear grudges. Have an argument, even a fight. Then settle it and move on. "That's the best management advice I can give anyone, whatever business they're in," says Dick Wald, a former ABC vice president. Resentment is poison.

Don't wait thirty years to find out who you are and what matters to you.

Your moods are contagious. To watch Ted Turner stride through a CNN studio is to see a workplace transformed by staccato wisecracks, quick compliments, and a huge, inimitable grin. Leadership electrifies, as Daniel Goleman notes in *Primal Leadership*, an illuminating book about the psychological and physiological underpinnings of leadership. But the fall of Howell Raines reminds us that followers pick up on a leader's harsh or angry moods as readily as they respond to upbeat leadership. Leaders need to monitor and adjust their moods carefully to ensure that their electricity generates light as well as heat.

Meetings are for setting goals and assigning responsibility. Arthur Sulzburger says this advice applies equally to soccer moms and CEOs. How many times, in the rush to finish a meeting, do we charge off without making clear what needs to be done, by whom, and by when? Take the last few minutes of a meeting to summarize the agreed-upon course of action, assign tasks, and set deadlines. The very act of verbalizing conclusions and next steps will galvanize the group's energy.

Be direct, especially in tough times. I'm married to an emergency room doctor, which is a many-splendored blessing. Not least, I've never had a hard day compared to her, despite my frequent caterwauling to the contrary. Through innumerable crises, her advice has never varied: tell the straight truth. Show how you can improve the situation, if you can. But paint no illusion.

Focus on the solution, not the problem. The best way to have a better future is to create one. Television producers are great at taking the surprises that each day throws at them and turning them into opportunities for innovation. Creativity can be a team sport. Season your creative team with contrasting, even conflicting views. A mind, once stretched by original ideas, doesn't return to its original size.

Learn from your best colleagues. Many of the leaders I interviewed talked about closely observing the strong traits of mentors and co-workers and incorporating them into their own work. "Stay yourself," says NBC News president Neal Shapiro, but learn to emulate the best elements of people you admire.

Live the values you preach. Your coworkers will nail any discrepancy between your stated values and your daily actions as rapidly and mercilessly as, heaven help you, your own children. If you can't live it, don't preach it. At the least you'll avoid the tag of hypocrite.

Get cooler as it gets hotter. Assess the damage, steer for the solution, and remember that there's always tomorrow. Most of the leaders interviewed had been through harrowing hard times—high-stakes corrections, budget catastrophes, career setbacks, public battles. They survived, they told me, by facing the bad news without flinching and then immediately going on the offensive. Get strong advice from trusted sources outside and inside the organization. Don't be stampeded to a decision before its time. And as they say in the emergency room: group, regroup, and regroup again.

Don't define yourself solely by your job. Tom Johnson, former president of CNN and former publisher of the Los Angeles Times, advises leaders to start a private lifetime list. Make a list of medium-term and long-term goals—adventures you never dreamed of, skills you wanted to learn. You want to climb Mount McKinley, swim the Yellow River, learn to paint, write a screenplay? Look for the unexpressed parts of yourself. Share them with your spouse and children. The people who have done this amaze themselves with what they've achieved over the years. More to the point, they get closer to themselves. One hard-bitten old editor told me that it took him thirty years to realize he couldn't be a person of faith on the weekends and someone else at work. Don't wait thirty years to find out who you are and what matters most to you.

Oh, and one last piece of advice, from my grandfather, a Southern politician. He told me, "Never forget rule number seven." "What's rule number seven?" I asked him. "Don't take yourself too seriously." "What are the other rules?" I asked. "Actually," he said, "there are no others." ■

For free copies of *Best Practices: The Art of Leadership in News Organizations*, contact the Freedom Forum at (615) 727-1562, or scoffey@freedomforum.org.

Shelby Coffey III's journalism career has carried him from the *Washington Post* to the editorship of the *Los Angeles Times* and *U.S. News & World Report*, and on to the presidency of CNN-Financial News. He is currently senior fellow of the Freedom Forum, a nonprofit, nonpartisan foundation dedicated to free press, free speech, and free spirit for all people.

"We're operating on a frontier"

James MacGregor Burns

talks about politics, religion, and the "X factor" in the fight against poverty.

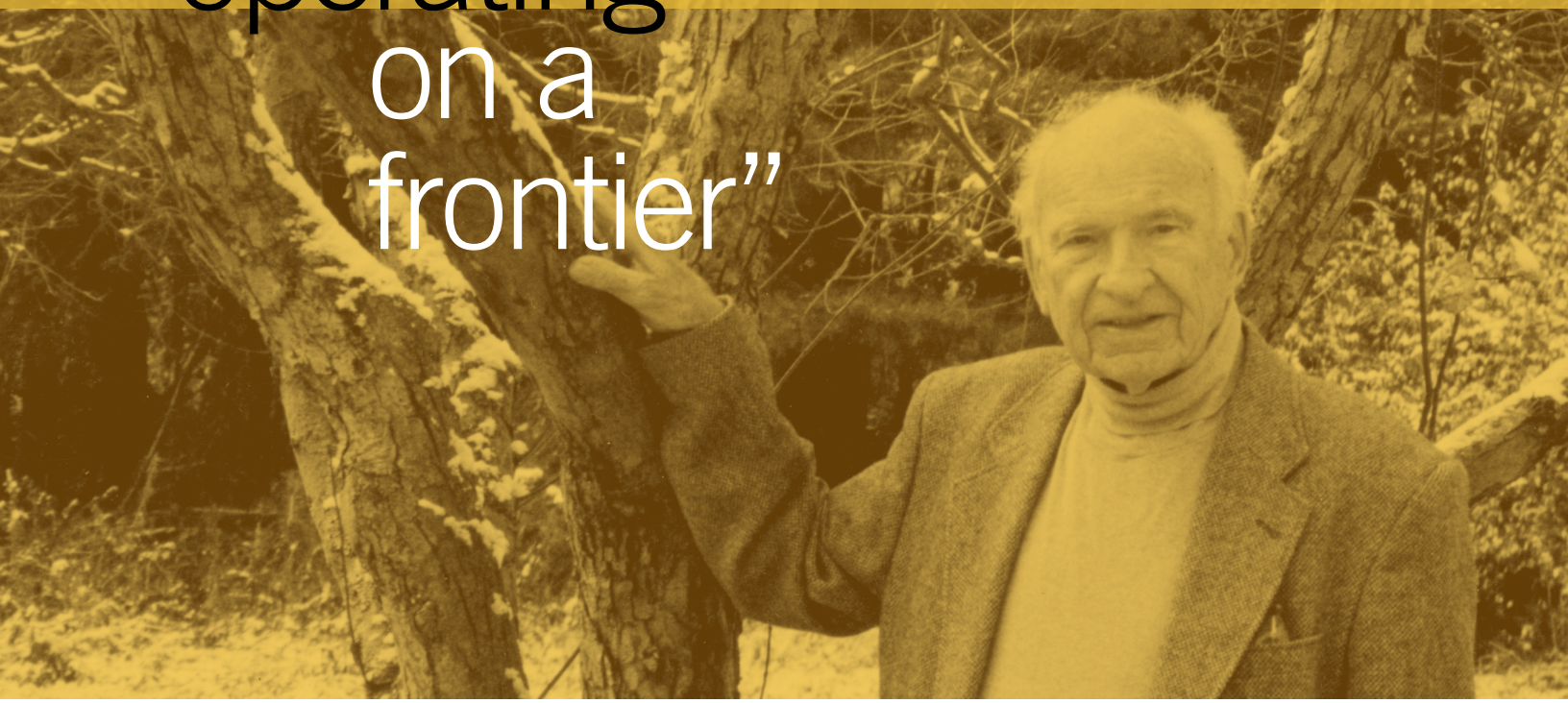


Photo: Susan Dunn

It's hard to imagine the field of leadership studies without James MacGregor Burns. The retired Williams College professor is the author of the discipline's foundational text, *Leadership* (1978). Most models of leadership today draw on Burns's seminal distinction between "transactional leaders"—in essence, brokers between competing interests—and "transforming leaders"—those who change the very beliefs and behaviors of their followers.

A founding faculty member of the Jepson School of Leadership at the University of Richmond, Burns is the author of eight books, including *Roosevelt: The Lion and the Fox* (1956) and *Roosevelt: The Soldier of Freedom* (1970), which won the Pulitzer Prize. In July, he sat down in his Williamstown, Massachusetts home with *Compass* managing editor Harris Collingwood and discussed a wide range of leadership-related topics. What follows is an edited transcript of that conversation. The full transcript can be found online at www.ksg.harvard.edu/leadership/burnsinterview.html.

COMPASS Your latest book, *Transforming Leadership*, can be read as a summation of a long career of thinking and writing. In summations, you're entitled to make some pretty grand claims. Perhaps the grandest claim you make in the book is that leadership is a "master discipline" that subsumes a number of other disciplines ranging from history to government to psychology to the social sciences. What do you mean, exactly?

BURNS I taught political science here at Williams College for about twenty years and loved it but found that it was simply not adequate as a discipline to understand the process of social causation or intended changes in history. I had to reach out beyond political science. So I got into history, loved it, but again found that there was something not quite adequate. And I realized that what was not there was psychology. I like to tell the story of how I simply walked across the campus to the office of Albert Goethals, then head of the psychology department at Williams, and said, "Look, Al, I need to strengthen my background in this field."

I mention all this because leadership brought everything together for me. You can't do leadership, you can't study leadership, unless you think politically, philosophically, and psychologically. Leadership borrows extensively from the other fields, but it also contributes a lot to these other fields. So when I say it's a master discipline, I don't mean that the other fields are not also master disciplines, but in the sense that a master discipline brings the other fields into its own orbit in such a way as to do more than just be a field in itself.

COMPASS What did psychology add to your understanding that had been missing?

BURNS It added motivation. People talk about naked power. They talk about economic power or political power. But power is nothing unless it relates to people's motivations. Political scientists think in terms of votes or elections. I'm much more interested in the motivation of the forces behind those elections.

COMPASS Can you discuss the influence of Abraham Maslow on your thought?

"Every time we try to work out a general theory of leadership, people come into the field from different disciplines and introduce new terms into the models."

BURNS Maslow developed the idea of the hierarchy of values. You start with the most basic values, which I call wants...

COMPASS Food, clothing, shelter?

BURNS Exactly. And then you move on to needs. I change Maslow a little bit here, with what I describe as legitimated wants. That's where somebody else legitimates your want. An example would be a child who wants ice cream, and the parent says "No, you can only have vegetables." Or people who are needy who want cigarettes when what they obviously need is good food. So the role of legitimation comes in there. But how do you evaluate the legitimation? Who decides what's legitimate in the need? And that's where I borrow from philosophy.

I'm not terribly knowledgeable about Eastern philosophy, but in the West, I believe we have a philosophical system that you can use to measure the use or the meaning of wants and needs. And this is a good example of how you might combine psychology and philosophy. We have a very ordered system of values in this country and in the West generally, going back to the Enlightenment, and the values are beautifully and briefly summed up in the Declaration of Independence: life, liberty, and the pursuit of happiness. One reason the Enlightenment in general and in particular the founding period in this country are so important is because we had leaders who laid out their values, in the Declaration and the Bill of Rights and other great documents. They not only laid out these values but also gave some sense of priority among the values.

COMPASS Do you have a vision for the future of this master discipline?

BURNS I think leadership studies should probably keep going in the same direction it's going now. It's still growing, still discovering, still investigating, still hypothesizing. If you look at the leadership journals, you find scholars who are conscious of the fact that we're operating on a frontier, a disciplinary frontier. (And I might say parenthetically that one good question here is how much this is accepted as a legitimate discipline in universities. It's a great credit to Harvard that it is taking leadership seriously.)

The test of all this is whether leadership scholars can offer a more integrated theory of leadership—in fact, immodestly, even a general theory of leadership. This may not be possible because every time we try to work out a general theory, people come into the field from different disciplines—history, political science, psychology, philosophy—and they introduce new terms into the models. There goes your general theory. So what we're trying to do is to get past that obstacle and see if we could meld the other disciplines into an integrated theory. Talk to me in another six months and I'll give you a progress report.

COMPASS Shifting gears here a bit, is it fair to say that you consider political leadership the highest form of leadership?

BURNS No, I would consider moral leadership the highest form of leadership. Moral leadership, though, inevitably involves political leadership.

COMPASS One of the reasons I ask is that you mentioned in your book leaders whose great goal was the moral transformation of individuals. Do you consider politicians the best agents for achieving or effectuating the moral transformation of individuals?

BURNS It depends so much on the context, but I think politicians can be moral leaders. Gandhi and Roosevelt elevated people by their political behavior. In their campaigns, for example, instead of lowering people, they appealed to the highest values of the people in the country. It's very interesting to get out a collection of FDR's speeches, because they're very moralistic. He's constantly preaching, in a way that's not preachy. He does it in a way that broadens the whole question of what he's discussing and brings in the great declarations of the past, brings in American history—particularly the history that favors his position.

COMPASS You say FDR preached, but he was hardly noted for strong religious belief. Can you say anything about the proper role of religion or spirituality in the life and practice of a leader?

BURNS Let's stay with Roosevelt. Even though you de-emphasize his religiosity, I think he had a very simple set of beliefs, which I would think on the whole broadly affected his political principles. He was operating in a Western heritage where religious influences had been very strong, especially the commandments that related to helping people. And he used a lot of religious symbolism and references in his speeches. I don't think he was terribly devout or a real true believer, but I think he had what I would consider a rather rational and tacit belief in religion that sustained him and gave him some guidance, some moderate guidance.

COMPASS Does FDR's religiosity differ in kind from that of the current president? You hear stories of Bible study groups in the Bush White House, and it seems like a very different sort of thing.

BURNS See, I don't take that very seriously and I wouldn't if Roosevelt had

done that kind of thing. But I do take seriously the references in Bush's speeches. You can see in Roosevelt's speeches that he turned to religion for intellectual as well as spiritual guidance. I would wonder whether Bush turns to his religion intellectually as well as spiritually. I would argue, as a Protestant, that the Protestant religion is a value-oriented religion. It does preach guidance as to how we should behave. So the extent to which Bush turns to the social aspect or the human aspect of Christianity I think is very important. But I see him doing things that are really cruel to a lot of people and that's not what Christianity preaches. It doesn't seem to make him a compassionate person, even though he preaches compassionate conservatism. In fact, he'd like to come across as a battler....You know—"bring 'em on!"

COMPASS This seems like a good point to bring up your run for Congress. What did it teach you about leadership?

BURNS Thanks for asking. Any old pol is happy to talk about even his unsuccessful campaigns. This was in 1958, in the middle of the Cold War period. I was teaching here at Williams and because I had served as an intern on Capitol Hill—one of the first intern groups, back in 1939, '40—I was particularly interested in Congress, very critical of Congress. I had written a book, *Congress on Trial*. But I wanted to try my hand.

My problem was not so much the general election, which I always knew would be difficult. It was the primary. A young man from Holyoke jumped into the race, as he had every right to do. He was out of a very Catholic city, himself a Catholic, and happened to be from a family connected with the Catholic hierarchy. And while I was still trying to emphasize issues, his issue was my patriotism. This is the 1950s, remember, and pretty soon it became clear that he was letting it be known, even though I was a fellow Democrat, that I was a communist, and not just a communist, but an atheistic communist.

So I found myself suddenly immersed in an ideological war and the question was how do deal with it. This is where I discovered a lot about America being more ideological than people sometimes say. The Catholic hierarchy, as usual, was quite divided. Certain monsignors in cities like North Adams, Pittsfield, and Holyoke were indicating—not in their sermons but in Holy Name Society meetings and such—

GLOBAL POVERTY

PUTTING LEADERSHIP TO WORK

Excerpted from the epilogue to *Transforming Leadership*

James MacGregor Burns

In 2001, shortly before Christmas, Britain's chancellor of the exchequer, Gordon Brown, proposed a $50 billion annual program to improve education and health for the world's poorest people. Brown aimed his message mainly at the administration of President George W. Bush, in light of the dismaying fact that the world's richest nation spent one-tenth of 1 percent of its gross national product on foreign aid, considerably less than other industrialized countries. Brown's proposal would constitute the biggest development effort since the Marshall Plan, whose $13 billion of aid to European recovery after World War II would be the equivalent of around $88 billion five decades later.

Could such a program work? Only if directed by a leadership strategy that scrapped failed strategies of the past and offered a new way of approaching the problem lying at the very root of most of the world's other problems.

The central strategic failure of past approaches rose from the assumption that money and technology were the essential and even total keys to overcoming poverty. Developmental aid has had relatively little global impact despite decades of effort and innovation, not only because the money was never nearly sufficient but because outside aid alone—filtered through, and often diverted by, numerous aid agencies and financial institutions with their own agendas and bureaucracies, national and local governments with their own agendas and bureaucracies, trickling down eventually in some form or other to some of the poor—could not shatter the vicious circle of intertwined poverties. By the 1990s these failures had bred "aid fatigue," marked by a decline of almost half in "official" aid as a ratio of donor gross national product, as well as by an increasingly fervent but altogether unproven faith in the magic of globalized free markets to improve the lives of even the poorest of the poor.

At the heart of the money strategy's failure was a void, a missing link, an absent X factor and catalyst: leadership. Lacking real engagement among the various institutions and interests involved in aid, from distant donors to local officials, and, most critically, between them and the disempowered, voiceless poor themselves, there could be little if any real chance for the drastic local transformations that, multiplied across the world, were needed to break the back of global poverty.

A leadership strategy first of all would take a hard-boiled view of the misconceptions of the poor's would-be helpers, even those with claims of being "close to the problem." "Closeness" alone does not provide solutions that have evaded both "experts" and victims for centuries. Instead, a leadership strategy would recognize the daunting variety of poverty's burdens by learning to understand how they, the poor, see them. A leadership strategy would provide a host of listeners who would hear the voices of the poor.

If there is any weapon the poor do possess—a weapon that must come into play at the start of a transformational antipoverty program—it is their ability to express their grievances, their wants, their deprivations. Listen to:

A YOUNG BULGARIAN WOMAN "Winters are worst. Summers we can work in the field," but in winters "there's nothing to keep us warm"—no firewood or adequate clothing or shoes, and no money for school.

AN INDIAN MOTHER OF SEVEN IN ANDHRA PRADESH "I have been overstrained with the

number of deliveries I have made, which has made me too weak to work."

A VIETNAMESE WOMAN "Poor people cannot improve their status because they live day by day, and if they get sick then they are in trouble because they have to borrow money and pay interest."

AN ETHIOPIAN MAN "Poverty snatched away my wife from me. When she got sick, I tried my best to cure her with tebel"—holy water—"and woukabi"—spirits—"for these were the only things a poor person could afford. However, God took her away. My son too was killed by malaria. Now I am alone."

These were among the tens of thousands of "voices of the poor" captured in a remarkable project organized by the Poverty Group at the World Bank and carried out by teams of researchers in scores of developing countries in the late 1990s. What they did was to listen to the voices of the poor, eliciting "rich descriptions of poor people's realities" and illuminating the leadership failures of aid programs with pervasive "stories of humiliation, intimidation, and fear of the very systems designed to provide assistance." Here is the first step in any strategy of leadership—to listen.

Still, the fact that the poor can powerfully express their wants does not mean that they know how to go about satisfying them. They cannot, intellectually, lift themselves by their own bootstraps because they have no bootstraps. This is where strategic leadership comes in as the vital link between wants and available or potential resources, as the vital empowering agent of the dispossessed. For it is leadership, listening closely to the wants of the poor and recognizing them as actionable needs, that can marshal and direct resources, both material and psychological, and answer them directly.

that I was not a good American, that I was an atheist and a communist. How do you deal with that? Do you just endure it? Do you face it? Well, I tried to talk to them. That was an interesting experiment.

I went to a monsignor in North Adams. He had been one of my chief critics, but he was willing to meet with me. And it was a rather amazing experience. He greeted me at the door, he took me into his living room, and we got into a very intimate discussion. He told me about some of his problems and so on. And I had a little dilemma. Here he's getting to know me, and he sees that I don't have horns. Should I just leave it there or should I defend myself? But how do you prove that you're not a communist? So I thought let's just let this lay. And he gave me the ultimate tribute when we left: he stood outside his rectory on the front stoop and talked with me. And that's all I needed. Well, a week later he was back to talking the same line about my being an atheistic communist. So the lesson of my primary campaign was the power of ideology, of a kind of fanatical, unworldly ideology that is impervious to the facts.

Anyway, I won the primary, and immediately I had a new problem. My opponent [Republican Silvio Conte] did not have an opponent in the primary. Very interesting example of something that the Republicans have done over the years much more systematically and successfully than the Democrats. Republicans have so often cleared the field and not gotten into internecine battles where two Republicans are slinging mud at each other. So all the time that I was knocking myself out and spending money and energy fighting my battle, he's sitting there doing his campaigning unopposed. It's a perfect exhibit for my case against primaries. They're so expensive, so disruptive to party relationships. They're something that I wish we could find a substitute for.

The actual campaign was quite decorous between Conte and me. We did not attack each other. We both presented our points of view, and he won with about 55 percent of the vote, a solid victory. I felt, considering the history of the district, and particularly the obstacles that I had, that I'd done okay. But anything less than 50 percent is not much.

COMPASS Let's conclude by talking about the epilogue to *Transforming Leadership*, where you begin to develop a vision for leadership's role in the fight against world poverty. You say in your book that leadership is the X factor in that fight. Why do you say that? What can leadership do that you can't accomplish through other agencies?

BURNS When I got through with *Transforming Leadership*, I said to myself, "Burns, it's about time you apply your theory to a specific problem. And it should be a major problem." So I chose what I think is the toughest problem facing the globe, namely global poverty. There are two billion people in abject misery, with no seeming respite and no seeming solution to the problem. People deplore it, and there are very good programs, but they just scrape the surface when you're talking about two billion people living on less than two dollars a day. So I thought I'd try to apply a leadership concept, which would be to have an international program, presumably under the auspices of the United Nations, where so-called freedom leaders—though I don't like that term—would be recruited from all over the world on a volunteer basis to go to areas of great poverty and do two or three things.

COMPASS The first task is to take care of the material part of the pyramid?

BURNS Yes. But just as important is the task of acquainting poor people with sources of more specific help. One basic hypothesis I operate on is that poverty is very complex. We think of it in terms of hunger or illiteracy. But if you get into specific cases, they're immensely complicated and they vary enormously in their particulars. So people need to know where the resources are. There are a huge number of resources in this world, but they're of no use to many people because the connection is not there.

The third thing, and by far the most important, is that these freedom volunteers would be taught how to teach leadership. They would create local leadership development programs where the whole point would be to recruit, to develop, and to train local leaders who would stay there after the volunteers had left.

COMPASS That's a tall order.

BURNS Yes. I often run into people who say, "I just don't think you can recruit people to do what you envision." And I like to say that if various religious fanatics go around recruiting young people to die for their cause, can't we recruit young people to *live* for this cause? ■

"This world is inhabited by all kinds of people. They are isolated by land and water, religions, customs, habits. The mind and hearts of these people are much alike. Under sudden or stressed emotions, they blossom forth or explode in riots, fights, dance, song and prayer. At such times, they become one mind, one heart. And the world vibrates with the intensity of their feelings, emotions, anger and laughter."

—Mohandas K. Gandhi

"I can never be what I ought to be until you are what you ought to be, and you can never be what you ought to be until I am what I ought to be. This is the inter-related structure of reality."

—the Reverend Martin Luther King Jr.

the leadership connection:

How Relationships Renew Reality

WHERE DOES AN ORGANIZATION FIND ITS PRODUCTIVE ENERGY? IN ITS TARGETS AND OBJECTIVES? OR IN THE RELATIONSHIPS THAT BRING PEOPLE TOGETHER IN COMMON CAUSE?

by Debashis Chatterjee

The conventional wisdom about social and political change is that it happens when a critical mass of people decides to change. But how does that critical mass form? How does the energy of that mass reach a tipping point, beyond which change is inevitable? The real seed of change is the critical connections that people make, with their truest selves and with other people. The world can be altered by a community of people who have connected with their own capacity for greatness. The world makes way for those who believe in their ability to change reality.

Great leaders forge the critical connections that unite those who share that belief. Such leaders do more than coordinate resources; they release the energy to galvanize a coalition of wills. The Berlin wall was not brought down by military might. The former Soviet Union was not reshaped by precise political plans. In both cases, change came from the actions of ordinary people who wanted only to be free. Leaders emerged among small groups of those people, forging critical connections, producing a coalition of wills, and achieving the seemingly impossible.

The ancient wisdom literature of Asia has much to say about those critical connections that change the world. Through such connections, individual wills come together to form a collective will. Neither the individual will nor the collective is, by itself, equal to the task. Together they are invincible. Our individual will constitutes the blueprint for our journey through the world. Our collective will provides the energy to undertake this journey together.

In the *Upanishads*, Hinduism's primary speculative and mystical texts, the metasystem that connects individual systems with collective systems is called dharma (that law that holds us together). A fertile seed that becomes part of a whole ecology is a good example of dharma. A single seed has the blueprint (or the metasystem) of a whole forest scripted inside it. But to mobilize its internal resources and actualize its potential, the seed needs to make the critical connection with its indwelling dharma. Then the seed connects with the energizing power of the soil, sunlight, and water. Once this connection is made, one solitary acorn can create the destiny of a whole oak forest. Growth is the product of the integration of the seed's dharma with the forest's energy. Integration is the key process of leadership.

Human beings tap the power of dharma when they self-organize around a shared mission without explicit or predetermined

Photo: © 2003 Getty Images

A leader needs to integrate a diversity of human motives into a unity of purpose, just as nature integrates the dharma of a million trees into a single forest.

structures. The raw materials of the organizations they create are the critical connections they forge among themselves, connections shaped by shared values. Those connections multiply to form a vital human network. The world's largest information network, the World Wide Web, was created by people who shared information for the sake of sharing, not because they were bound to. Their value systems emphasized sharing information and developing the means by which others could share more easily. Leaders emerged among them who recognized the values shared by the community, saw their potential, and energized the search for even more connections. Leadership, then, is the capacity to forge relationships through shared values.

But to express it that way is to risk capture in a semantic trap. For leadership is not an object or a personality that one acquires. Leadership is an emergent property, an amalgam of subjective resources like courage, dynamism, and creativity that flow from within the self. Leadership is born when leaders see those resources within themselves as greater than their individual circumstances. But what guides leaders to that recognition?

II Leaders develop their internal navigation system before they sail into the great seas of the world. This internal navigation shapes habits, perspectives, and worldviews. Reflection is the principal instrument of internal navigation. Do not mistake reflection for a merely mental exercise. Reflection is the process of engagement of the whole body-mind identity in the creative process. We can watch this process as we see a potter make a clay pot. As the potter kneads the clay with his own hands he becomes part of the circular movement that is the essence of his craft. As he shapes the clay on his wheel, he internalizes the roundedness that is the quality of the pot. The internal and external realms shape one another and in the hands of a master become identical. By internalization and reflection the potter becomes a master of his craft.

Deep engagement, as in the case of the potter, is the starting point of wise leadership. The outcome of engagement is integration. A leader needs to integrate a diversity of human motives into a unity of purpose, just as nature integrates the dharma of a million trees into a single forest. In the absence of this process of integration we cannot have a family, organization, society, or country.

Reflection is the process of recognizing and celebrating and enriching the value of our relationships. We create meaning through relationships. Meanings are patterns of interconnection that hold the tensions of our relationships with people and ideas. They serve as frameworks for expressing our values. When the awareness of our self grows, we enrich the narratives of our relationship with others. When I realize that I would be nothing without the contribution of the parents who gave birth to me and the teachers who educated me, I grow in my appreciation of my relationships with them.

III The crisis in contemporary business organizations is fundamentally a crisis of meaning. In today's corporations people learn to work together, but they do not learn to live together. Their relationships are cut short before they reach their full potential, which is to say before they are allowed to achieve their truest, richest meaning.

Living together requires life skills and values, not just quarterly targets. Organizations have discovered, to their surprise, that management by objective is not the best way to draw the best performances from people. People perform not through a common goal or objective, but through their shared subjective—the connections, forged by leadership, that permit people to integrate their internal reality with the external world. When, toward the end of his life, Thomas Watson Jr. came to reflect upon his experience at IBM, he discovered that the real difference between success and failure in a corporation was how well an organization helped people find common cause with one another. And here we locate the crucial distinction between objectives and values. Objectives lead people away from themselves. Shared values lead people toward themselves. Shared values enable people to co-evolve and reach their collective potential. They make organizations sustainable.

Human values have a generative capacity that fuels entrepreneurship within organizations. Leadership is the property—latent in all of us, discoverable within any of us—that supplies the energy to unleash that generative capacity and harnesses it to undertakings that are more than merely personal. But leave the last word to Lao-Tzu, the sixth-century Chinese philosopher and founder of Taoism. Lao-Tzu said, "To lead people, walk behind them." He also said:

The leader leads in a way

That when the work is done

People say:

We did it ourselves! ■

Debashis Chatterjee is professor of human resource management and head of the Centre for Leadership and Human Values at the Indian Institute of Management in Lucknow. He is author of *Leading Consciously: A Pilgrimage Toward Self-Mastery* (1998)

truth *or* consequences

The leaders of scandal-ridden organizations share a common trait: they didn't just ignore bad tidings, they shot the messenger.

by Warren Bennis

In the midst of a mortifying string of box-office flops, Hollywood mogul Samuel Goldwyn, who could garble a truth with the best of them, took counsel with a conference room full of his top yes men. When they were settled, he barked: "I want you to tell me what's wrong with MGM — even if it means losing your job!"

That pretty much sums up the way corporate leaders feel about dissent. Oh, they may invite their hirelings to give it to them straight. But too few are ready to promise their followers that they won't necessarily be rewarded for their truth-telling but that they will never be devalued or punished because of it.

Few corporate leaders are willing to make that promise, and their obvious disapproval of dissent sets the organizational tone. The CEO says he or she wants honest input, but any observant employee can see how truth tellers are marginalized, if not driven out. The CEO's call for candor is understood for what it is: a ritual utterance not meant to be taken literally. What the CEO really wants to hear, everyone recognizes, is not the truth, but the half-truth that reinforces the status quo.

In such a compromised atmosphere, few are willing to flout corporate norms by speaking out. We may love whistle-blowers on the big screen — Erin Brockovich comes to mind — but when confronted with a flesh-and-blood human being who articulates a painful truth, corporate leaders (and leaders of other organizations as well) too often signal by their actions that the dissident is to be shunned by the tribe. It takes exceptional fortitude to counter such a tide of organizational disapproval.

If you think that's overstating the matter, consider the sorry case of Roger Boisjoly. The day before the space shuttle exploded in 1986, killing the seven people on board, Boisjoly, then an engineer for NASA-supplier Morton Thiokol, warned his superiors, not for the first time, that the shuttle's O-rings might fail in extreme cold. Like so many before him, Boisjoly was punished for his candor. He ultimately lost not just his job but his career. Unable to find work elsewhere as an engineer, he now gives lectures on whistle-blowing and corporate ethics. Truly, no good deed goes unpunished.

Boisjoly's case is not the exception but the norm. Rather than squarely face Sherron Watkins's warnings about accounting irregularities, Enron exiled her to a windowless office. After Colleen Rowley exposed the FBI's failure to follow some of the threads of the September 11 conspiracy, her superiors at the bureau ostracized her and mounted a campaign of leaks against her. WorldCom executives tried to intimidate and silence internal auditor Cynthia Cooper when she discovered signs that the company was shifting ordinary expenses to capital accounts.

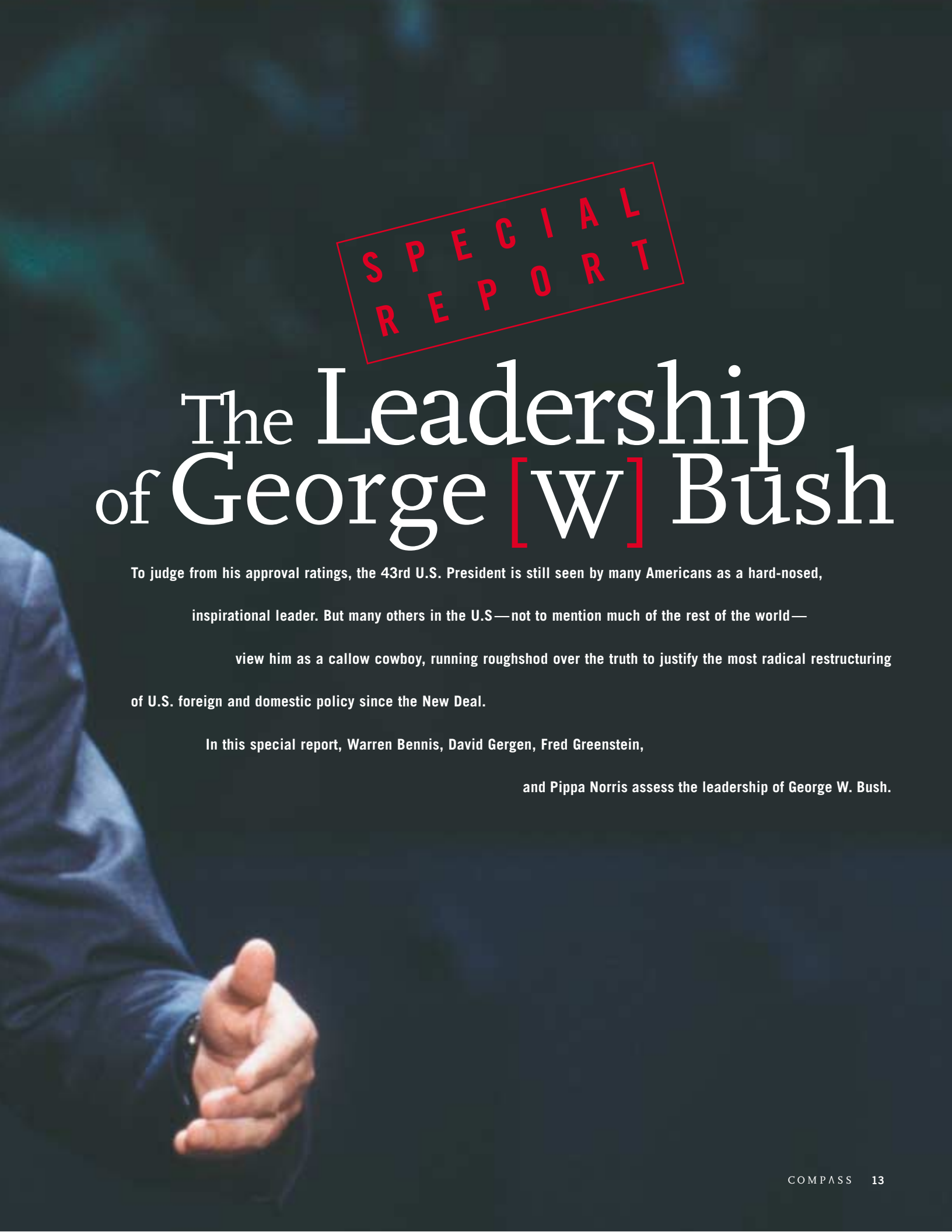
By the time a scandal makes headlines, it has already lived a long subterranean life.

The scandals that wash over us daily share a common trait: by the time they appear in the media, they have already lived long, subterranean lives. Organizational Cassandras, in a loyal effort to keep the trouble out of the public gaze, sound their warnings through official channels, only to be ignored, or worse. Only as a last resort do the dissidents finally go public with their tales.

The particulars of those tales vary widely, but they are almost always prima facie evidence of a failure of leadership — specifically, the all-too-common failure to recognize that internal dissent is not itself a crisis, but rather priceless insurance against disaster. Until the ugly headlines appear and the consequences are unavoidable, companies too often forget that they will suffer far more for ignoring their principled dissidents than by giving them a hearing. It is an obvious moral wrong to ignore an employee's warning that a new truck model is unsafe or that a new drug has a rare but deadly side effect. But besides being wrong, the company's decision to turn away from the harsh truth is bad business. Whatever the cost of fixing the problem now, it is almost always less than the cost of dealing with the consequences — monetary and ethical — of exploding trucks and dying patients.

Sidney Harman, CEO of Harman International Industries, keeps a plaque on his desk that reads: "In every business there is always someone who knows exactly what is going on. That person should be fired." Harman has a fine sense of irony. Like other first-rate executives, he knows that nothing is more valuable to him than the wisdom of his employees and their willingness to speak their truth to his power. No, he doesn't always come around to the dissident's point of view. But the employees of Harman International know that their candor is more than welcomed: it is expected. In too many other corporations, a dangerous kind of quietism is the norm: people know what is wrong — they may even know how to fix it — but fearing reprisal, they keep their knowledge to themselves. To spare themselves the pain of the truth, the leaders of such organizations willingly deny themselves their organization's most valuable resource. In the process they ensure that whatever their perks, whatever the size of their paychecks, history will judge them as failures. ■

For a biography of Warren Bennis, see page 27



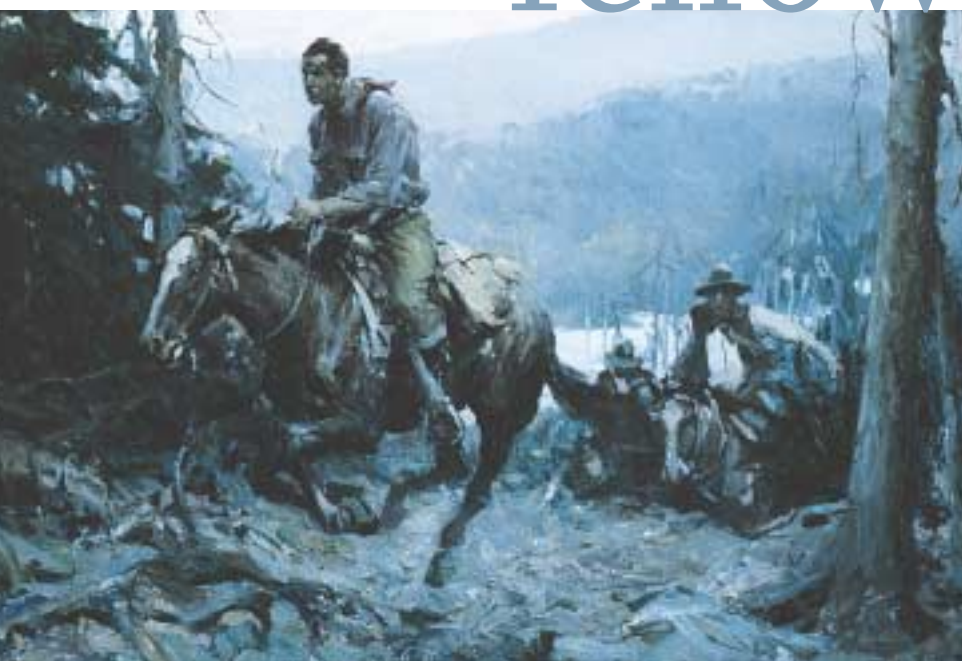
SPECIAL REPORT

The Leadership of George [W] Bush

To judge from his approval ratings, the 43rd U.S. President is still seen by many Americans as a hard-nosed, inspirational leader. But many others in the U.S—not to mention much of the rest of the world—view him as a callow cowboy, running roughshod over the truth to justify the most radical restructuring of U.S. foreign and domestic policy since the New Deal.

In this special report, Warren Bennis, David Gergen, Fred Greenstein, and Pippa Norris assess the leadership of George W. Bush.

stubborn kind of fellow



In defiance of conventional leadership wisdom, George W. Bush just keeps going his own top-down, macho way, delighting his backers and infuriating his adversaries. But the style that plays so well when things are breaking his way may serve him—and the nation—poorly over time.

by David Gergen

Painting Courtesy of Joseph I. O'Neill III

During his first months as governor of Texas, George W. Bush carefully hung a portrait in his office, directly across from his desk. The painting, by W.H.D. Koerner, is named "A Charge to Keep," after the title of a famous Methodist hymn by Charles Wesley. As Bush recalls in his memoir of the same title, he then sent a memorandum to his staff: "When you come into my office, please take a look at the beautiful painting of a horseman determinedly charging up what appears to be a steep and rough trail. This is us. What adds complete life to the painting for me is the message of Charles Wesley that we serve One greater than ourselves."

Bush's personal identification with the painting, which now hangs in the Oval Office, reveals a good deal about his sense of himself as a political leader—who he thinks he is, the role he plays, and the centrality of his religious faith. But the way we respond also reveals a good deal about us, his intended followers, and about the effectiveness of his leadership style.

His followers today tend to see in Bush what he sees in the painting: a brave, daring leader riding fearlessly into the unknown, striking out against unseen enemies, pulling his team behind him, seeking, in the words of Wesley's hymn, "to do my Master's will." They see him as a straight shooter and a straight talker. They take comfort in his religious faith and think he is leading us toward a mountaintop.

His critics can look at the same painting and see something very different: a lone, arrogant cowboy plunging recklessly ahead, paying little heed to danger, looking neither left nor right, listening to no voice other than his own. They think he is careless, even deceptive, and often says one thing while doing another. That he believes he is doing the Lord's work only increases their apprehension. He's not taking us up a mountain, they fear, but over a cliff. Indeed, some believe he is the most dangerous president in a century or more.

Bush's leadership in the White House has thus become a national Rorschach test. Depending on our perspective, we are drawn to or repelled by him. Rarely in modern American history has any president become as polarizing. Scholar George C. Edwards III pointed out a decade ago that approval ratings for recent presidents tend to run about 35 percentage points higher among members of their own party than among people identifying with the out party. For Bush Sr., for example, the average gap between Republicans and Democrats was 37 percentage points. Reagan and Clinton, more divisive leaders, often drove the gap to 50 percentage points or more. But George W. Bush's gap is off the charts: his approval rating among Republicans hovers in the high 80s; he's down in the 20s among Democrats—a chasm of more than 60 percentage points. Increasingly, people like him or they don't; the not-certains are disappearing. (Warren Bennis and Harris Collingwood have more to say about Bush's polar-

Far more important to him than the art of persuasion is the discipline of message

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izing style in "Conquer and Divide," beginning on page 26.)

What, then, can one say about Bush's leadership nearly three years into his presidency—about its style and shape, its effectiveness *and* its risks? Some judgments at this point are necessarily tentative. We do not yet know how his presidency will turn out. Even so, we know enough to begin drawing some broad, early conclusions about Bush as a leader. Four seem especially pertinent here:

1 *He has embraced a command-and-control style that sharply challenges much of today's conventional wisdom about leadership and indeed is a marked departure from other recent presidents.*

Bush is a top-down, no-nonsense, decisive, macho leader who sets his eye on the far horizon and doesn't "go wobbly" getting there. He is crisp and can be confrontational, expecting others to follow or get out of the way. He is a big-picture fellow who learned in business school and in Austin to focus on only two or three goals at a time and pursue them fiercely, seeing other issues as distractions. To lead, in his book, is to decide. He asks questions and actively listens before he decides, but he doesn't agonize, and once the decision is made, he doesn't brook internal dissent. He happily delegates details, but he monitors his team closely. If they swerve off course, he snaps them back into line. He is a man from West Texas, a man of God, and proud of both.

Once he sets a course, he may try his hand at public persuasion. But if people don't swing behind him, he plunges ahead anyway, trusting that they will catch up later. Far more important to him than the art of persuasion, or so it appears, is discipline of message. He has learned through experience that if he and his team repeat a clear, simple message long enough, the public is much more likely to give him permission to act, even if they aren't fully persuaded. Thus his public relations strategy in the run-up to the Iraq invasion.

Just as he imposes a demanding physical regime upon himself, he also insists that his team stick to a script and drill it home repeatedly. He is slow to trust and has a long memory for those who cross him or his family, but he is devoted to those who are faithful. Loyalty to the man, loyalty to the mission, loyalty to the message—you don't stay on his team long unless you get with the program.

Bush also has nerve. If he thinks the mission important enough, he will take a risk—even put his presidency on the line. "So what if no president since Franklin Roosevelt has picked up congressional seats in his first mid-term election? So what if I risk embarrassment by campaigning hard for Republicans? Let's rev up Air Force One and barnstorm the country." That's the way Bush acts, and more often than not—as in the 2002 election—he wins his bets.

We have seen this kind of tough, decisive leadership before—in Jack Welch at General Electric, George Patton on the battlefield, Bobby Knight on the basketball court. But we don't often see this brand of leadership in the presidency, and it very much runs against the grain of current leadership studies. Bill Clinton, for example, was studiously non-hierarchical and would look at every problem from a multitude of perspectives before slowly and painstakingly arriving at a policy position; George H.W. Bush consulted widely on international problems, relied upon old friendships, built up coalitions—and only then acted. George W. Bush, by contrast, is in some respects more similar to Franklin Roosevelt, as journalist Jonathan Rauch recently wrote in a widely noted *National Journal* piece. FDR was also a big risk taker, liked bold, dramatic policies that shook up the landscape, and was often accused of public deception. But FDR was also much more of a public educator than Bush, talking people carefully through the challenges and choices the nation faced, cultivating public opinion, building up a sturdy foundation of support before he acted. As he showed during the lead-up to World War II, he would never charge as far in front of his followers as Bush. If anything, Bush more closely resembles Teddy Roosevelt: TR would have loved the Koerner painting and instantly seen in Bush another rough rider. Still, it is worth remembering that TR was also an intensely curious man of immense learning, who read as much as a book a day in the White House.

The command-and-control approach was still in vogue for CEOs when Bush studied at the Harvard Business School in the late 1960s, and there is little doubt that as the first MBA president, he reflects his training. But in much of leadership studies today, that style is distinctly retro. The consensus in the field now holds that the person at the top should engage in consensual, collaborative leadership. Don't issue orders or fiats, but persuade and gently bring others around to your point of view. Since no one has a monopoly on wisdom—indeed, reality itself may be socially constructed by the most powerful in society—a public leader, more than leaders in any other arenas, should seek multiple perspectives, inviting voices of dissent. Let wisdom rise to the top instead of sending orders down. Deliberate, negotiate, collaborate, and then collaborate some more. Perhaps this is a caricature, but if you thumb through the pages of the many new books on leadership, you will find those precepts. Indeed, I have taught them myself. But with a nonchalant wave of the hand, Bush goes his own way. He's very much his own man.

2 *Despite his unorthodox style, Bush has been far more daring in setting a national agenda—and achieving it—than any expert thought possible three years ago.*

A word here about leadership definitions. Scholars in the field have long debated whether leaders should be measured by how

Opening Spread Photo: © Najlah Feanny / CORBIS SABA

successful they are in reaching their goals or by how much good they accomplish. Most have embraced the first approach, while others such as James MacGregor Burns have vigorously argued for the second, more normative standard.

For the moment, let's consider Bush only by the first definition—by how much of his agenda he has carried out. By that yardstick, there can be little doubt that he is emerging as one of the most formidable presidents in modern times. Certainly, he is reshaping the geopolitical landscape more profoundly than any of his recent predecessors. Since the terrorist attacks of September 11, 2001, he has twice sent U.S. forces on military campaigns, swept two regimes from power, committed the U.S. to rebuilding Iraq, broken up terrorist cells, begun to marginalize Yasser Arafat, and has begun to squeeze Syria, Iran, and North Korea. On a grander scale, he has reframed U.S foreign policy to his own, more assertive taste, backed away from multilateral commitments he thought unwise, begun an overhaul of the Pentagon, and may yet pursue a transformation of the Middle East and the creation of an American empire. To paraphrase Sidney Hook's famous definition, Bush's leadership is not just eventful—it is event-making.

Bush is reshaping the geopolitical landscape more profoundly than his recent predecessors.

While less revolutionary, his domestic changes have been consequential as well. Three times he has persuaded a closely divided Congress to approve major tax cuts, and whatever their stimulative effect, they are almost certain to do what Bush and his conservative base want: to shut the spigot on large new social spending for years to come. He has also reshaped environmental policies to fit the conservative agenda, begun to reshape civil liberties, persuaded even Congressional Democrats to support him on Iraq, and with the creation of the Homeland Security Department, put through the biggest overhaul of the Executive Branch since the New Deal. In the process, he has also changed the presidency itself. For all of their manifold talents, Lyndon Johnson and Richard Nixon both left the office of the presidency weaker than they had found it. Ever since, power has been oozing out of the White House and toward Congress. Until Bush. He is the first president in years to draw power back to the White House. And all these sweeping, rightward changes, conservatives argue, are exactly why liberals are infuriated. Bush's "astonishing performance" since September 11, writes Charles Krauthammer, has "left the world reeling and Democrats seething. The pretender has not just seized the throne. He was acting like a king. Nay, an emperor."

Looking ahead, there is a distinct possibility that the Bush presidency could fashion even larger alterations in the political landscape. Despite his stumbles in recent months, he remains the favorite to win re-election. Only two other Republican presidents have managed to serve out two full terms in the past hundred years—Dwight Eisenhower and Ronald Reagan—and both are rising in the eyes of many historians. For Bush even to join their ranks would be a feat unimaginable in November 2000. But his political reach may not stop even there. His strategist Karl Rove, ever resourceful, is plotting ways for Bush to become another William McKinley, breaking a long stalemate in American politics by lifting Republicans into long-term dominance of Congress as well as the White House. It's a long shot, but it's shorter today than it was three years ago.

3 *Even as a backlash grows against him, the qualities of leadership Bush has demonstrated—yes, the qualities of his leadership—have attracted a following that is large, loyal, and intense.*

It can be argued, of course, that were it not for the war on terrorism, Bush would be a run-of-the-mill president. Context often defines the qualities of leadership that people want at a particular moment. Churchill was washed up in 1939 but was summoned to power when war came. As soon as war ended, as he later quipped, he was given the "Royal Order of the Boot." In a similar vein, Americans rallied behind their commander in chief after September 11, and continuing conflicts have helped to fuel his popularity ever since. (Fred I. Greenstein looks closely at September 11's effect on Bush's leadership in "Terror and Transformation," beginning on page 18.)

Yet it would be too easy to say that only the coming of terror has sustained Bush. In truth, a great many Americans have welcomed the way he has risen to the challenge. He has struck back hard and without apology. That "don't mess with Texas" approach goes down well in a country where NASCAR racing is the fastest-growing sport. Indeed, those who decry top-down, muscular leadership must recognize that in good times and bad, a great many Americans still prefer it, especially in their president.

Bush comes out of a long and durable tradition in American politics. Our culture has a powerful macho strain: we are attracted to men who walk like John Wayne, talk like Gary Cooper, and look like Tom Cruise on a flight deck; we often scorn collaborative leaders like Jimmy Carter as weak and ineffectual. Frederick Jackson Turner taught long ago that the West has left an indelible stamp upon the national character—and, as should now be clear, upon leadership styles, too.

Similarly, Americans like risk takers. From the Pilgrims who sailed on the Arabella to the astronauts who flew to the moon, from the cavalry at Little Big Horn to the troops at Omaha Beach, a willingness to take risks has been part of the nation's DNA. For his supporters, Bush's bravado is one of his most admirable traits.

Bush's own character and his religious faith are also important building blocks for his support. While many Americans applauded Clinton's policies, they were embarrassed by his behavior and greeted Bush with relief. Bush had clearly taken a walk on the wild side when he was young—some would say a rather extended tour—but he is now anchored in faith, family, and friends. No less than 46 percent of Americans now proclaim themselves born-again or evangelical Christians, and regular church-goers gave two thirds of their votes to Bush in 2000. They remain a crucial part of his political base today.

Nor should one underestimate how much Bush's hot-pepper conservatism has strengthened his leadership. Not even Reagan stirred up the faithful in the ways Bush has. The Gipper talked conservative but tended to govern more toward the middle. Bush talks center and governs right—often, radical right. Liberty to him is our foremost national value—liberty, that is, as the founders saw it: freedom *from* government. Isaiah Berlin argues that in the twentieth century, America's political leaders like FDR moved beyond this belief in "negative liberty" to an

Bush's leadership is his most valuable political asset.

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embrace of "positive liberty"—the notion that government can be a positive instrument to liberate citizens from poverty and discrimination. Bush clings to the original concept. That steadfastness, like his evangelical faith, resonates with conservative Americans of all stripes—social conservatives, economic conservatives, and foreign-policy neocons.

All those qualities have forged a large and durable political base. Never during the first two-and-a-half years of the Bush presidency did his job approval rating drop below 50 percent—a feat achieved over the past three decades by only one other president (Bush *père*). In the aftermath of September 11, his approval skyrocketed above 90 percent and it remained above 60 percent for the next sixteen months. The slide that began in early summer could continue, but it seems doubtful that he will repeat the precipitous, 60-point drop of his father: his conservative base is too strong and loyal for that.

At the heart of that solid support is a belief that he is an effective leader. A survey in spring 2003, when his approval was in the high 60s, asked his supporters what they most admired about him. A smattering said they liked his economic policies; larger numbers liked his policies on terrorism, but over half—52 percent—said they were drawn to "his general personal strength and sense of leadership." Columnist David Broder concluded, "Democrats may challenge Bush on the issues, but it will be tough to topple him from his leadership pinnacle." His leadership is his most valuable political asset.

4 *Even as it has strengthened his political base, Bush's brand of top-down, assertive leadership also runs clear, deep, and dangerous risks. Over the past year, the dangers have become ever more visible and could eventually be fatal for his presidency.*

The trouble with top-down leadership, history suggests, is that is can yield strong short-term results but turn sour over time. For one thing, top-down leaders and their teams spend too little time soliciting and cultivating the views of others. Advisers don't anticipate trouble nearly as well. Outsiders are viewed with suspicion, and dissenters are given short shrift. Lyndon Johnson grew increasingly blinkered in his conduct of the Vietnam war, as did Richard Nixon on an array of issues. Decisions can still be brilliant, as were Nixon's gambits in breaking up the Sino-Soviet alliance, but there is a high probability that they can go horribly wrong, as Nixon found during Watergate. And over time, closed administrations tend to provide incomplete or misleading information to the public; their accountability suffers. The top-down approach also places a special burden on the leader himself: because he gathers so much power to himself, it is essential that his judgment be well and widely informed and imbued with experience. Simply put, this is not Bush's strong suit.

President Bush sometimes reaches out for alternative views, but over time he and his administration have acquired a reputation for being one of the most closed and ideological in recent years. While he is one of the most decent men to occupy the office, he also seems one of the least curious. He rarely traveled overseas in his early adult years—his office in Austin listed only five countries he had visited before his presidential election—and began his White House years by asking that memos be kept to two pages or less. He has said publicly that he rarely reads newspapers and relies on his staff to summarize the news for him. He is a quick study; he has appointed some outstanding advisers and he asks them hard questions before making a decision. But his advisers cover a fairly narrow range on the intellectual spectrum—from moderate to hard right—and in international affairs, they are often divided. The net result is that the President runs an obvious danger of basing decisions on too narrow and limited a flow of information and opinions. Moreover, the limited information only reinforces his tendency to see issues in stark black-and-white terms. That approach worked in rallying the country and then winning conflicts in Afghanistan and Iraq, but seems peculiarly inappropriate for winning the peace in those same regions. To deal with the cunning and scheming minds that foment terror, we would probably be better off with Nixon—he was intimately familiar with both the scepter and the switchblade.

The buttoned-up culture of the Bush White House ensures message discipline, but it also reduces the flow of information to the public and plants seeds of distrust. Every White House in the television age has fought hard to influence what voters see and hear, and there is nothing wrong with that. Winning hearts and minds is indispensable to governing. Where administrations go over the line is in refusing to answer reporters' questions openly and candidly, or spinning the answers so much that they distort the truth. The Bush team—and it is far from unique in this respect—is widely perceived as doing both, especially in the run-up to the Iraq war. So long as public events were breaking in their direction, they paid no price, but when troubles came in Iraq, the press began to retaliate (one example among many: the controversy over a sixteen-word sentence about African uranium in Bush's State of the Union address). Distrust for the administration, already widespread in Europe, has now become a full-fledged campaign issue at home.

Experience suggests that presidents tend to make wiser decisions when there is a little less efficiency and more openness. For all of his personal flaws, Bill Clinton created highly sophisticated, subtle policies because he practiced what might be called "360-degree leadership." Before making decisions, he tried to learn the views of everyone in the full circle of public dialogue, especially

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TERROR AND TRANSFORMATION

The Making of Bush's Leadership Style

BEFORE SEPTEMBER 11, EVEN SUPPORTERS HAD THEIR DOUBTS ABOUT GEORGE W. BUSH. BUT FROM THE CRUCIBLE OF NATIONAL CALAMITY, A SURPRISINGLY EFFECTIVE LEADER HAS EMERGED.

by Fred I. Greenstein

Confidence and self-assurance are such hallmarks of George W. Bush's leadership style that it is possible to forget that on the eve of the events of September 11, 2001, he seemed to many political observers to be out of his depth in the Oval Office. He seemed to be taking a minimalist view of his responsibilities as a public communicator, so much so that the *Washington Post's* David Broder concluded that the American people lacked a "clear definition" of their new president. He also seemed not to be up to speed when it came to specifics, making assertions that were inconsistent with the policies of his own administration.

Then came September 11. On the morning of that day, Bush was visiting a Sarasota, Florida, elementary school to promote his administration's education bill when he was informed that an airliner had hit the North Tower of the World Trade Center. When a second airliner crashed into the South Tower fifteen minutes later, it became evident that the first collision was no accident. By mid-morning, a third plane had crashed into the Pentagon and the twin towers of the World Trade Center had collapsed. Before leaving the school, Bush read a statement declaring that "terrorism against our nation will not stand."

Because there was concern that he would be targeted by terrorists, Bush was flown to an Air Force base in Louisiana, where he made another public statement, and then to the control center of the Strategic Air Command in Nebraska, where he presided by electronic means over a meeting of the National Security Council. At the meeting the director of the Central Intelligence Agency reported that the attacks were almost certainly the work of al Qaeda, an Afghanistan-based terrorist organization that had been behind other acts of terrorism directed at the United States. Bush then returned to the White House, where he addressed the nation from the Oval Office.

In the chaotic first day of the episode, Bush came across as less than fully self-assured. He read his statements from Florida and Louisiana mechanically and did not seem fully at ease as he delivered his September 11 address to the nation. But then he underwent a transformation. On September 14, he delivered a moving tribute to the victims of the terrorist attacks at a memorial service at Washington's National Cathedral. He then flew to New York City, where he inspected the wreckage of the World Trade Center, using a bullhorn to address the rescue workers. When members of the audience shouted that they could not hear him, Bush replied, "I can hear you. The rest of the world hears you, and the people who knocked these buildings down will hear all of us soon!"

GROWING INTO THE JOB

In the weeks that followed, Bush became a compelling public presence. On September 20, he made a forceful presentation to Congress, giving the Taliban regime in Afghanistan an ultimatum to turn the al Qaeda leadership over to the United States and close down its terrorist camps. Three weeks later, he gave a similarly strong address to the United Nations. Most impressive was his October 11 prime-time news conference in the East Room of the White House. Responding in

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Just as Bush's conduct of his duties improved dramatically, so too did the American public's response to him.

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depth to questions, he radiated a sense of composure and made evident his detailed mastery of what his administration had come to call the War on Terror.

Just as Bush's conduct of his responsibilities improved dramatically, so too did the American public's response to him. In a Gallup survey fielded the week before the attacks on the World Trade Center and the Pentagon, Bush's approval level was at low ebb for his presidency—51 percent. Two weeks later, it had soared to 90 percent, a record high in Gallup presidential approval ratings. Meanwhile, members of the political community formed markedly more positive views of Bush's leadership qualities. Before September 11, even a good number of his supporters were not persuaded that he was up to his responsibilities. Thereafter, even many of his critics concluded that he had been underestimated, a view that extended to other nations. On October 20, for example, a columnist in the influential *Frankfurter Allgemeine* commented that Bush had grown into his job "before our eyes," comparing him to another president who rose to meet the demands of his times after an unpromising start—Harry S. Truman.

One reason for Bush's improved mastery of policy in the weeks following September 11 was the depth of his immersion in policy deliberations. In the month between the bombings of the World Trade Center and the Pentagon and his bravura October 11 press conference, Bush met with his National Security Council twenty-four times. In the September 12 meeting, there was a sharp debate that foreshadowed the 2003 war in Iraq. Vice President Cheney and Defense Secretary Rumsfeld advocated attacking not just al Qaeda, but also states that sponsor terrorism, notably Iraq. Secretary of State Powell disagreed, arguing that the American people would readily back action against the terrorists linked to the September 11 attacks but would be puzzled by a proposal to attack Iraq. Bush put a halt to the debate, indicating that this was not the time to resolve that issue.

In early October, after the Afghan regime let it be known that it would not surrender al Qaeda's leadership, the United States and its ally Great Britain began an extensive bombing campaign. Later in the month, U.S. Special Forces entered Afghanistan and began to provide support to the military forces of the anti-Taliban Northern Alliance. By November 13, the Northern Alliance had occupied the Afghan capital of Kabul, and in early December, the last major Taliban stronghold surrendered. When the Gallup organization polled the public at the end of December, Bush's approval level was a towering 86 percent.

IRAQ IN THE CROSSHAIRS

Bush had tabled the debate on Iraq during the September 12, 2001, meeting, but the subject did not remain dormant for long. In his January 2002 State of the Union address, the president declared that he would not "wait on events" while "the world's most dangerous weapons" were acquired by "the world's most dangerous regimes." One such regime, he specified, was Saddam Hussein's Iraq, which he grouped with Iran and North Korea in what he referred to as an "axis of evil."

Bush's address triggered shock waves. There was widespread criticism of the "axis of evil" locution both at home and abroad. Some critics objected that Bush had lumped together nations that were very different in the nature and extent of the threats they posed; others worried that the use of "evil" signified that the president's private commitment to evangelical Christianity had infiltrated his public policy.

But though the headlines focused on the "axis of evil" line, a good half of the State of the Union address was devoted to Bush's domestic agenda. "We have clear priorities," he declared, "and we must act at home with the same purpose and resolve we have shown abroad." The actions he proposed included stepped-up executive authority over trade policy, measures designed to reduce the nation's reliance on foreign oil imports, and reform of Social Security, Medicare, and welfare. Above all, Bush promoted his signature policy—further tax reduction—for stimulating the economy. Acknowledging that the economy was in recession, Bush declared that the "way out" was to provide "tax relief so people have more money to spend." In short, he invoked the controversial supply-side economic theory that had informed the huge tax cut of Ronald Reagan's first year in the White House, a doctrine that his father had once derided as "voodoo economics."

Bush's address presaged two major preoccupations of the second and third years of his presidency: his efforts to come to terms with Iraq and to stimulate the sluggish economy. Bush himself was sufficiently dissatisfied on the economic front to force out his Treasury secretary and top economic advisor in December 2002. As for Iraq, any assessment of his administration's performance would have to examine the depth of the administration's commitment to diplomacy and inspections, its willingness to antagonize much of the world in pursuit of its objectives, and its preparation, or lack thereof, for post-victory chaos in Iraq. But whatever the future has in store for George W. Bush, he has proved to have a highly distinctive, and often impressively effective, political style.

Though the headlines focused on the "axis of evil" line, a good half of the State of the Union address was devoted to Bush's domestic agenda.

THE ELEMENTS OF BUSH'S STYLE

In assessing the political style of a chief executive, I find it instructive to break it down into six qualities that bear on the president's job performance: emotional intelligence, cognitive style, effectiveness as a public communicator, organizational ability, political skill, and policy vision. Here is my reading on George W. Bush.

Emotional intelligence has come into currency as a summary term for the capacity to defer gratification, maintain emotional control, and achieve self-mastery and self-knowledge. Any weakness in this constellation of capacities can undermine the actions of even the most cognitively gifted individual. To be emotionally intelligent a president need not be a paragon of mental health. Franklin D. Roosevelt, for example, left much to be desired as a husband and father, but there was a superb fit between his emotions and the demands he faced as president. What is critical for a president's emotional intelligence is that his (and someday her) *public* actions not be distorted by uncontrolled passions.

By this measure, young George W. Bush—a heavy drinker, with a tendency to speak first and think later—was too volatile and unreliable to be a promising prospect for a responsible public position. But once sober, Bush displayed considerable self-mastery, both as a private-sector executive and as governor of Texas. Likewise, he weathered the 2000 presidential campaign, including his setback in New Hampshire, with seeming equanimity, and he held up well in the extended deadlock over the election outcome.

The post-9/11 era has posed a far sterner test of Bush's emotional resources. So far he seems to be handling the enormous pressures of his job. *Bush at War*, Bob Woodward's in-depth account of the administration's decision making on Afghanistan, reveals no instances of Bush's acting on uncontrolled impulse. He was comfortable enough with himself to admit to Woodward his reliance on National Security Adviser Condoleezza Rice to "take the edge off" his "fiery" impulses. Further insight into Bush's emotional universe comes from a lengthy interview he granted to NBC News anchor Tom Brokaw just after the conclusion of the fighting in Iraq. Good humored and reflective, Bush expressed regret that the use of force had been necessary but insisted that inaction would have been more costly. Whatever the merits of his actions, they appeared to be those of a man at peace with himself.

In contrast, consider the needlessly confrontational stance assumed by Richard Nixon in the course of his efforts to terminate the American military involvement in Vietnam in the early 1970s. At one point, Nixon ordered an American military strike against a concentration of Communist forces on the Cambodian side of the Ho Chi Minh Trail. Spurning advice that the Pentagon report the action as a routine operation, Nixon announced it himself in a truculent speech from the Oval Office. In so doing, he triggered a wave of antiwar protest, complicating his own efforts to extricate the United States from Vietnam.

Bush's cognitive style is a staple of late-night television comedy. Despite the jokes, however, Bush has ample native intelligence. He was often remote from specifics as governor of Texas and seemed ill-informed in the early months of his presidency, but after September 11, he displayed a thorough mastery of the content of his administration's policies. As one member of Congress who is in regular contact with Bush puts it, "He's as smart as he wants to be."

But Bush has never shown much intellectual curiosity or taken any pleasure in the play of ideas. Instead, as befits the nation's first MBA chief executive, he favors a corporate leadership model that relies on subordinates to structure his options.

It is possible, however, to be well informed without being well equipped to reason clearly about the complex tradeoffs presidents typically have to make. In this he contrasts with a statesman with whom he periodically shares a podium, British Prime Minister Tony Blair. Facing the press together last March, for example, Bush and Blair responded very differently to questions about the duration of fighting in Iraq. Bush was laconic and uninformative, limiting himself to assertions that combat would last "however long it takes." Blair, by contrast, was expansive and analytical, reviewing the roots of the conflict, its global ramifications, and its likely aftermath. All told, Blair rather than Bush provided a model of the intellectual suppleness one might hope for in the American chief executive.

Some of Bush's most impressive growth has come in his effectiveness as a public communicator. Early in his presidency he seemed not to recognize the rhetorical potentialities of the presidency. Within days after 9/11, however, he was addressing the public regularly and with force, effectiveness, and even eloquence. Since then he has sometimes slipped into the plodding delivery that marred his campaign speeches and

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inaugural address. But he now is quite effective in prepared addresses for which he has rehearsed, and on unscripted occasions he has come to employ a punchy vernacular manner that is effective at home, though considerably less so abroad.

Organizational capacity is one of the strengths of the nation's first MBA president. Bush has chosen strong associates; he is a natural when it comes to rallying his subordinates; and he encourages diversity of advice. But *Bush at War* illuminates two respects in which the president's deliberative processes leave something to be desired. Woodward reports that Powell and Rumsfeld expressed their differences more sharply in the meetings from which Bush was absent than those in which he was present, which suggests that Bush may sometimes be shielded from potentially valuable debate. Woodward also describes an instance in which Powell arranged to meet privately with Bush and National Security Adviser Rice in order to register his disagreement with the hawkish proposals of Rumsfeld and Vice President Cheney. When subordinates advance policies by making end runs around their colleagues, they are demonstrating their bureaucratic skills rather than the intrinsic merit of their recommendations.

Such machinations would have been anathema to that gifted organizer, Dwight Eisenhower. "I know of only one way in which you can be sure you have done your best to make a wise decision," the former allied supreme commander once remarked: "That is to get all of the responsible policymakers with their different viewpoints in front of you, and listen to them debate. I do not believe in bringing them in one at a time, and therefore being more impressed by the most recent one you hear."

In his political skill, Bush bears a striking resemblance to fellow-Texan Lyndon Johnson. As he did in Texas, Bush sometimes works effectively on both sides of the aisle. But his administration has shown a zest for the partisan jugular that was not evident in Texas. And though Bush is sure-footed in the domestic arena, he and his highly professional aides have sometimes stumbled internationally. This was evident in the lead-up to the Iraq war, when the administration failed to convince a number of traditional U.S. allies of the need for urgent military action.

The topic of policy vision permits a concluding observation about an unlikely parallel between George W. Bush and George H. W. Bush. The senior Bush was notoriously indifferent to "the vision thing." The younger Bush has faulted his father for failing to enunciate clear goals for his presidency and not building on the momentum of victory in the 1991 Gulf War to rack up domestic accomplishments on which he could campaign for re-election. George W. Bush *does* have the "vision thing," not *because* he is an aficionado of policy, but because he holds that if a leader does not set his own goals, others will set them for him.

Therein lies a potential irony. The senior Bush suffered politically from the lack of vision. If the supply-side remedy of tax cuts fails to alleviate the nation's economic woes or there is a dire aftermath to victory on the Iraq war, the junior Bush may suffer *because* of his policy vision. ■

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those who have so long been in the shadows—African-Americans, Hispanics, and women, or, in international affairs, the peoples of nations like South Africa and India. The process was sloppy, but from the melée emerged policies that were sensitive to many different perspectives and generally stood up well over time. No one would recommend that George W. Bush embrace the Clinton style—he would be horrified at the thought—but he would be well served as a leader if he threw open the doors of his White House.

Another risk in top-down, command-and-control leadership is that these days it tends to stir up resentments and anger. A half-century ago, leaders of institutions were accorded latitude for making decisions on their own. Since then, nearly every institution—from the family unit to corporations, churches, and the White House—has suffered sharp declines in authority. A leader cannot assume the automatic trust of her followers; she must earn it, showing respect for followers by soliciting their views in advance of a decision. That's a major reason why leadership studies now emphasize a more collaborative approach and urge appreciative forms of inquiry. Make everyone feel included, so the theory goes, and you are more likely to command broad support. Collaboration is an important source of soft power. By taking a different road, Bush has certainly gotten things done, but when trouble has hit—as in Iraq—he has found that he can no longer count on a united electorate. Internationally, of course, disenchantment with his administration is even more pervasive, and some experts believe the terrorists are winning. (For reflections on Europe and Bush, see Pippa Norris's accompanying piece, "*Le Divorce*: who is to blame for the transatlantic rift?" It begins on page 22.)

Finally, Bush runs the risk that his crisp, damn-the-torpedoes style, combined with his ideology, may compel him toward policies that pay off in the short term but court serious problems down the road. His fiscal policies come instantly to mind. It was understandable that in his first year, when he inherited substantial budget surpluses, he would cut taxes so that Democrats would not spend the money on new social ventures. His initial tax cuts were also a reasonable spur to a slowing economy. But he has insisted upon continued reductions in long-term taxes even as he has permitted overall spending to increase by more than 7 percent a year. The combination has not only brought the sharpest reversal of fiscal outlook since the Korean War but also put the country on an unsustainable path. Whether the same charge can one day be fairly placed against his war policies remains to be seen. The point is that his style of leadership encourages short-term thinking, and as we are now realizing, the flip side of boldness can be recklessness.

Inevitably, as we step back and see Bush whole, our imaginations are drawn again to that painting by W.H.D. Koerner: should we celebrate the daring young rider as he scrambles up that tough terrain? Is he leading up a mountaintop...or over a cliff? Bush may have been more provocative than he knew in hanging it in the Oval Office. ■

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Le Divorce

WHO IS TO BLAME FOR THE TRANSATLANTIC RIFT?

One historian ascribes U.S.-European tensions to deep-seated cultural shifts. But Europeans seem more eager to blame Bush.

by Pippa Norris

The U.S. military victory over Iraq was quick, but it was by no means cheap. In addition to the direct costs of invasion, occupation, and reconstruction, the U.S.-British victory came at the expense of frayed relations with its allies, particularly many of those in Europe. Not only did the run-up to the conflict place enormous strain on the transatlantic alliance, it also threw a harsh spotlight on divisions within the European Union. Britain, Italy, and Spain (and Poland and Romania) supported the U.S.-led intervention using military force, while France and Germany (and Russia) argued most forcefully for multilateral policies of continuing arms inspections through the United Nations. The diplomatic debacle split the UN Security Council, generated deep divisions among political leaders within the European Union, and threatened the foundations of the transatlantic alliance like no other crisis since Suez.

The long-term damage to the transatlantic rift remains in question. Is it a temporary phenomenon that can be patched up by judicious diplomacy and the passage of time? Or is it evidence of a deeper and more enduring fault line that is only now breaking the surface? Or to put the question another way, is the difference between Europe and America primarily a disagreement over foreign policy among elites? Or have the worldviews of the mass of contemporary Europeans and Americans been drifting apart for decades?

There is no doubt that President Bush's laid-back personal style—his straight-outta-Crawford anti-intellectual folksiness, his doubt-free, "good-vs.-evil" religious morality, his furrowed-brow struggles with the English language—plays well among many middle-Americans but strikes exactly the wrong note for the suave European chattering classes. This response could be expected to fade as soon as a new American administration takes office. But what if the differences over Iraq are symptomatic of a deeper and more enduring cultural rift, one that has slowly developed over fifty years among the mass publics on both continents? Historian Robert Kagan argues as much in a recent article in *Policy Review*, subsequently expanded into a brief book, *Of Paradise and Power*. If he is correct, then we may now be witnessing the demise of one of history's more effective multilateral alliances and the emergence of something potentially far more volatile and dangerous.

Although the answer to the question Kagan poses will take years, if not decades, to take shape, recent polling data make it possible to administer some preliminary tests of his thesis. No unequivocal conclusions are possible, of course. But much of the data strongly suggest that the fierce disagreement between Europeans and Americans centers on the actions, attitudes, and policies of the forty-third president. And there is little evidence to suggest that Americans and Europeans have ceased to share the values and goals that have cemented the transatlantic alliance since the end of World War II.

Americans and Europeans diverge most sharply over strategic perspectives, Kagan suggests. In contradistinction to Americans, he says, Europeans favor transnational negotiation over the deployment of military might, multilateral cooperation over unilateral action, and persuasion over coercion. Those differences predate the events of 9/11 and the Bush administration's bellicose reactions to the attacks. The differences cannot be viewed as the by-product of globalization, the rise of multi-

There is no doubt that President Bush's laid-back personal style plays well among many middle Americans but strikes exactly the wrong note for the suave European chattering classes.

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lateral institutions such as the European Union, NAFTA, and the World Trade Organization, or the trend toward international and multilateral governance on issues ranging from trade to human rights and environmental protection.

Instead, according to Kagan, transatlantic differences over foreign and security policy, which came to a head in the Security Council debates over Iraq, are rooted in the divergent historical experiences and relative present-day statures of Europe and the United States:

"On the all-important question of power—the utility of power, the morality of power—...Europeans believe they are moving beyond power into a self-contained world of laws and rules and transnational negotiation and cooperation. Europe itself has entered a post-historical paradise, the realization of Immanuel Kant's 'Perpetual Peace.' The United States, meanwhile, remains mired in history, exercising power in the anarchic Hobbesian world where international rules are unreliable and where security and the promotion of a liberal order still depend on the possession and use of military might. This is why, on major strategic and international questions today, Americans are from Mars and Europeans are from Venus: they agree on little and understand one another less and less."

Following the collapse of the Soviet Union, Kagan suggests, the United States has emerged as the sole military superpower, outstripping all its rivals in the size of its investment in military and defense forces, and more willing to deploy these resources. This process dates back to the U.S. invasion of Panama in 1989 and the Persian Gulf War in 1991 and is evident in the interventions in Somalia, Haiti, Bosnia, and Kosovo. America appears increasingly willing to intervene militarily in international conflict outside the framework of traditional multilateral institutions such as the UN and NATO, while the Bush administration has proved actively hostile to the idea of the International Criminal Court and the Kyoto convention on global warming.

Meanwhile, within the European Union, Kagan argues, the process of integration has engendered a culture of diplomatic bargaining, conciliation, and persuasion, with economic, legal, and commercial ties binding nations closer together within the borders of the EU and providing a model to be applied to resolve other international conflicts. Thus the European Union's rejection of military intervention in Iraq has precedents in the EU's dithering over the use of force in the Balkan war in the early 1990s and later in the Kosovo conflict. In both cases, European forces played a vital role as effective peacekeepers in the aftermath of conflict, but not before American intervention had stabilized the situation. EU policies towards other international conflicts, notably in the Middle East, reveal similar limitations.

Or so Kagan suggests. But there are reasons to doubt that the available evidence supports his claims. Two possible objections are highlighted here.

First, if the primary cultural division exists between Europe and the United States, how, then, to account for the major differences within the European Union over Iraq? The foreign policies of Britain, Spain, and Italy (and to a lesser extent Poland and Romania) officially supported the United States, while many other EU states, led by France and Germany, proved highly critical of military intervention. Unanimity did not prevail even within the Bush administration, where Colin Powell's softly-softly State Department struggled with Donald Rumsfeld's gung-ho-let's-roll Pentagon. Kagan oversimplifies the situation by overlooking vital policy differences among and within governments, especially in the newly enlarged, twenty-five-member European Union.

Second, even if there is a growing transatlantic rift at the level of policy elites, it remains unclear whether there are indeed genuine and enduring cultural differences among the mass publics in the United States and in the European Union. To consider some evidence concerning transatlantic attitudes towards the United States in general, and the leadership of George W. Bush in particular, we can turn to the Pew Global Attitudes survey, conducted in twenty nations in April to May 2003 by the Pew Research Center for the People & the Press and released in June 2003. We can also draw

A different administration, with a different attitude toward unilateral

upon the Gallup International Post-War Iraq Poll conducted in forty-five countries in April to May 2003. Through those surveys, American attitudes can be compared with those of its traditional allies, including Britain, Spain, and Italy, all of which officially sided with the U.S. military intervention in Iraq, as well as with France, Germany, and Canada, all countries that opposed unilateral military intervention without UN backing in Iraq. Whatever their official positions on the Iraq invasion, those countries, as Western democracies and postindustrial economies, share many common values with the United States.

As many polls have registered, favorable attitudes towards America sharply dipped worldwide in the immediate aftermath of the Iraq war. As shown in Table 1, the changes in public attitudes among the transatlantic allies in the period from September 2002 to May 2003 were largely in line with official foreign policy; favorable opinions started lowest and fell furthest in France, America's most vociferous critic on the UN Security Council. Favorable opinions also fell in Germany, traditionally pacifist in international affairs and working closely with France on mobilizing diplomatic action against unilateral military intervention without a new UN resolution. A more modest erosion of approval of America registered in Italy and Canada, while Britain had the least change, and almost three-quarters retained favorable attitudes towards the United States.

What caused the slide in public opinion among the traditional allies? The survey asked whether those with an unfavorable opinion attributed their feelings to the presidency of George W. Bush or to a more general problem with America (Table 2). Overwhelmingly in all countries the majority of critics of the United States pointed to Bush rather than America in general. This finding contradicts Kagan's thesis that the Iraq conflict was a symptom, not a cause, of the rift in the alliance.

Another poll finding offers further evidence that the split is largely focused on Bush. In the Pew survey, respondents were asked how confident they were that a series of six political leaders would "do the right thing" in world affairs (Table 3). Across all the transatlantic allies, the public voiced the most confidence in Kofi Annan, Secretary General of the United Nations, who received a far lower rating from Americans. Tony Blair was also widely admired among the publics in these nations, and indeed far more popular in the United States than at home. Jacques Chirac had the ironic experience of being more widely admired in Germany than at home, and the French public, similarly, held Gerhard Schroeder in higher esteem than the Germans did. But among the six world leaders, George W. Bush, despite his popularity in the United States, attracted the lowest confidence among the publics in the transatlantic allies. Such a result suggests strongly that reactions to Bush's leadership account for most of the differences between the United States and Europe.

But what of more specific attitudes towards the Iraq invasion, especially in the aftermath of the downfall of President

TABLE 1 *Changes in Public Attitudes Among Allies*

Question: Please tell me if you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable opinion of the United States.

Percent who said they had a very favorable or somewhat favorable opinion:

	SEPT. 2002	MAY 2003	CHANGE
Britain	75	70	-5
Canada	72	63	-9
Italy	70	60	-10
Germany	61	45	-16
France	63	43	-20

SOURCE: Pew Global Attitudes survey, conducted by the Pew Research Center for the People & the Press in twenty nations in April to May 2003.

TABLE 2 *Causes of Unfavorable Opinion*

Question: (if unfavorable) Is it mostly because of George W. Bush or is it more a general problem with America?

	MOSTLY BUSH	AMERICA IN GENERAL
France	74	21
Germany	74	22
Italy	67	24
Canada	60	32
Britain	59	31
Spain	50	37

SOURCE: Pew Global Attitudes survey.

engagement, could win a more positive reception from Europeans.

Saddam Hussein? How did the publics react to those events? The Gallup International poll conducted in mid-April to early May 2003 monitored public opinion in forty-five nations. The survey asked people whether they agreed or disagreed with a series of statements. The results in Table 4 show that differences among the transatlantic allies stretches beyond the president to broader disagreements about foreign and security policy. When asked whether the military actions in Afghanistan and Iraq made the world a safer or more dangerous place, the only positive balance was found in the United States. In every other nation, including Britain, the publics overwhelmingly believed that those actions made the world more dangerous. When asked, following the destruction of President Saddam Hussein's regime, whether military action was justified in Iraq, two-thirds of Americans and a bare majority (54 percent) of Brits said yes. By contrast, overwhelming majorities in Spain, France, and Germany said military action was unjustified. Again, though, the disagreement is with the specific foreign policies of a specific president, indicating that a different administration, with a different attitude toward unilateral engagement, could win a more positive reception from Europeans.

The same message can be inferred from the rest of the survey data. Two-thirds or more thought that the United States was too keen to resort to military might. The majority doubted that the Iraq war could bring greater peace and stability to the Middle East. Less than one quarter thought the Iraq war would reduce terrorism. Most did not believe that the diplomatic rift could be easily healed. And most said that the war had a negative effect on their attitude towards the United States. In short, the publics proved highly skeptical that the outcome of the conflict could achieve many of the central goals that were used to justify the action by the United States and its allies. And it's worth pointing out that the Gallup survey was conducted before the final removal of Saddam Hussein's regime. It's not likely that views have softened appreciably amid the daily drumbeat of quotidian chaos and bloodshed in Iraq and the brouhaha over the intelligence findings used to sell the war.

The evidence considered here remains very limited, of course, and certainly inadequate to fully evaluate the Kagan thesis. Nevertheless the results are a strong indication that the United States and President Bush have lost considerable standing in the eyes of America's traditional allies, or at least their mass publics. Moreover, it is likely that the damage is the result of the Bush administration's willingness to engage in preemptive military action despite the lack of international consensus. Going forward, then, the health and vitality of the transatlantic alliance would seem to depend less on what the allies' leaders and their people have done than on what they and their successors will do. ■

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TABLE 3 *Confidence in Political Leaders*

Question: Now I'm going to read a list of political leaders. For each, tell me how much confidence you have in each leader to do the right thing regarding world affairs—a lot of confidence, some confidence, not too much confidence, or no confidence at all.

Percent who said they had a lot or some confidence in each leader:

	U.S.	BRITAIN	ITALY	SPAIN	FRANCE	GERMANY	CANADA	MEAN
Kofi Annan	45	72	69	59	65	74	54	63
Tony Blair	83	71	57	43	40	64	75	62
Jacques Chirac	26	30	46	51	75	84	51	52
Gerhard Schroeder	34	46	44	48	76	60	48	51
Vladimir Putin	40	53	45	31	48	75	54	49
George W. Bush	78	51	43	28	20	33	59	45

SOURCE: Pew Global Attitudes survey.

TABLE 4 *Post-war Reactions to the Iraq Invasion. Percent who agree*

	U.S.	BRITAIN	SPAIN	FRANCE	GERMANY	CANADA
As a result of recent military action in Afghanistan and in Iraq, do you think that the world is a safer place?	48	22	17	9	23	29
As a result of recent military action in Afghanistan and in Iraq, do you think that the world is a more dangerous place?	36	55	63	82	72	58
Now that the regime of Saddam Hussein has been destroyed, do you think that military action by the U.S. and its allies was justified or not? (% justified)	68	54	22	27	28	46
The U.S. is too keen to use military force in other countries.	38	62	68	87	64	61
The (Iraq) war will result in greater peace and stability in the Middle East.	56	42	27	14	26	41
The threat of terrorism has been significantly reduced by the (Iraq) war.	44	20	24	12	15	26
The diplomatic rift between the U.S. and its allies with countries opposed to the war can be easily repaired.	45	38	41	43	37	46
Has military action in Iraq had a positive effect on your attitude to the U.S., a negative effect, or no effect? (% negative)	14	37	49	59	46	35

Conquer and Divide

GEORGE W. BUSH'S CAMPAIGN AGAINST SADDAM HUSSEIN WAS BOUND TO SPLIT THE WEST. HERE'S WHY.

by Warren Bennis and Harris Collingwood

During the winter of 2003, as the Bush administration's marketing campaign for the invasion of Iraq was in full cry, much pop-culture sport was had at the expense of the traditional European allies of the United States, especially France and Germany. Taking their cue from Defense Secretary Donald Rumsfeld's backhanded swipe at "old Europe," respectable newspaper columnists rushed to quote *The Simpsons'* characterization of the French as "cheese-eating surrender monkeys." Members of Congress, who as a class have never shown much compunction about scoring cheap political points with meaningless symbolic issues, gave items on the Capitol cafeteria menu new names such as "freedom fries" and "liberty toast."

One can only hope that those who engaged in such jejune hijinks enjoyed them while they lasted, because the fun is decidedly over. In early September, President George W. Bush, finally employing the word "sacrifice" in connection with his Middle East adventure, warned the nation that he would seek $87 billion to fund military deployments and postwar reconstruction in Iraq and Afghanistan. That figure, staggering as it is, does not cover the full cost of reconstruction—according to the White House's own fact sheet, the money requested from Congress is still $55 billion to $75 billion short of the full cost of rebuilding.

Where does the United States expect to find the additional funds it needs—not to mention troops to relieve its weary soldiers? From its European allies and from the United Nations, the same countries and institutions the Bush administration was so quick to dismiss as irrelevant, cowardly, and insufficiently committed to the American-led "war against terror." What's more, in exchange for their blood and treasure, the allies and the United Nations cannot expect to have any say over the conduct of the reconstruction effort or the letting of contracts for infrastructure projects. Those matters are for the United States alone. The allies' dollars are welcome, but not their policy input.

If the Bush administration is counting on the allies' assistance, it's likely to be disappointed. The best outside estimates are that the United States will be lucky to collect $1 billion in pledges. Some countries are also likely to send a few battalions, but nothing equal to the commitment of personnel that a lengthy occupation will require. Inevitably, some observers will characterize the allies' reluctance as mere pique, an immature expression of disdain for a leader they view as a gauche embarrassment. Can't they see that whatever their views of the war, it's over, and it is in their interests to help build a stable, prosperous Iraq?

But that's precisely the point: what would impel a state to act contrary to its own interests? Or rather, to refrain from action when acting would confer a clear benefit? *New York Times* columnist Thomas Friedman asked a similar question during the run-up to the war, pointing out that China was treating Iraq "as if the whole issue were for America to resolve." Not only China held this "deeply mistaken view," Friedman wrote. So too did France, Germany, and Russia, which together with China comprise, in Friedman's view, the "Four Pillars of the World Order." In an open letter to the Four Pillars, he asks, "I understand why you don't want us to be so impulsive, but why are you so passive?"

It's worth taking the question seriously. One possible answer emerged more than fifty years ago from London's famed Tavistock Clinic, where renowned psychiatrist Wilfred Bion was working with a group of young therapists and trainees to develop the practice of group psychotherapy. Bion's insights, drawn from his deep understanding of the dynamics of group behavior, were simple and profound. His prime *aperçu*, which underlay all the others, was that the leader must avoid, at all costs, getting

Photo: © Jean-Bernard Vernier / CORBIS SYMGA

Germany's Gerhard Schröder
and France's Jacques Chirac:
Why did Bush freeze them out?

overly involved with the sickest member of the group.

Focus on the sickest, he warned prospective leaders, and you will undermine yourself in numerous ways. You will polarize and alienate the group. Forced to the sidelines of the confrontation and envious of the attention lavished on the sickest member, the healthier members will begin to resent you and question the legitimacy of your leadership. They will sulk, withholding their energy and attention from the group, while you try single-handedly to detoxify the troublemaker. The only way deal with the sickest member, Bion counseled, is to leave space for the healthier ones to take on the problem collectively. Overreacting to extreme pathology is the most predictable and serious mistake a leader can make, Bion argued. It steals responsibility from those who should assume it—the healthier members of the group.

Other experienced observers of group dynamics have noticed a similar phenomenon. Before she took up the post of senior vice-president for human resources at Charles Schwab & Co., Debra Casados worked at a succession of technology companies, including Silicon Graphics, Netscape, and Loudcloud. She observed that when a company launched a change initiative, employees would divide into three groups: evangelists, who eagerly supported the change initiative; passive observers, who neither supported nor opposed the initiative but waited to see which way the organizational tides were running; and squeaky wheels, who for a variety of motives vocally opposed the change effort. "Manager-leaders," she says, "would almost always focus on the squeaky wheels and ignore the evangelists. That was their first mistake. The second was to assume that they could count on the passive observers' support."

Manager-leaders compound their problems, Casados says, when they devote all their energies to bringing the squeaky wheels around to their way of thinking. For one thing, it's probably a futile effort. For another, the time and energy leaders spend on squeaky wheels is time and energy they don't spend identifying evangelists and winning converst among the passive observers, who often determine the success or failure of the change effort. Observers' allegiances are determined not by their passionate support for the initiative, unlike the enthusiasts, nor by their passionate opposition, unlike the squeaky wheels. The allegiances of the passive observers are strongly influenced by their relationship with their leader, and that relationship often suffers when the leader mistakes their silence for support.

President Bush and the key players in his administration could profit from the insights of Bion and Casados. Why are China, France, Germany, and Russia so passive in the face of the real threat presented by chaos and unrest in Iraq? Is it not because the United States is behaving as if Iraq were America's problem, and only America's problem—and such a large problem that it crowds out equally significant relationships? Bion was forever reminding his groups to focus on the task at hand—the health of the group as a whole. Like a good group leader, shouldn't the United States give the other nations of the world room to act in their own self-interest? Instead of trying to be a unilateral problem-solver, shouldn't we be working collaboratively with the European Union, the United Nations, and NATO? Where is the U.S. effort to recruit moderates in the Middle Eastern states? Their fates, after all, are even more closely intertwined with Iraq than our own. Until we abandon our attempt to impose a unilateral, self-interested solution on Iraq—to turn the war and its aftermath into a showdown with the sickest member of the group—we can only expect more passivity from our traditional allies and even more dangerous continued resistance.

To work as part of the group is not to substitute passivity for activity. Just the opposite. It will entail seizing the initiative in a variety of ways, on a variety of fronts. It will mean intervening more forcefully than ever in the protracted conflict between Israel and the Palestinians. It will mean persuading the leaders of the Four Pillars that a functioning, well-governed Iraq is even more valuable to them in the long term than to us. It will mean strengthening our ties with our partners in more meaningful ways than by sending Secretary Powell, now our only credible representative abroad, to chat them up and smooth their ruffled feathers. It will mean helping Afghanistan become a genuinely democratic, fully functioning state. And most of all, it will entail our nation's proving its capacity to grow up and become a genuine citizen of the world.

That reluctance to view the United States as a member of a global polity—perhaps the first among equals, but a member all the same—is arguably the most puzzling and short-sighted failure of George W. Bush's puzzling and short-sighted leadership. "Woodenheadedness, the source of self-deception, is a factor that plays a remarkable role in individuals," writes historian Barbara Tuchman in *The March of Folly*. "It consists in assessing a situation in terms of preconceived fixed notions while ignoring or rejecting any contrary signs." She writes that it was epitomized by Phillip II of Spain, "the surpassing wooden-head of all sovereigns: 'No experience of the failure of the policy could shake his belief in its essential excellence.'" To read Tuchman's comment back against the administration's conduct of the war in Iraq and its aftermath, its multiple self-deceptions and willed blindnesses, is to experience genuine alarm. There may yet be time for the Bush administration to subject its Middle East fantasies to the harsh tests of reality and the correction of the group, but that time is growing short. Is Tuchman's minatory tale on the White House reading list? ■

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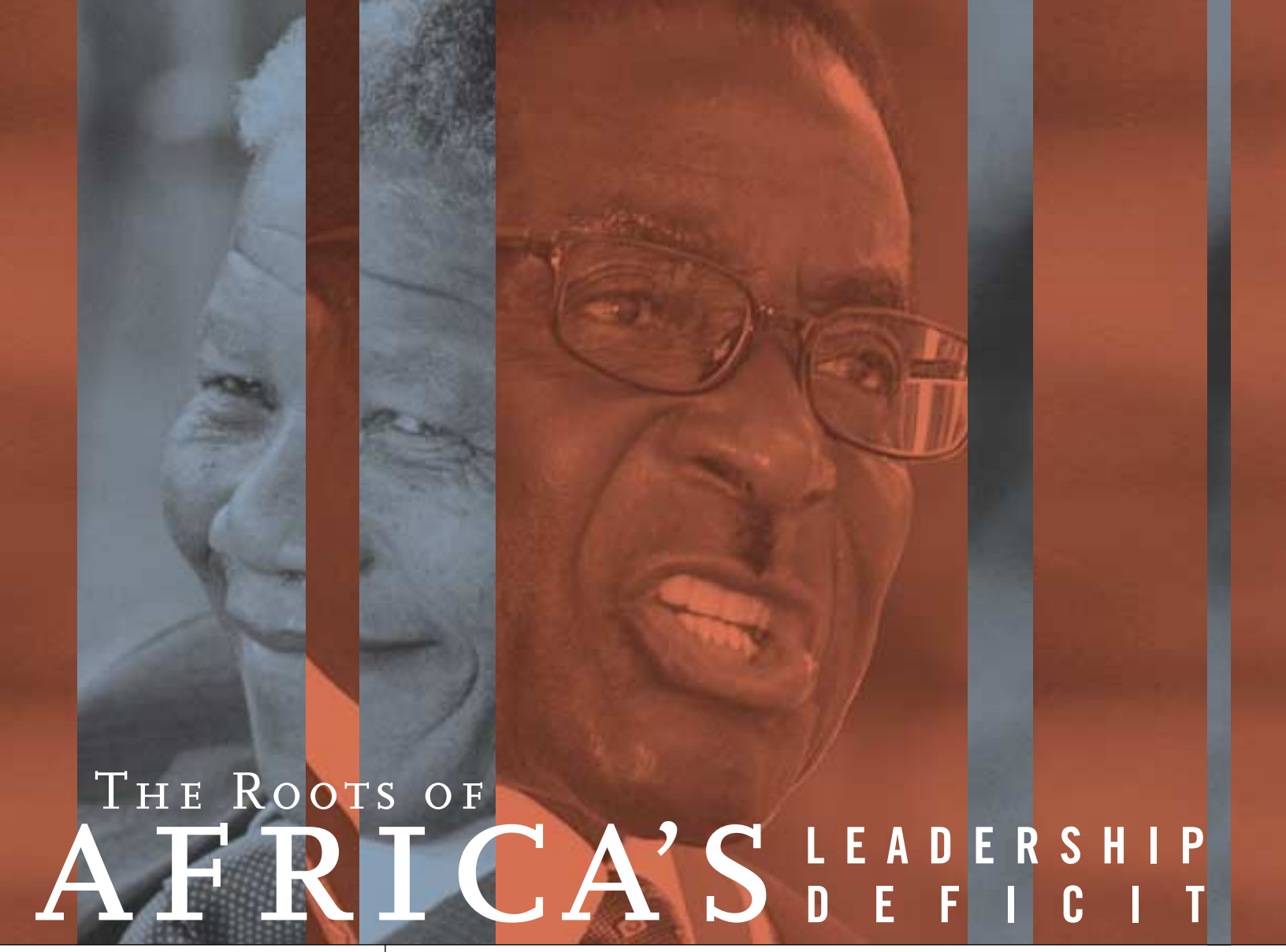

The Roots of Africa's Leadership Deficit

by Robert I. Rotberg

Robert Mugabe's misrule in Zimbabwe is a particularly grotesque chapter of an old, old story: after a promising start, an African leader descends into brutal tyranny. Why do so many African leaders go so terribly wrong? And will a new generation of African follow Mandela's model instead?

Leadership in Africa is typified more by disfiguring examples—the Idi Amins and Robert Mugabes—than by positive role models such as Nelson Mandela and Seretse Khama. Other clusters of developing nations, such as Southeast Asia or Latin America, exhibit wide variations in leadership quality, but none is so extreme in its range. During the past three decades roughly 90 percent of sub-Saharan Africa's leaders have behaved despotically, governed poorly, eliminated their people's human and civil rights, initiated or exacerbated existing civil conflicts, decelerated per capita economic growth, and proved corrupt.

Why should sub-Saharan Africa show such an extensive disparity between the many nation-states that have been and are poorly led and those few that consistently have been led well? Are the distinctions particularly African? Are they a product of colonial misrule? Do they reflect a common problem of transition from dependency to independence? Do they emanate from deep-rooted poverty and a lack of economic growth? Is sub-Saharan Africa's lamentable leadership record, in other words, attributable to exogenous variables beyond its control, or does Africa respond less favorably to a leadership challenge of the same order as every other region's?

The positive examples of African leadership stand out because of their clear-minded strength of character, their adherence to participatory democratic principles, and their rarity. In contrast, the negative examples include so many varieties—predatory kleptocrats; autocrats, whether democratically elected or militarily installed; simple-minded looters; economic illiterates; and puffed-up posturers—that caricaturing or merely dismissing them would mislead. These single-minded, often narcissistic leaders are many and share common characteristics: they are focused on power itself, not on the uses of power for good; they are indifferent to the well-being of their citizens but anxious to receive their adulation; they are frequently destructive to and within their own countries, home regions excepted; unreachable by reason, they are quick to exploit social or racial ideologies for political and personal purposes; and they are partial to scapegoating, blame-shifting, and hypocrisy.

Good leaders globally, not only in sub-Saharan Africa, guide

Photos: Mandela © David Turnley / CORBIS Mugabe © Reuters New Media Inc. / CORBIS

If Botswana's Khama had arrogated more and more power to himself, "for the good of his people," there would have been few critics.

governments of nation-states to perform effectively for their citizens. They deliver high security for the state and the person; a functioning rule of law; education; health; and a framework conducive to economic growth. They ensure effective arteries of commerce and enshrine personal and human freedoms. They empower civil society and protect the environmental commons. Crucially, good leaders also provide their citizens with a sense of belonging to a national enterprise of which everyone can be proud. They knit rather than unravel their nations and seek to be remembered for how they have bettered the real lives of the ruled rather than the fortunes of the few.

Less benevolent, even malevolent, leaders deliver far less by way of performance. Under their stewardship, roads fall into disrepair, currencies depreciate and real prices inflate, health services weaken, life expectancies slump, people go hungry, schooling standards fall, civil society becomes more beleaguered, the quest for personal and national prosperity slows, crime rates accelerate, and overall security becomes more tenuous. Corruption grows. Funds flow out of the country into hidden bank accounts. Discrimination against minorities (and occasionally majorities) becomes prevalent. Civil wars begin.

It is easy in theory and in practice to distinguish among good, less-good, bad, and despicable leaders everywhere, especially in sub-Saharan Africa. Good leaders improve the lives of their followers and make those followers proud of being a part of a new Camelot. Good leaders produce results, whether in terms of enhanced standards of living, basic development indicators, abundant new sources of personal opportunity, enriched schooling, skilled medical care, freedom from crime, or strengthened infrastructures. Bad and despicable leaders tear down the social and economic fabric of the lands; they immiserate their increasingly downtrodden citizens. Despicable rulers, particularly, oppress their own fellow nationals, depriving them of liberty, prosperity, and happiness.

Poverty within the context of resource abundance, as in oil-rich Nigeria from 1975 to 1999, indicates inadequate leadership. Despicable leadership is exemplified by Mugabe's Zimbabwe, a rich country reduced to the edge of starvation, penury, and fear. Economic growth from a low base in the aftermath of civil war and in a context of human resource scarcity, as in contemporary Mozambique, signals effective leadership. The opening of a long-repressed society, with attention to education and a removal of barriers to economic entrepreneurship, as in post-dictatorship Kenya, is another sign of progressive leadership.

Botswana is the paragon of leadership excellence in Africa. Long before diamonds were discovered, the dirt-poor, long-neglected desert protectorate demonstrated an affinity for participation, integrity, tolerance of difference and dissent, entrepreneurial initiative, and the rule of law. The relative linguistic homogeneity of Botswana may have helped (but compare Somalia, where everyone speaks Somali, is Muslim, and there are clans but no separate ethnic groups). So would the tradition of chieftainship and the chiefly search for consensus after discussion among a *kgotla*, or assembly of elders. The century-old, deeply ingrained teachings of the congregational London Missionary Society mattered, too, and infected the country's dominant political culture. Botswana stands out in sub-Saharan Africa as the foremost country (along with Mauritius and South Africa) to have remained democratic in form and spirit continuously since its independence (in 1966). Throughout the intervening years it has conspicuously adhered strictly to the rule of law, punctiliously observed human rights and civil liberties, and vigorously attempted to enable its citizens to better their social and economic standings. A numerically small population (1.6 million) doubtless contributes to Botswana's relative success, and exploiting the world's richest gem diamond lodes—since 1975—has hardly made achieving strong results more difficult. But Angola, Gabon, and Nigeria all have abundant petroleum, without the same striking returns for their peoples.

Any examination of Botswana, especially before 1975, shows the value of well-intentioned, clear-eyed visionary leadership. Seretse Khama, heir to the paramount chieftaincy of the country's most important and largest ethnic polity, completed his bachelor's degree at Fort Hare College in South Africa in 1944, spent a year reading law at Balliol College, University of Oxford, and then studied for the bar at the Inner Temple in London. In 1948, he married Ruth Williams, a Briton, and returned home to take up his chieftainship. But the British colonial authorities prevented him from exercising the rights of paramountcy, and he and Ruth were exiled to Britain in 1951. Five years later, they were allowed to return, officially as commoners.

Khama came from a family of Bamangwato chiefs who were well regarded for their benevolence and integrity. His studies and his marriage may conceivably have reinforced those family traits. Being exiled might have embittered him, but Khama seems instead to have viewed exile as a mere bump along the road to leadership within the evolving context of Botswana's maturity from protectorate to nation. Whatever the combination of nature and nurture, when Khama (later Sir Seretse Khama) founded the Botswana Democratic Party

(BDP) in 1961 and led his country to independence, he already held dear those values of deliberative democracy and market economic performance that proved a recipe for his young country's political, social, and economic success. Modest, without obvious narcissism, non-ostentatious as a chief and leader (unlike so many of his African contemporaries), and conscious of achieving a national, enduring legacy, Sir Seretse was able to forge a political culture for the emergent Botswana — a system of values governing the conduct of political affairs — that has endured during the peaceful and increasingly prosperous presidencies of Sir Ketumile Masire and Festus Mogae, his successors.

Sir Seretse had a largely implicit, understated, but nevertheless substantial program for his people and his country. He put that program into place gradually, never succumbing to external political whims (such as the affinity for Afro-socialism or crypto-Marxism that infected his peers elsewhere in Africa), instant panaceas (such as nationalizing his productive mineral industries in the disastrous manner of neighboring Zambia), or posturing ineffectively against the hideous crimes of apartheid in nearby South Africa. Indeed, Sir Seretse and Sir Ketumile were deft and decisive in their disapproving but non-antagonistic approach to South Africa. Sir Seretse engineered his control of Botswana's diamond resources without frightening off or limiting investment from South Africa. He trained his own Botswanan successors and empowered them, but gradually, and without overstretching indigenous human resource capacities. Sir Seretse took no shortcuts. He and his successors abided no abridgements of citizen rights.

Sir Seretse could have done otherwise. As a paramount chief beloved by his people and respected for his learning, he could have behaved as so many of his African peers behaved during the 1960s and 1970s. If he had arrogated more and more power to himself, "for the good of his people," there would have been few critics. The rest of Africa had largely followed President Kwame Nkrumah, Ghana's first president from 1957-1966, in renouncing colonial traditions of representative government and becoming autocrats. Even gentle Julius Nyerere of Tanzania and equally gentle, modest Kenneth Kaunda of Zambia by the 1970s were abandoning inherited democratic forms and substituting single-party, single-man rule in place of broad participation. They were depriving judiciaries of independence and legislatures of autonomy. Objectors were jailed. Newspapers were banned or bought out. State radio broadcast only the words of the rulers.

Not Sir Seretse. He adhered to the nostrums that were no longer in current use in nearly all of Africa. For him, there was an ethic of performance and good governance to which he adhered. Sir Seretse was conscious every day that he could do better than the leaders of next-door South Africa, where whites oppressed the majority and deprived most inhabitants of their human rights and civil liberties. For whatever set of personal and pragmatic reasons, Sir Seretse epitomized world-class qualities of leadership.

In very different circumstances, Sir Seewoosagur Ramgoolam, the first leader of Mauritius (an offshore member of the African Union), operated under the same internalized leadership rules as Sir Seretse. Ramgoolam was more explicit in charting his vision, however — more in the manner of Lee Kuan Yew of Singapore. When Sir Seewoosagur took the Mauritian prime ministerial reins immediately after independence in 1968 (remaining prime minister until 1976), he understood that the island nation's mélange of colors and peoples — a plurality of Tamil-speaking Hindu Indians, Urdu- and Hindi-speaking Muslims from India and Pakistan, Chinese, and indigenous Creole-speaking Franco-Mauritians, most of whom were descended from slaves — could not long survive in peace if he or others were anything but transparently democratic. He stressed open politics, nurtured social capital, welcomed a free press, and strengthened the rule of law inherited from Britain, and earlier from France. Sir Seewoosagur also sensed that Mauritius' economy, hitherto based entirely on exporting raw sugar, would have to be diversified and grow. He attracted new investors from Asia. Soon Mauritius was a major world textile manufacturer; an island without sheep became a dominant supplier of wool garments.

Once again, leadership was central to Mauritius' post-independence transition from a potentially explosive racial hothouse and a primary producer subject to the fluctuations of world markets into a bustling, prosperous, politically hectic sustainable democracy. Sir Seewoosagur could have attempted to follow the other possible road to peace and growth on a crowded island of 1.2 million — strong, single-man rule of the Lee Kuan Yew variety. But the tactics that worked so well among overseas Chinese in Singapore might have been incendiary in Mauritius's multi-ethnic mix.

Likewise, without Nelson Mandela's inclusive leadership, black-run South Africa after 1994 would have been much more fractured and less successful in governing its apartheid-damaged peoples. Mandela's vision insisted on full rights for the majority, but without too abrupt a removal of minority economic privileges. It strengthened the rule of law, greatly broadened the delivery of essential services, largely maintained existing pillars of the economy such as transportation and communications networks, and slowly shifted away from the dominant command economy toward one that was more market driven.

Mandela, Khama, and Ramgoolam all led their nations democratically when they could have aggregated personal power. Their leadership model might have been more Asian — top-down, less open, less constitutional, and less multi-ethnic and multi-tribal — and still benevolent and thus accomplished. Instead, they demonstrated what few of their fellow African leaders then or since have demonstrated: that Africans are perfectly capable of building nations, developing sustainable democratic political cultures, and modernizing and growing their economies effectively. Given these particular individuals' disparate human and ethnic origins, and given their respective nations' very diverse colonial legacies, it makes no sense to assert that African traditional culture somehow inhibits the exercise of democratic leadership.

There must be other reasons for leadership gone wrong in Africa, especially for those men who begin as promising democrats and then emerge a term or two later as corrupt autocrats. Take Bakili Muluzi, president of Malawi, for example. After the thirty-year dictatorship of Dr. Hastings K. Banda ended, Muluzi led the new United Democratic Front (UDF) against Banda and his associates, promising a return to full-fledged democracy. Overwhelmingly victorious, the UDP and Muluzi took power in 1994 and governed reasonably effectively during their first five-year term. Educational and health services were expanded, civil society and an open press were embraced, the judges were released from their fetters, and serious steps were taken to

Leadership was central to Mauritius's post-independence transition from a potentially explosive racial hothouse into a bustling, prosperous, politically hectic democracy.

improve the very poor country's economic performance. Muluzi presided genially over this peaceful and welcomed transition from autocracy in his country of twelve million people.

Muluzi's second term, from 1999, began well enough, although the sticky stain of corruption soon began to spread through the upper echelons of government and around the state house. Economic growth stagnated, not least because of decisions not made by the president and the arrangement of special deals for presidential associates. In 2002, he decided that Malawi would be better off if he broke the constitutional provision against a third presidential term, beginning in 2004. (President Frederick Chiluba, in Zambia, another post-dictatorial reformer, tried the same argument to keep his presidency, but was rebuffed by Parliament and the citizenry. In Namibia, however, President Sam Nujoma successfully breached his country's constitution and now serves a third term.)

Malawi's Parliament denied Muluzi the needed constitutional amendments twice, and Muluzi reluctantly backed away from a third-term attempt in 2003. Instead, he bulldozed the ruling party's executive committee into letting him hand-pick a questionable successor (illegal by party rules), and then compelled a suddenly called meeting of the UDF to amend the party's by-laws to give him that authority, and also to make him permanent chair of the party, in control of its finances. Key cabinet ministers resigned, and Malawi's politics were soon thrown into turmoil—all local matters which concern us little here. The main question is what causes a democrat to turn autocratic? Is it simply that absolute power corrupts absolutely, as Lord Acton said long ago?

Mugabe is another of many African leaders who began by governing plausibly (in 1980, in Mugabe's case), only to turn venal later. Admittedly, within a few years of assuming power in Zimbabwe, he had used a special military brigade to kill 20,000 to 30,000 followers of a key opponent. But the first eighteen years of Mugabe's prime ministerial and presidential leadership (the title changed in 1987) also brought enlarged educational and medical opportunities, economic growth, relatively modest levels of official corruption, and comparatively calm relations between the tiny white commercial farming community and black Africans. Throughout the period, Mugabe astutely gained more and more personal power. He used official terror to remove challengers, and state-supplied patronage to keep senior supporters in line. From about 1991, his onetime key backers say, Mugabe began behaving with more and more omnipotence and arrogance. He was reelected frequently as president, and his largely obedient party dominated Parliament. Every now and again one or two outspoken dissidents were tolerated.

By 1998, Mugabe was seventy-four years old, married for the second time, and increasingly cranky that Mandela's release from prison and assumption of the South African presidency had dimmed Mugabe's own attempt to be a major player in all-African politics. His second wife was known, too, to be avaricious, and by 1998 corruption at the highest levels of Zimbabwe had grown in scale and audacity. Mugabe sought to salt away wealth for his extended family. He also gave license to the corrupt activities of others so that he could control them, in the manner of Mobutu Sese Seko of the Congo. Then, in 1998, Mugabe unilaterally decided to send 13,000 soldiers to the Congo, ostensibly to assist Laurent Kabila, the rebel successor to Mobutu, to defend against a Rwandan-organized invasion. Mugabe also wanted to grab the diamonds, cobalt, cadmium, and gold of the Congo for himself.

With Zimbabwean troops in the Congo until 2003, and corruptly acquired funds fleeing to safe havens offshore, Mugabe and his cronies bled Zimbabwe until, by 2000, the foreign exchange coffers were largely empty and food and fuel shortages began to recur regularly. By then he had also unleashed thugs against commercial farmers, using an old tactic to mobilize indigenous support. This time, however, it failed to do so, especially in the cities. Mugabe lost a critical constitutional referendum in early 2000. By mid-year he had also come within a few seats of losing his party's parliamentary majority in a national election. The Movement for Democratic Change (MDC), led by Morgan Tsvangirai, had posed a formidable challenge and, indeed, claimed that Mugabe's party had falsified the votes in several key constituencies.

Mugabe lashed out furiously against the MDC, and attacked whites and blacks suspected of supporting the opposition. The country's once formidable rule of law became the law of the jungle, with Mugabe packing the Supreme Court and threatening High Court judges until they retired or resigned. Legions of hired thugs attacked white farmers and forcibly occupied the farms (despite High Court injunctions), thus depressing agricultural productivity. When Tsvangirai stood against Mugabe in the 2002 presidential election, he was defeated in a poll widely believed in Europe, the U.S., and among Zimbabweans to have been rigged. Even after such a disputed triumph, Mugabe persisted in victimizing MDC members and their presumed supporters. Having driven Zimbabwe to the brink of starvation in 2002 and 2003, he and his lackeys sought to deprive areas that had voted for the MDC of relief shipments of food.

By late-2003, Zimbabweans faced constant shortages of food and fuel. Unemployment had reached 80 percent and inflation 500 percent. The U.S. dollar, worth 38 Zimbabwean dollars in 2000, was being traded on the street for 5,000 local dollars. Hospitals operated without basic medicines. Schools were closed. President Bush and Secretary of State Colin Powell called for Mugabe's ouster, an unusual step, and so did Prime Minister Tony Blair. Zimbabwe's Council of Churches also railed at Mugabe, a Jesuit-trained Catholic. Tsvangirai, meanwhile, was indicted for treason and served some time in jail, as did many of his senior MDC colleagues. Mugabe, throughout, resisted entreaties to retire, as the once proud, wealthy country spiraled into decay.

These appalling details are less relevant, here, than seeking to explain why Mugabe and Muluzi, Chiluba and Nujoma, and also former President Daniel arap Moi of Kenya and many other African leaders perform adequately during their early elected terms and then, in their second terms or beyond, become despots. Is it the inevitability of Acton's aphorism, or some law of diminished accountability? Most African leaders, the Botswanan and South African presidents and the Mauritian prime ministers aside, travel in pompous motorcades, put their faces on the local currencies, and expect to see photographs of themselves in every shop and office. Almost invariably, the less legitimate the office and the less robust the country, the more ostentatious their displays and the more stilted their bearing and manner.

Africa needs leaders who serve whole nations, not tribes.

Is it the African reverence for "big men," a hangover from pre-colonial reverence for chieftainship, that turns democrats into despots and persuades obedient electorates to support the pretensions of their peers turned potentates? Would it help if the new nations of sub-Saharan Africa abandoned executive presidencies on the American model and reverted to pure parliamentary governing systems with ceremonial heads of state?

African leaders are driven by instincts no baser than those of their colleagues in Asia, Europe, or the U.S. But African electorates tend to acquiesce for long periods to the autocractic actions of their leaders. That acquiescence may stem from the sheer rawness of democracy in Africa, and from the absence of a long period of preparation for democracy, unlike in colonial India or the West Indies. The African press's lack of sophistication and independence is a contributing factor. Civil society is also weaker. Extensive public-sector patronage in most African countries also allows leaders to escape criticism until their leadership excesses are obvious.

Africa for the most part lacks a hegemonic bourgeoisie—a business class that is independent of government and capable of thriving without patronage and contracts; such independence lessens the zero-sum quality of a rule. In those few countries where there is that independence, as in South Africa but not yet Nigeria, a leader approaching the end of his term in office does not have to worry about taking the perquisites with him and looting the country before he and his colleagues go. In many other countries in Africa, especially the poorer ones, the incentives to grab it all are great.

Throughout most of Africa there is little expectation, thus far, that successors will be fair, that an incoming political movement will not necessarily victimize its predecessors, and that there is an acceptable role for former presidents and prime ministers—except, notably, in Mauritius and Botswana. In many places, too, there is as yet no sustainable democratic political culture. That is, whereas American and European politicians might want to behave as autocrats, they are restrained by the norms of their dominant political cultures and the likelihood of being found out. In Africa, shame is less apparent than a kind of entitlement. Once elected, or once chosen by a military junta to rule, the president confuses himself with the state—in some way thinking of himself as embodying and being the state. It is only the exceptional individuals like Khama or Mandela who can escape the deep psychological trap of constant sycophancy. Like Louis XIV, others come to accept their own importance as the suns around which their little countries revolve. Except in a few places like Botswana, where an early leader knew better and emulated President Washington's refusal to be royal, African leaders and their followers largely believe that the people are there to serve their rulers, rather than the other way around.

Fortunately, there are a handful of very new leaders in Africa who espouse an ethic of good governance. They are distinguished from their less democratic peers by a willingness to govern transparently, to consult with interest groups within their populations that are not their own, to create an atmosphere of tolerance and fairness in their official operations, and to strengthen the institutions of their societies. These promising new leaders include Presidents Abdoulaye Wade of Senegal, who had opposed previous methods of rule for decades and now rules consensually; Mwai Kibaki of Kenya, in opposition from 1992 to his election in late 2002; John Kuffour of Ghana, who has begun reducing the corrupt climate of his autocratic predecessor; and Prime Minister Pakalitha Mosisili of tiny Lesotho, who has modernized his country's methods of governance through a process of laborious national consultation.

Africa is not yet ready to parse distinctions between transactional and transformational leadership. It needs leaders in the first instance who serve whole nations, not just their tribes or ethnic groups or extended families. It needs leaders who embrace responsibility for the commonweal, and not for a group of associates who live off and puff up a country's all-commanding autocrat. It desperately needs new leaders who take Khama and Mandela as their models and embrace the Washingtonian-like restraints that they embodied. Once there are a cadre of leaders who espouse and embody in their actions the democratic values that emboldened Khama, Mandela, and Ramgoolam, and now drive their successors and men like Wade, Kibaki, Koffour, and Mosisili, Africa will begin to move from despotism and denials of human rights to the era of democratic leadership. Given the timbre of Africa's younger leaders, and the spread throughout Africa of global bourgeois democratic values, that era may soon be at hand. ■

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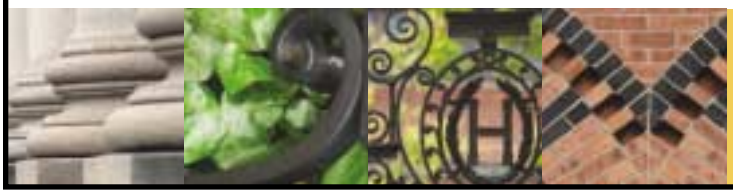

HARVARD

the coming corporate revolt

by Roger Martin

BUSINESS IS IN THRALL TO THE MYTH OF "SHAREHOLDER VALUE." NOW IT'S UP TO SHAREHOLDERS TO BREAK THE SPELL.

"What has happened to us is that our execution and processes have broken down under the white-hot heat of driving for quarterly revenue growth."

— LUCENT TECHNOLOGIES CEO HENRY SCHACHT, QUOTED IN *FORTUNE* MAGAZINE, JULY 7, 2003.

It was the autumn of 2000, and Henry Schacht had been on the job only a couple of weeks when he spoke those words to his senior managers. His predecessor, Richard McGinn, had just been ousted by the Lucent board. No suggestion of wrongdoing accompanied McGinn's departure, but it soon became clear that execution and processes were not all that had broken down on his watch. Two months after McGinn's ouster, Lucent revealed that in the third quarter of 2000, while McGinn was still CEO, the company had concocted $700 million in fictitious revenue.

No prosecutor or regulatory authority has charged McGinn with any sort of impropriety. But current and former Lucent employees confirm that McGinn relentlessly pressed them to deliver ever-higher revenue. He wasn't leaning on them for the fun of it, of course. As Schacht, his successor, told Lucent's managers, employees resorted to falsifying revenue because the company was "driven by Wall Street expectations that were beyond the capacity of the company to meet."

Schacht was speaking of Lucent, but he could just as easily have been referring to Worldcom, Enron, or any other company caught up in the recent round of corporate scandals—or many other firms that managed to escape the headlines. His comments raise as many questions as they answer. How did "Wall Street expectations" come to call the tune in corporate America? Is meeting Wall Street's expectations good business? Is it good for society? Is pleasing "the Street" sufficient motivation for corporate employees? To attempt to answer those questions is to discover the deep flaws in the concept of "shareholder value," a concept that at many corporations has achieved the status of holy writ—a faith so strongly held that believers literally cannot imagine another way to orient and motivate a corporation and its employees.

In response to business's long season of scandal, Congress passed the Sarbanes-Oxley Act in 2002. Additional proposals for repairing corporate accounting and governance fill bookstores, business magazines, and op-ed pages. The proposed reforms, which are largely technical and structural in nature, may be necessary to change corporate conduct, but I will argue that they are not sufficient. In this article I call for a new set of business principles and priorities—and for a special breed of shareholder, a genuine change agent who can lead a radical reorientation of the business organization.

Radical change is needed, I believe, because the governance of public corporations is fundamentally flawed. Corporate managers and independent directors alike have neither the incentives nor the capabilities to protect the interests of outside shareholders—the incentives all run the other way, *against* the interests of outside shareholders. To improve the quality of governance, publicly traded companies will need to significantly alter the structure of monetary and non-monetary incentives and capabilities for managers and directors, as well as the auditing firms and investment bankers they hire. But no alteration will be feasible without the participation—the leadership, in fact—of shareholders.

At first blush, it seems nonsensical that shareholders should lead a revolution in corporate governance. Why would they want to overhaul a corporate value system that recognizes continual increases in their wealth as the highest good? Therein lies the paradox at the heart of the shareholder-value creed: if the recent spate of corporate scandals proves anything, it is that organizations explicitly

Owner-managers have a strong motive to skew investor expectations. They also have the means: their superior access to detailed company information.

dedicated to the maximization of shareholder value are in fact inimical to the long-term interests of shareholders.

A TALE OF TWO MARKETS

The typical business enterprise has become a community that venerates shareholder value—a value assigned by a market (the stock market) whose prices are based not on real, current results but on expectations of future performance. Corporations that enshrine shareholder value no longer consider producing or delivering a product or service to be their central mission. Instead, they become dedicated to stoking expectations that by definition cannot be satisfied. That is not the only damage done: when shareholder-value maximization is placed at the heart of the corporate value system, an unbridgeable rift opens between the mission of the corporation and the capabilities of employees, who have direct control only over real, current corporate performance (what I call the Real Market); their connection to the expectations of equity investors (or what I term the Expectations Market) is tenuous at best.

In a bid to close the rift, corporations offer stock-based compensation, which purports to align the incentives of employees and shareholders. But in reality, stock-based compensation merely gives owner-employees—who are most often owner-managers—a nearly irresistible incentive to influence the Expectations Market. And not just to influence it, but to deliberately create expectations that are out of line with the real market.

In investing parlance, an attempt to capitalize on price disparities between different markets is known as arbitrage. Stock-based compensation creates a strong incentive among corporate employees, especially senior managers whose compensation consists largely or stock or stock options, to arbitrage between the Real Market and the Expectations Market. The greater the disparities between expectations and reality, the greater the profit opportunities when owner-managers cash out of their stock-based compensation. (Compounding the imbalance between owner-managers and other shareholders, the cashing-out often goes undetected, thanks to derivatives designed to permit owner-managers to liquidate their holdings while avoiding public disclosure.)

Owner-managers, then, have a strong motive to skew expectations. They also have the means: their superior access to company information—what business theorists Michael Jensen and Bill Meckling termed "specific knowledge"—which affords them, by a significant margin, the best understanding of how expectations relate to reality. Self-interest being what it is, we can expect that as owner-managers increase their share ownership, they will tighten their grip over information about the relation of expectations to reality. That relation, after all, is the most precious form of inside information, and those outside the tight circle of owner-managers should not expect those within the circle to share it willingly.

In theory, corporate directors, especially "outside" or "independent" directors (usually executives of other corporations, or academics or political figures; executives who sit on the board of the company that employs them are known as inside directors), are supposed to champion the interests of outside shareholders. But outside or independent directors have neither the motive nor the means to protect shareholders. Consider first the means: compared with senior management, independent directors are at a distinct knowledge disadvantage. Senior management is bound to know more about the company's operations and prospects, and they can—and do—cherry-pick the information that independent directors see. No matter how smart and diligent they are, independent directors will never match the specific knowledge of management.

The conventional governance wisdom says that independent directors can overcome their knowledge deficit by renting professional experts, chiefly financial auditors, to advise them. In the end, however, all important audit decisions come down to judgment, and management always has more data to support its case than the auditors have to argue theirs. Congress has attempted to create a cadre of bold and skeptical auditors by legislative fiat, but no law can erase the specific knowledge deficit.

Independent directors lack more than the means to protect shareholders. They also lack the motivation. After all, many directors are compensated primarily in stock or stock options—the better, theoretically, to align their interests with those of ordinary shareholders. But stock-based compensation has the same effect on directors as it has on senior management: it shifts their focus from producing goods and services of value—the only lasting source of shareholder wealth—toward encouraging ever-greater expectations. Independent directors also have nonmonetary incentives to shirk their duty to shareholders. One incentive is social: the fewer uncomfortable questions they ask, the better their relations will be with other

directors and senior management. And whom do directors see more often: other directors and senior management, or ordinary shareholders? What's more, as long as shareholder-value maximization remains the corporate creed, any director's attempt to align expectations with reality will be regarded as an attack on the sanctity of ever-higher stock prices.

This is, of course, a generalization. There will always be, as exceptions to the general rule, boards and managements that are committed to good governance. Those directors who are vigilant about protecting outside shareholders will gravitate to those companies, where they will have an insignificantly positive impact on an already good situation. Meanwhile, the mass of corporations will continue to march under the banner of shareholder value, even as it leads to further scandal and failure.

WANTED: A MID-COURSE CORRECTION

The fundamental problem with corporate governance, then, is that it is ineffective by design. And as long as business maintains its present course, there is little hope for improved corporate governance. Enthusiasm for stock options has diminished, it's true, but stock-based compensation is as popular as ever—it's just that outright stock awards have supplanted options grants. Moreover, shareholder-value maximization remains the overriding corporate mission. This focus encourages managers to maximize their own personal monetary benefit by arbitraging schisms between the Real Market and the Expectations Market. They're aided in this effort by increasingly sophisticated capital market tools. Today, an owner-manager can sell the upside of his or her corporate holdings and protect against the downside in an extremely tax-efficient manner and avoid having to disclose the transaction in any way.

To be fair, business and government have taken a couple of steps in the direction of better governance. Equity analysts now have to disclose far more about their own and their firms' relationships with the companies they cover. And Sarbanes-Oxley requires CEOs and chief financial officers—the two managers most likely to serve on the board of directors—to certify their firm's financial statements. This requirement sharply ratchets up the potential penalties for deliberately misleading outside shareholders.

At the end of the day, though, corporate boards after Sarbanes-Oxley have no more ability or incentive to protect outside shareholders than they did before the law was passed. The detailed rules of procedure governing audit committees and auditors won't do a thing to weaken management's specific knowledge advantage.

Improved corporate governance will come about only if managers, directors, and above all shareholders commit to altering their present course. Three fundamental changes are necessary. First, the stock-based compensation for managers and directors must be reduced or, preferably, eliminated. The bulk of managerial compensation must be based on results in the Real Market, not the Expectations Market, and payable in cash. This will necessitate changes in U.S. tax law, which now penalizes large, cash-based pay packages. Second, owner-managers (and to a lesser extent, directors) must be stripped of the ability to profit from their specific knowledge advantage. This can be accomplished by requiring owner-managers and directors to pre-announce intentions to sell and buy stock. Moreover, they can complete the transaction only after the Expectations Market has had time to react to the information inherent in the announcement. Currently, stock sales and purchases by officers and directors are announced after—often long after—the transactions have closed. The delay allows owner-managers and directors to exploit specific knowledge at the expense of shareholders without such knowledge. A mandatory pre-announcement will give the market time to react to the information and close the gap between the Real and Expectations Markets. That wipes out the arbitrage opportunity as well as the incentive to create such opportunities in the future.

The third necessary change—fundamental cultural change—is the most difficult and the most crucial. As I mentioned earlier, owner-managers and directors don't always take advantage of outside shareholders, even though they have the means and opportunity to do so. They may, in the face of powerful monetary and nonmonetary incentives, exert self-control because they think that taking advantage of outside shareholders is wrong, just as each of us would like to think that if we found a cash-laden wallet on a park bench, we would return it to its owner, even if we could "get away" with keeping it. This self-control is strongly influenced by the norms of the communities where we live and work. Yet somehow those norms, which we wouldn't think of violating in our nonworking lives, are often discarded or inverted once we step inside the corporate walls. There, cultural norms promote self-aggrandizement and self-enrichment, not self-control, which is regarded only as a means to greater wealth and not an end in itself. The simple and nearly impossible task facing business is to upend the regnant norms that dictate how most corporations—and most corporate employees—now govern themselves.

THE SEARCH FOR A HIGHER PURPOSE

The first norm that will have to go, of course, is the exaltation of shareholder value. Shareholder-value appreciation is simply not motivational for employees of a firm. There is no community to be had with shareholders. They are nameless and faceless and under no obligation to hold their shares more than an instant. They are also, by definition, never satisfied. If employees do something that produces a great bump in shareholder value, then that bump was created by a new shareholder buying the stock at the appreciated value. The new shareholder's first question is: What are you going to do for me next? There is no sense of basking in the warm glow of appreciation from the shareholders because they want more, more, more. And if shareholders don't get more, they exit the firm's community by selling the stock.

Although shareholder-value appreciation does not inspire employees, it does encourage them to think that maximizing their financial well-being is a legitimate goal—in many cases, the only goal. After all, isn't that what shareholders want, to the exclusion of all else? And doesn't the corporation bend over backwards to satisfy them? Why shouldn't employees also look at the corporation as nothing more than an instrument for maximizing their personal economic benefit?

Firms need to stop focusing on something they can't control anyway—the Expectations Market—and stop pandering to shareholders who can never be satisfied. Their focus should be on defining a moral purpose for the firm that will motivate and excite employees. That purpose should be the cornerstone of a community—the firm—of which employees are proud and happy to be valued members. And if the defining purpose involves making the broader community a better place, then the firm, and its employees, will be valued and respected by those outside the community. This configuration has the potential to create a culture in which service to the customer, service to fellow-employees, and service to the firm provide strong nonfinancial benefits of respect and community to employees. The new community norms, in

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brokencode

Rape, Silence, and Accountability at the Air Force Academy

Scores of women have come forward in the past year to say that they were sexually assaulted as students at the U.S. Air Force Academy. Since the story broke, Congress and the press have focused on the fault lines in the prestigious school's response systems and management. But another question hovers just outside the spotlight: as our future military leaders are taught about leadership, what are they learning about power?

An investigative report by Leslie Brokaw

One of the first books issued to incoming cadets at the Air Force Academy in Colorado Springs is an unremarkable-looking volume officially titled *United States Air Force Core Values,* but known around campus as "the little blue book." A broad-brush primer on the standards and principles of the Air Force ("Integrity first, service before self, and excellence in all we do"), the little blue book lays down broad guidelines on integrity and discipline and touches on some of the service's strict rules governing drinking, sexual conduct, and interpersonal relations. It is studded with no-nonsense lists of "governing assumptions." One such assumption: "The leader of an organization is key to its moral climate." The blue book's 4,140 words include fourteen mentions of "leader," "leaders," or "leadership." The number of references to "power": none. Nowhere does it say that power is a privilege; nowhere does it say what recourse cadets have if power is abused. "We had to take courses on ethics and core values and things like that," says Sue Archibald, who graduated from the Academy in 1987 and returned there to teach from 1993 to 1998, "and I remember being instructed on what makes a good leader, what are good leadership skills. But the abuse of power and that sort of thing was never addressed. It didn't occur to me while I was there, because I guess it seemed like it would be a given: that of course Air Force officers wouldn't abuse their power. Later, as I had several experiences, it seemed like, wow, it should be addressed."

The omission is striking, because power—physical power, psychological power, hierarchical power—is at the heart of the training featured at the Air Force Academy, a four-year school that is tuition-free to those who go on to fulfill their military requirements. Offering majors in engineering, the sciences, and the humanities and supporting one of the strongest athletic programs in the country, the Academy is where many of the Air Force's pilot and officer corps learn their trade. As the school's 4,000 students are drilled in everything from mental toughness to the appropriate sublimation of sexual attraction to cadet-to-cadet self-management, leadership is explicitly a part of what they're exploring.

At the same time, though, these seventeen-to-twenty-six-year-olds learn a more subtle lesson, as they witness what happens to people who abuse the power entrusted to them—and to the people who call attention to that abuse. It's a lesson that reveals sharp contradictions between the values professed by the Academy and the values the students and administration actually live by. Deeply shaken by evidence that students have gotten away with sexually assaulting scores of other students for years, the school has replaced its senior leaders and has begun to overhaul its culture to bring its practices into line with the values promoted in the little blue book. But at a place like the Air Force Academy, a new culture can't be imposed from the top. Genuine, lasting cultural change will take time—and in all likelihood, a whole new crop of cadets and a new set of lessons about the uses and abuses of power.

"THEY ARE INVINCIBLE"

An inescapable lesson for many women at the Air Force Academy was that the school's leaders were reluctant to use their power to defend those who pressed assault claims. "I am a victim of sexual assault by another cadet," wrote one anonymous cadet who responded to an email survey the Academy conducted in January. "I did not press charges after seeing how poorly other victims were treated. With sexual assault, things get dropped so much that the perpetrators are beginning to think they are invincible."

Illustration: © Michael Gibbs

Attacks seemed to be a regular, even expected, feature of campus life.

Women such as the anonymous e-mail correspondent had plenty of opportunities to observe the Academy administration's reaction to sexual assault complaints, because attacks seemed to be a regular, even expected, feature of campus life. In all, more than one hundred current or former cadets have come forward with claims that they were assaulted. About sixty cadets reported their stories to U.S. Senator Wayne Allard, a Colorado Republican who sits on the Senate Armed Services Committee, and the Academy records show 142 allegations of sexual assault at the school between 1993 aand 2003. Forty of those were cadet-on-cadet incidents; more than half included freshman women. U.S. Air Force Secretary James Roche speculated last March during an Armed Services Committee hearing that "there's probably another one hundred that we've not seen."

Why did so many women not even bother to bring their allegations of sexual misconduct to the administration's attention? According to the Air Force's own 215-page analysis of the crisis, issued in June, "Fifty-three percent of female senior cadets did not agree that the Academy leadership was interested in helping sexual assault victims recover from the consequences of sexual assault, and 70 percent said they did not believe the attitude of the Academy was supportive of care and concern for victims of sexual assault."

The administration's seeming indifference and the apparent immunity enjoyed by perpetrators of sexual abuse drove some students to desperate measures. During the autumn of 2002, one cadet, Jessica Brakey, sent letters to reporters and congressional representatives that helped drag the problem of sexual assault out of the shadows. "I know of many females who have been sexually assaulted, including myself," wrote Brakey, then a senior at the Academy. "Is there anything that can be done? Can your office help us somehow?" Brakey sent the letters knowing that they represented a breach of the Academy's code and left her open to accusations that she was placing "self before service." She sent them nonetheless, which says something about her faith in the Academy's senior leaders. "Not only did they deny us help," Brakey told *USA Today* in March, "they punished us for seeking help."

Brakey's complaint highlights one of the most unusual elements of the Air Force Academy's culture. Civilian schools like to say that they're teaching students to think and act for themselves. Not the Air Force Academy. It tries from day one to strip away the sense of autonomy that students bring from the nonuniformed world. As much as anything else, the Academy is about inculcating an acute respect for the chain of command, an unquestioning faith in a superior's decisions. The little blue book puts it this way: "To lose faith in the system is to adopt the view that you know better than those above you in the chain of command what should or should not be done. In other words, to lose faith in the system is to place self before service." But in the wake of the scandal, how can the Academy convince cadets to trust their commanders to address their complaints fairly and appropriately? "It's difficult—horribly difficult," admits Tad Oelstrom, a retired Air Force Lieutenant General who headed up the Air Force Academy as its superintendent from 1997 to 2000 (he now directs the National Security Program at the Kennedy School of Government).

The scandal has exposed a knot of internal contradictions in the culture of the Academy. The school has an honor code, a two-sentence pledge taken by all students, that reads: "We will not lie, steal, cheat, nor tolerate among us anyone who does. Furthermore, I resolve to do my duty and to live honorably, so help me God." But during the 1990s, honor often seemed to take second place to in-group solidarity. Archibald, the Academy alumna who later taught at the school, says that cadets "get the idea put in their heads that things might happen here, but you're part of the team now that other people wouldn't understand. You're supposed to look out for your buddies, but keep things very quiet."

Peer pressure was not all that discouraged cadets from reporting assaults to the administration's attention. In its June report the Air Force conceded that the atmosphere at the Academy was hostile to those who had been assaulted. More than once, female freshmen who claimed that they were raped after drinking with male upperclassmen were punished for drinking and fraternizing before the administration turned to the more serious accusation of sexual assault. "My own personal feeling is that if you violate cadet rules and regulations, you ought to be held responsible," says Oelstrom. "Now having said that, I think the application of punishment, and the adjudication of those infractions, can easily wait until the larger subject is resolved."

"RAGING HORMONES" VS. THE BLUE BOOK

The defenses that school administrators raise against those criticisms have a certain chicken-or-egg quality. In response to complaints that they wouldn't listen, some of the school's former leaders say there was nothing to listen to. At a hearing in July,

former AFA superintendent Lieutenant General John Dallager said that he had developed a "false sense of well-being" because he assumed that any problems were being handled by the school's student-run counseling program. And Oelstrom argues that "there was a system in place that made it very difficult to recognize the level and significance of those problems. Unless the hair on the back of your neck stood up to say 'We've got a problem here,' I'm not so sure you would have dissected the process. Because in any command there are so many other things going on that you are typically counting on some triggering mechanisms that will help you focus your energies. Were there sufficient triggering mechanisms that should have caught the attention of the [recent] leadership? I don't know." Did he feel there were sufficient trigger mechanisms during his tenure? "The answer," says Oelstrom, "is no."

The failure of complaints about criminal acts to filter up to the top ranks of the Academy's leadership may be the perverse outcome of the school's insistence that students discipline themselves. Until the introduction of a suite of reforms last March, an Air Force Academy cadet who wanted to report harassment or assault would go through her chain of command. The first links in the chain are other students: select seniors ("first class" cadets) are part of the formal Academy organization chart as cadet commanders, and until recently, all upper grades could discipline freshmen (called "fourth class" cadets, or less formally, "doolies") for everything from wearing a wrinkled shirt to asking a question out of order.

The student commanders had wide latitude when it came to responding to complaints. "If someone reports a sexual assault to their commander, rather than going to the military police or criminal investigative authorities, the commander might make a decision to give the guy a good talking to," says Terri Spahr Nelson, an Army veteran, psychotherapist, and author of *For Love of Country: Confronting Rape and Sexual Harassment in the U.S. Military* (2002). The commander might also urge the student not to pursue charges—formerly standard practice at the Academy, at least according to the Air Force's initial investigation.

Oelstrom says that when he headed up the school, he was troubled by the broad discretion granted to upperclassmen, and he took steps to curtail it. "My interpretation was that things had kind of gone in the wrong direction," he says, "and we had a situation where once students had completed their fourth-class period—the so-called doolie-year environment—they came back the next year as upperclassmen with the feeling that they were fully authorized to train any first-year cadet. But they hadn't been trained to do that; there hadn't been a process to vet their training skills or give a stepped increase in level of responsibility and authority."

There was a similar lack of oversight of the cadets' ability to conform their sexual conduct to the Academy code of honor, Oelstrom suggests. Students "should monitor [the code], they should administer it, and feel like they are responsible for it," he says. "But when you get into the sexual piece, you would like to have the same thing, but you know darn well that this can't be done with the same level of responsibility to be held by the cadets."

Which amounts to an acknowledgement that when you strip away the white gloves and grey uniforms and ramrod posture, the students and the behavioral challenges they face are no different from those on any other college campus. "We hear more about [sexual assault] when it happens at service academies," says David Segal, director of the Center for Research on Military Organizations at the University of Maryland. But the basic problem of gender relations in higher education is pervasive. You're dealing

Exception or Rule?

Why the scandal didn't spread to the other service academies.

If the crisis at the Air Force Academy had unfolded like the recent corporate governance and clergy sex abuse scandals, large numbers of female cadets at the U.S. Naval Academy and the U.S. Military Academy at West Point would now be coming forward with their horror stories. But the widely predicted procession of victims has not materialized. "The brutal truth," says Dick Wadhams, spokesman for U.S. Senator Wayne Allard, whose office heard from scores of Air Force cadets, "is that this problem is endemic to the Air Force Academy and not the others. That's the only conclusion you can draw, because if there had been similar problems, I don't think former cadets at those academies would have stayed quiet." Wadhams says Allard has heard from a fellow senator who received one report from a cadet at another academy. Otherwise, no calls, no e-mails. "Obviously they've had some incidents," says Wadhams, "but nothing along the lines of what we've seen at the Air Force Academy, nor has there been the accusation that the leadership dealt with the problem so poorly as it did at the Air Force Academy."

All the same, the Defense Department's inspector general is investigating Annapolis and West Point as part of its Air Force Academy probe. And all the military schools can expect to remain under the spotlight in coming years. The Pentagon has announced the formation of a Task Force on Sexual Violence and Harassment at the Military Service Academies, modeled on a similar task force that looked at domestic violence in the military. Beginning in the fall, it will look at the cultures of all the schools and will be "one avenue of looking at the problem from a larger, more global perspective of what's going on, and what kind of changes need to be made," says Terri Spahr Nelson, author of *For Love of Country: Confronting Rape and Sexual Harassment in the U.S. Military.* "One of the good things is that it will be multidisciplinary, with both civilians and military, which will allow people with expertise in sexual assault to comment."

Senator Allard has also proposed that all the academies henceforth deliver regular reports to the Senate and House Armed Services Committees on the numbers and status of sexual assaults at the schools. "It's so that Congress doesn't think that it's dealing with this issue and then walks away from it," says Wadhams. "And for that matter, so that the academies don't think Congress is walking away from it." —L.B.

with people in a point in their life-cycle when they've got raging hormones, many of them are away from home for the first time, many of them are experimenting with alcohol for the first time, some of them are experimenting with sex for the first time, and this creates problems for all colleges and universities."

Unlike most other schools, however, the service academies give students in the upper classes responsibility for resolving allegations of assault. Now the Academy's senior leadership is reclaiming some of that authority and responsibility for itself. New rules promulgated last March say that only seniors and some juniors will be able to discipline doolies. Will that make a difference in the vulnerability of first-years to abuse by upperclassmen? Eventually, Oelstrom says. "You need buy-in to the changes by both the leadership of the Academy and the cadet wing," he says, "and it takes some time to do that. To start with, you have to at least go through a full cycle of cadets, meaning four years."

"THEY ARE NOT ABOVE THE LAW"

That the old culture needs changing is no longer in dispute. "I believe there is a problem with the culture of the Academy," Air Force Secretary Roche told an NPR reporter last March. "The notion of putting these young people together and the way some of them have misused power is a problem, and we're setting out to change that problem." The changes take many forms. Most visibly, the Air Force has purged the Academy's senior leadership, acting with startling swiftness and harshness. In March, Roche named a new Academy superintendent, Lieutenant General John W. Rosa Jr., to replace Dallager, who was scheduled to retire in June. Roche also reassigned and replaced three other top members of the school's senior leadership—the commandant of cadets, the vice commandant of cadets, and the commander of the Thirty-Fourth Training Group, which coordinates the military training given cadets and administers the school's disciplinary systems. And in July, Dallager was demoted, losing one of his general's stars. He did not, the Pentagon stated, "exercise the degree of leadership in this situation that we expect of our commanders."

Even the Academy's critics agree that the personnel moves send a powerful message. Notes the University of Maryland's Segal: "Having to answer for what happens on your watch is an important lesson, and this is a very dramatic way of making that point."

The school has also initiated very public court martial proceedings against some cadets accused of sexual assault. Such trials are likely to become more common, Oelstrom predicts. "A higher percentage [of cases]," he says, "will move quickly under the Uniform Code of Military Justice and will not be resolved within the structure of the Academy per se." The UCMJ is the same code to which the entire military submits, and it calls for a court process that becomes part of the permanent, public record of a student. In the past, the UCMJ has been a last resort to which the Academy turned only when other disciplinary measures were exhausted.

By far the Academy's most controversial reform is its decision to no longer protect the identities of those coming forward with assault complaints. The school administration claims that confidential reporting is the primary reason they didn't know the extent of problems in the school. In addition, the school wants to protect itself against negligence claims. "The liability to have a known felon is so great that that shapes our approach," Brigadier General Johnny A. Weida, the Academy's new commandant of cadets, told *The New York Times* in July.

Under the March directive, Academy leadership will be made aware of all reports of sexual assault, including the names of both the alleged assailant and the alleged victim. In addition, the school will "develop and implement procedures for an Academy Response Team (comprising medical, legal, counseling, and command elements) to provide a victim of sexual assault immediate assistance, develop the facts, and initiate appropriate actions."

The decision has provoked an uproar. Psychotherapist Nelson, like most rape counselors, says that confidentiality is necessary to convince victims to come forward and seek help. Academy leaders counter that assurances of confidentiality are no longer feasible. And it is worth noting that in the 1990s, confidentiality protections did nothing to prevent a rape-tolerant culture from taking hold on campus.

Some outside observers suggest that the way to resolve the confidentiality dilemma is to take the decision out of the Academy's hands. Says David Segal. "I think one of the best things the Academy could do is to make it clear that a woman, or indeed a man, who has been sexually assaulted has a right and a responsibility to report that to law enforcement authorities and not simply their chain of command at the Academy."

Archibald concurs. She lost faith in the current system long ago. While a cadet, she was sexually abused by the campus priest, she says, though she did not report the incident until the priest returned to campus ministry in 1999. The administration never informed her of the results of its investigation, but the priest left the Academy in 2000. Archibald is now suing the Air Force to get its official report on its investigation of the incident. "You sort of assume when you go in that of course things are going to work better here," she says. "I think that most women enter thinking. 'If anything did happen, I'm sure the Air Force and the military would take very quick and severe action, because they would want to protect their own.' It's pretty disappointing to find out that exactly the opposite is true."

Can the Air Force Academy protect its current cadets and regain the trust of victims like Archibald? The school seems to be making a genuine effort at reform, although the abandonment of confidentiality protections is a high-risk experiment that could backfire badly. Three military and civilian investigative panels will offer even more critiques and suggestions. But progress will likely be painfully slow in coming. "Nothing moves quickly in an institution," says Oelstrom, "and that's a leadership issue that's true any place that you go. What you try to do is change slightly the course and the direction, and hope that it grows some roots." Hope is not a plan, however. Perhaps a better way of measuring progress at the school will be to monitor not only what it teaches about leadership, but also what cadets learn about power. ■

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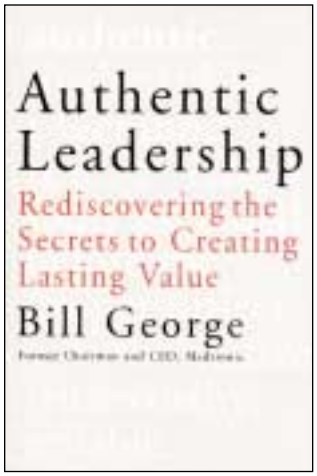
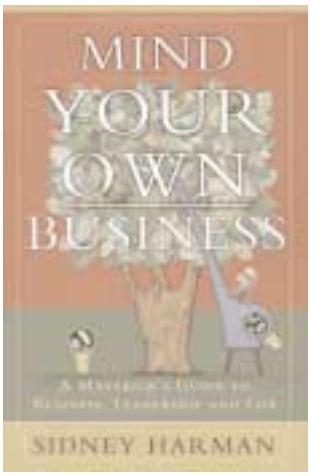
MEN ON A MISSION

Two new books on leadership and the meaning of work

Meredith D. Ashby and Stephen A. Miles





Mind Your Own Business:
A Maverick's Guide to Business, Leadership and Life

Sidney Harman

New York: Doubleday & Co., 2003

Authentic Leadership:
Rediscovering the Secrets of Creating Lasting Value

Bill George

San Francisco: Jossey-Bass, Inc., 2003

Over the past decade or so, the popular notion of the corporate chief executive has changed from capitalist hero to something less flattering. At the same time, the portrayal of the senior leader in America's business books has shifted sharply and repeatedly. From charisma-sodden visionary, single-handedly rescuing corporations from mediocrity, the ideal CEO has in recent years morphed into a pragmatist par excellence, dismissive of anything that might distract from the nuts and bolts of getting the job done.

Why such a thorough overhaul? Perhaps because it is now painfully clear that charisma alone is not enough. Deep cracks in the pedestal appeared even before Rakesh Khurana's paradigm-shifting *Searching for a Corporate Savior: The Irrational Quest for Charismatic CEOs* (2002) exposed the infantile rescue fantasy underlying the fad for super-CEOs. The last embers of the cult of the heroic CEO have been doused by the continuing misadventures of men such as HealthSouth's Richard Scrushy (who once voiced the ambition to be not the best CEO in American business, but the best-paid) and Freddie Mac's Leland Brendsel (who handed over his office diary to financial regulators only after he ripped out incriminating passages). Their antics lend credence to the view that CEOs differ from you and me only in that they have greater opportunities for folly and malfeasance.

Missing hardly a beat, business thinkers have scrapped the charismatic CEO in favor of a markedly different sort of leader. The handbook for this new model is *Execution: The Discipline of Getting Things Done* (2002), by former Honeywell CEO Lawrence O. Bossidy and business consultant Ram Charan. Disdaining the "touchy-feely" side of management, the ideal leaders described in *Execution* are confirmed realists, unapologetically goal-oriented and impatient with anything in their path. Followers of such leaders can expect their performance to be reviewed constantly and candidly, and to suffer the consequences when they don't deliver the goods.

The hard-nosed pragmatist celebrated in *Execution* is undoubtedly an improvement over the heroic CEOs of an earlier era. His bluntness may be devastating, but there is no questioning his honesty. All the same, the two books under consideration here, *Mind Your Own Business*, by Sidney Harman, and *Authentic Leadership*, by Bill George, may be a sign that business is not entirely satisfied with either the heroic leadership model or the countervailing model advanced by Bossidy and Charan. Perhaps not consciously, Harman and George each seem to propose a middle way, a corporate ethic that insists on rigorous business practices and sets ambitious growth targets, but also takes into account the human craving for emotional as well as financial rewards.

If Harman and George have a theme in common, it is that money alone is not ultimately satisfying. Both have much to say about the need for corporations to offer their employees a mission, a noble cause larger than any individual. They also devote considerable space to the place of the large, complex business organization in society and its obligations to employees, customers, and the surrounding community, as well as shareholders. Neither man, in fact, is known for genuflecting at the altar of "shareholder value." During the headiest days of the late-1990s boom, George courted charges of heresy by telling interviewers that "shareholders come third" after customers and employees. Harman expressed his opinion on the matter even more forcefully. More than once he sold his company, now called Harman International, to a publicly held corporation, only to repent of his decision, buy the company back, and take it private again.

Of course, if you run a profitable company you can voice all the unfashionable opinions about shareholders that you want. And both Harman and George have been extraordinarily successful. George was CEO of Medtronic, a maker of pacemakers and other high-tech medical devices, from 1989 until his retirement in 2002. During that period, the company's revenue grew from $740 million to $6.4 billion (and touched $7.6 billion as of the fiscal year ended April 30). Its profit growth was even more impressive, climbing from just under $100 million to $984 million over the same period.

Harman, for his part, parlayed a knack for electronics and a passion for salesmanship into Harman International, which today makes high-end home entertainment gear and supplies JBL, Infinity, and other

Over the course of their careers, both Harman and George developed more or less systematic philosophies of leadership.

brand-name stereo systems and other electronics to most major automobile manufacturers. Along the way, Harman served as deputy commerce secretary in the Carter administration and founding president of Friends World College, a pioneering Quaker institution dedicated to "a new model in which people would be in charge of their own learning."

Over the course of their careers, both Harman and George developed more or less systematic philosophies of business and leadership, though only recently, as they have detached somewhat from their business lives, have they had the time and leisure to commit their thoughts to paper. Both men, interestingly enough, have chosen to dispense with the services of professional writers and instead tell their tales in their own ways, in their own voices. The results are two books as distinctive as the men who wrote them. Which makes sense—both authors are preoccupied with the question of authenticity.

Harman's book is the more immediately engaging, his friendly, confiding tone drawing in the reader. It's easy to imagine him on the sales floor, energetic, smiling, making his customers feel that resisting his pitch amounts to missing out on half the fun of life. He is such a vivid presence on the page that there is no question of his authenticity.

Harman's career had barely even begun when he gave signs of the almost unimaginable persistence that is a hallmark of the successful entrepreneur. In the early 1940s, earning fifty dollars a week and planning to get married, he asked his boss, electronics manufacturer David Bogen, for a ten-dollar raise. Bogen told him he was fired. But Harman refused to leave, and instead showed up every day at his office, which was next door to Bogen's. The old man totally ignored Harman for three weeks, at the end of which Harman found an extra ten dollars in his pay envelope.

While working for Bogen, Harman first tasted the thrill of a full order book, and he seems to have chased that rush ever since. After World War Two, he and partner Bernard Kardon capitalized on the appetites of newly affluent American consumers for high-end stereo equipment. Until Harman came along, such equipment was sold only in component form that consumers had to assemble themselves, limiting the market for "high fidelity," as it was known, to people who knew their way around a wiring schematic. Harman and Kardon packaged the components in a single, thoughtfully designed cabinet (no, Apple's Steven Jobs was not the first CEO to care about design), and caught customers' attention by playing records by Frank Sinatra on their equipment, rather than the usual classical bombast other manufacturers used for demonstrations. Many people were surprised to find that Sinatra was not, in fact, in the room where Harman was demonstrating his amplifiers and speakers.

Harman narrates the many twists and turns of his crowded, improbable life in a fairly straightforward chronological fashion, pausing at appropriate moments to expand on various matters of business and leadership, explaining why a good executive team is like a jazz ensemble, and recounting how an elderly employee with the "wonderfully biblical" name of Nobi Cross taught him that business processes exist to serve people, and not the other way around.

George takes a different tack, using the significant moments of his life to illustrate what is principally a sober study of the complex task of leading a large business organization. The range of topics is as wide as the domains George was expected (or expected himself) to master as CEO of Medtronic. On one page he quotes at length from a poem by Derek Walcott; on another he offers an informed analysis of the engineering challenges inherent in implanting small electronic devices in the human chest cavity. On one page he is reciting market-share statistics; on another he recalls the quality problems he encountered when, as the new CEO of Medtronic in 1988, he met the surgeons who actually used the company's technologies. One surgeon was threading a balloon catheter into an artery when the device came apart in his hand. Furious, he flung the blood-soaked catheter across the operating room at George.

What unifies this eclectic array of topics is George's engagement with the question of authentic leadership. His effort to define the term is cumulative and book-length. It's impossible in the space of this review to summarize the connotations that George layers onto the term, page after methodical page, but it's probably not misstating the case too badly to say that for George, authentic business leadership involves making and marketing a socially useful product, and doing so in a way that's respectful of employees, customers, and the environment. He further posits that the compensation derived from such an enterprise should be emotional as well as pecuniary.

George sets out his insights, flavored with autobiography, in a voice that at first seems almost off-puttingly cool and remote. At some point, the reader realizes

continued from page 37

that George's distance as a writer has the paradoxical effect of creating intimacy, his quiet delivery drawing his listeners toward him. Where other business books have the stentorian tone of prepared speech set flat on the page, George's soft-spokenness gives his writing the feel of a one-on-one conversation. Ultimately, it seems no paradox at all that this outwardly reserved, unemotional Minnesotan is speaking very personally and directly about love, spirituality, and the people who matter most deeply to him. Over the course of the book, the readers comes to understand why he commanded such loyalty at Medtronic even though he was, as he admits, "no day at the beach" to work for.

There are a few small quibbles. George makes much of the need for corporate employees to be dedicated to a cause greater than themselves. But such devotion may come easier to the employees of a company like Medtronic, whose products literally give customers a new lease on life, than to employees of most other companies. For his part, Harman misses opportunities to give his readers privileged glimpses of the entrepreneurial mind at work. He mentions only briefly the serial sales and repurchases of Harman International. It would be fascinating to learn more about the process by which Harman discovered more value in the company than its corporate owners could extract.

Such lapses detract not at all from the many rewards these books have to offer. Both are evidence that one leadership trait that is too often overlooked is simple decency. Harman and George have made lots of money for themselves and their shareholders, and they have built businesses that will long outlive them. But the reader closes these books suspecting that as much as they have achieved, both men would prefer to be remembered not just for what they have done, but also for who they were. ■

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Editor's note: Sidney Harman and Bill George, the authors of two of the books discussed in this article, are members of the advisory board of the Center for Public Leadership at the John F. Kennedy School of Government at Harvard University.

turn, will buttress employee self-control and in the process, ameliorate the governance problems created by the owner-manager role.

This approach, ironically, is more likely to produce shareholder-value appreciation than an explicit and central goal of pursuing shareholder-value appreciation. A defining moral purpose will help produce motivated, self-controlled employees, which will in turn improve the odds of a firm's developing a competitive advantage—the only thing that produces long-term shareholder-value appreciation.

But how can this kind of defining moral purpose take root in a widely held, publicly traded corporation? The din from the capital markets insisting on the primacy of shareholder-value maximization is so loud, it is easy for corporate leaders to fall into the trap of attempting to produce shareholder-value appreciation and by the very effort actually failing.

This is where a particular breed of shareholder—the major or controlling shareholder—has a vital leadership role to play. Because they hold a large or majority portion of a given firm's equity, major or controlling shareholders are immune to many of the pressures faced by owner-managers and directors. When they demand that a firm find a defining moral purpose, majority shareholders aren't declaring that they will settle for diminished returns. After all, they're shareholders too. But they're in a position to demand that the enterprise create shareholder value not by gaming the Expectations Market but by training the organization's sights on sustainable competitive advantage and defining moral purpose.

The power of shareholder-leaders should not be underestimated. Recent history has shown how much the attitude and behavior of a major shareholder can influence the culture of a firm and the behavior of its managers. Consider the contrast between Philip Anshutz and Ken Thomson. Philip Anshutz is the biggest shareholder by far of Qwest Communications International and until recently its chairman. He came to define the culture of Qwest when he took advantage of wildly inflated expectations to sell almost $1.5 billion in corporate stock at prices much closer to the August 2000 high of $54 than the August 2002 low of $1.07. Twelve other insiders followed Anshutz' lead, clearing $543 million before the bottom fell out. Between August 2000 and August 2002, the stock shed $88.2 billion in value. The market now values the company at a paltry $1.8 billion—less than the $2 billion reaped by Anshutz and his twelve high-ranking colleagues. The company is now struggling to stay afloat, but Anshutz and his senior managers cannot devote all their attention to corporate financial issues—not with various prosecutors and regulators investigating the firm.

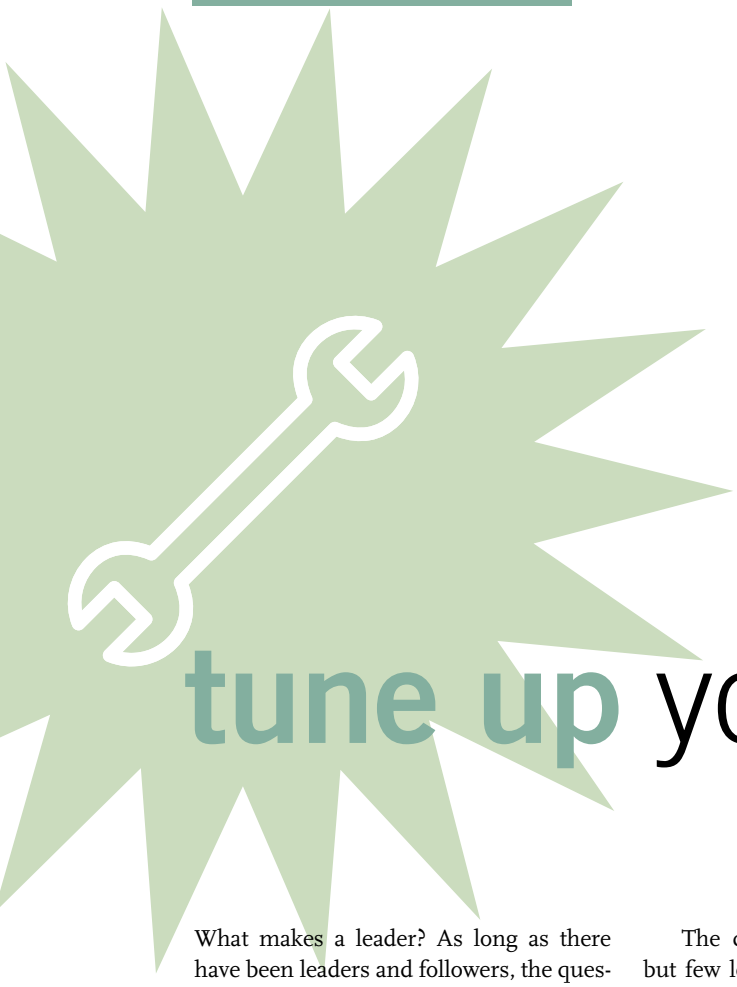
In contrast, Ken Thomson, controlling shareholder of Thomson Corp. and until recently its chairman, has maintained his family's dominant stake in Thomson over a long period of time. He has committed his family to plow 50 percent of their Thomson dividends back into Thomson stock, regardless of the prevailing price, and he encourages senior management to invest for the long-term good of the firm, not to please shareholders in the short term. During his chairmanship, the shareholder value of Thomson increased forty-fold, from around $500 million to $20 billion.

That shareholders like Ken Thomson are the exception, not the rule, is prima facie evidence of a fundamental structural problem with corporate governance. In the current governance system, neither managers nor independent directors have an incentive to protect outside shareholders. To the contrary, managers have both the incentive and the means to profit at shareholder expense. Independent directors, meanwhile, are well-positioned to protect outside shareholders only when they don't need protection and ill-equipped to protect them when they need protection most.

For a good-governance culture to take root within a corporation, the Real Market must be disentangled from the Expectations Market. That means reducing or eliminating the stock-based compensation of firm managers and directors and neutralizing their ability to exploit specific knowledge for their own gain.

Most important, the cultural norms that support the present governance regime must change. The community's highest value must be not wealth accumulation but self-control. This change will require publicly traded firms to reorient themselves dramatically and find a higher, more compelling mission than mere shareholder value appreciation. The payoff: enhanced shareholder value. Counterintuitive as it may sound, corporate governance will reach its goals of protecting outside shareholders when it stops putting them first. Now it's time for major shareholders to step up and commit themselves and their companies to that proposition. ■

Roger Martin is the dean of the Rotman School of Business at the University of Toronto.



All leaders have their strengths and weaknesses. Here are some tips on avoiding an overreliance on one or two capabilities.

tune up your leadership

by Deborah Ancona

What makes a leader? As long as there have been leaders and followers, the question has persisted. In our own times, academics and practitioners alike struggle to identify a concept that is broad enough to hold Gandhi and Lou Gerstner, Nelson Mandela and Eleanor Roosevelt. I am part of a team of educators at the Massachusetts Institute of Technology—my colleagues include Tom Malone, Wanda Orlikowski, and Peter Senge—who are developing and teaching a pragmatic approach to the question. Rather than attempt to isolate traits or values, we focus on four capabilities that work together to make effective leaders.

THE FOUR CAPABILITIES

Sensemaking: organizational psychologist Karl Weick's term for the ability to exert control over reality by defining it

Relating: the ability to form key relationships within and across organizations

Visioning: the act of creating a compelling picture of the future

Inventing: the creation of new ways of working together to realize a vision

The capabilities are complementary, but few leaders possess all four in equal measure—indeed, that is one reason we emphasize the idea of distributed leadership; by spreading leadership throughout an organization rather than concentrating it in a small elite, groups can tap into many more capabilities than any one person can bring to the table.

As a rule, a leader's signature style is characterized by one or two dominant capabilities. Intel chairman Andy Grove is the quintessential sensemaker, with a gift for recognizing "strategic inflection points" that can be exploited for competitive advantage. Eleanor Roosevelt was a relationship builder, both in her personal involvements and in her work as chairman of the United Nations Commission on Human Rights. Civil rights leader Martin Luther King was a visionary, able to paint a picture of a new and better world where people would "not be judged by the color of their skin but by the content of their character." Dave Kelley, the CEO of IDEO, is an inventor who founded a company built around a new process for creative product development.

Every leader has her strong suit, true. But leaders risk impairing their effectiveness by relying too heavily on one or two capabilities. A preoccupation with the present can pull attention away from strategic thinking about the future. Endless invention without a clear vision of the future is just pointless activity. Too much analysis can paralyze the will to act. A constant focus on interpersonal relationships may make it hard to think about how best to structure the task at hand. Too much visioning at the expense of personal relationships can make for a disaffected, dispirited team. How do you keep the various capabilities in balance? One approach, as I have already mentioned, is to distribute leadership by recruiting people with complementary skills into the leadership effort. At the same time, even seasoned leaders can work to avoid a crippling overreliance on one capability. Researchers from areas as disparate as psychology, economics, and system dynamics offer a few suggestions, which are summarized opposite.

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SHARPEN YOUR SENSEMAKING

Seek data from many sources. Get information from customers, suppliers, competitors, other departments, and investors. Combine financial data with visits to the shop floor.

Involve others in your sensemaking. Verbalizing what you think you see will help you hone your view. Input from others will help you test your view against other realities and develop a shared map of the situation.

Do not simply apply your existing frameworks and overlay them on the situation. Let the appropriate map emerge.

Karl Weick and his fellow-pioneer in the field of sensemaking, K.M. Sutcliffe, urge leaders to move beyond stereotypes. Try not to describe the world as good guys and bad guys, victim and oppressor, or marketer and engineer—push for what's behind the labels.

Learn from small experiments. One of the best ways to figure out how any system works is to make a small change in the system and see what happens.

Use images, metaphors, or stories to try to capture and communicate critical elements of your map.

RECHARGE YOUR RELATIONSHIPS

Think about your connections—do you feel good about your relationships? Are you comfortable giving and receiving career advice and job leads, pitching in to get work done, thinking through difficult problems, and offering and accepting personal support? How can you strengthen the relationships that are important to you? How can you cultivate promising new connections?

Spend time trying to understand the perspective of others within the organization. Try to listen with an open mind.

Encourage others to voice their opinions—what do they care about? How do they interpret what is going on?

Be clear about your stand, but don't just give the bottom line. Walk people through your reasoning process.

When you have an idea, think about how others might react to it. How can you frame the idea to ensure understanding?

REVIVE YOUR VISION

Start with a vision that excites you or that you think is important. Your own excitement will be contagious. Listen to what others find exciting and important. Look for ways to blend visions into a shared picture of the future.

Frame the vision with an ideological goal. Give people a reason to care.

Involve others in thinking about what can be achieved by realizing the vision. Use stories, metaphors, and analogies to paint a vivid picture of what the vision can accomplish.

Think about creating a vision for yourself as well as for your team or organization.

Show those around you that they have it within themselves to realize the vision.

Embody the key values and ideas contained in the vision.

CREATE AND INVENT

Spend time every day thinking about how to improve the ways people work together in your team and organization.

When a new task or change effort emerges, think through how it will get done—who will do what, by when, and in what configuration.

Play with new and different ways to organize work. Examine alternative ways of grouping people together, organizing their internal interaction, and linking across different groups.

Blend sensemaking and inventing. As you sharpen and refine your picture of reality, exploit your insights to improve service to customers, suppliers, and employees.

CENTER NEWS & NOTES

And the winner is... The Manuel Carballo Award for Excellence in Teaching is presented each Class Day to a John F. Kennedy School of Government faculty member chosen by the graduating class. Past winners of the award include Kathryn Dominguez, Olivia Golden, and Roger Porter; their names can be found on a plaque located in the Littauer Center, just off the John F. Kennedy Jr. forum. On June 3, 2003, a new name was added to that distinguished roster: the Center's own **Hannah Riley Bowles** (pictured), assistant professor in Public Policy at the Kennedy School and faculty director of Women & Power, the Kennedy School's executive program for women leaders. Bowles has a DBA from the Harvard Business School, an MPP from the Kennedy School, and an AB from Smith College. Her teaching addresses such topics as leadership in crisis, women and leadership, and complex, multiparty conflict.

Meanwhile, Public Policy assistant professor Todd L. Pittinsky has launched the Diversity, Social Relations, and Leadership research lab at the Center with the participation of undergraduate students of Harvard college as well as graduate students from the Faculty of Arts and Sciences, Harvard Business School and the Harvard School of Public Health. initial projects include an examination of cross-cultural perceptions of public leaders, emprical research on authenticity, and a study of linguistic interpretation and how interpreters affect the public's perception of the foreign leaders for whom they speak.

Spreading the Word. The CPL's teaching mission extends beyond the walls of the Kennedy School. Over the summer, Magna International Inc. president **Belinda Stronach** (pictured) presented the CPL with $5 million to sponsor research, development, and implementation of the educational components of an Emerging Leaders Initiative, targeted at outstanding undergraduates from schools around the country. Beginning this academic year, they will spend a summer studying leadership at the KSG. Magna has also committed to an additional annual gift to the CPL and the Kennedy School. Based in Aurora, Ontario, Magna International designs, engineers, and manufactures automotive components and systems. Kennedy School Professor **Herman "Dutch" Leonard** serves as principal investigator for the Emerging Leaders Initiative.

Read All About It. In spring 2003, CPL published its first *Working Papers* compilation. The inaugural volume includes research supported in whole or in part through the faculty research awards initiative. Contributors include David Brown, Marshall Ganz, Michael Ignatieff, Nancy Katz, David Lazer, Christine Letts, Viktor Mayer-Schonberger, and Pippa Norris. In other publishing news, the CPL has entered into a long-term agreement with the Harvard Business School Press to develop a new, co-branded series of books on "Leadership for the Common Good." The first title is expected to be published in 2004.

We Have Visitors. The CPL is pleased to welcome back Visiting Scholar **Warren Bennis**, university professor and distinguished professor of Business Administration at the University of Southern California. Also joining the Center for a term is **Deborah L. Rhode**, Professor of Law and Director of the Keck Center on Legal Ethics and the Legal Profession, Stanford University. **J. Richard Hackman** (pictured), Cahners-Rabb Professor of Social and Organizational Psychology at Harvard, will also be a regular presence at the CPL as well as at the Kennedy School's Hauser Center.

Do the Math. The Carballo Award is just one sign of the Center's progress in its mission of excellence in leadership education and research. In the 2002-03 academic year, for the second year running, leadership was the most popular Methodological Area of Concentration (MAC) at the Kennedy School; 24 percent of students made leadership their MAC. Enrollment in leadership MAC courses has grown 81 percent—to 1,519—since the 1999-2000 academic year. During 2002-2003, the overall instructor average for all faculty at the Kennedy School, on a scale of 1 to 5, was 4.24. The overall instructor average for CPL core faculty was 4.53.

"Sophisticated." "Comprehensive." "Chilling."

These are among the critic's adjectives that have greeted Jessica Stern's *Terror in the Name of God: Why Religious Militants Kill.* The book, which features Stern's firsthand encounters with religiously motivated extremists, reveals complex, nuanced individuals who defy conventional stereotypes of terrorists as nihilists. In the volume's front matter, Stern, a lecture in public policy at the Kennedy School's Belfer Center, is kind enough to thank the CPL, where as a research fellow she did some of the preliminary spadework for the book.

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"Lightning Out of Heaven"

Carlyle on Heroes

Those with a strong interest in leadership love to argue the role of what used to be called, without apology, "the great man." Those on the one side of the argument hold that history is shaped by a few individuals who are in some way remarkable; those on the other insist that history is a great tide, sweeping us along in its wake. Reality is surely more complex than either extreme suggests. Yet the persistence with which we view history through the lens of a few "heroes" suggests that it is a human instinct to make meaning by believing in the impact of key leaders. Leaders—especially the remarkable ones like Lincoln and Lenin—order our experience. No one argues the importance of the hero in history more fiercely than Thomas Carlyle (1795-1881). Carlyle was a Scottish writer and literary figure who was persuaded that some men are far better than the rest—and that it is these supermen who, quite properly, rise to become our leaders. Carlyle's is a Nietzschean view of history. To him the masses are and should be led by an outstanding few who account for "all things that we see standing accomplished in the world." In this excerpt from Lecture 1 of *On Heroes, Hero-Worship, and the Heroic in History*, Carlyle lays out his theory of the hero—without hiding his disdain for those who would take issue with him.

— Barbara Kellerman

...[A]s I take it, Universal History, the history of what man has accomplished in this world, is at bottom the History of the Great Men who have worked here. They were the leaders of men, these great ones; the modellers, patterns, and in a wide sense creators of whatsoever the general mass of men contrived to do or to attain. All things that we see standing accomplished in the world are properly the outer material result, the practical realisation and embodiment of Thoughts that dwelt in the Great Men sent into the world: the soul of the whole world's history, it may justly be considered, were the history of these. Too clearly it is a topic we shall do no justice to in this place!

One comfort is that Great Men, taken up in any way, are profitable company. We cannot look, however imperfectly, upon a great man without gaining something by him. He is the living light-fountain, which it is good and pleasant to be near. The light which enlightens, which has enlightened the darkness of the world; and this not as a kindled lamp only, but rather as a natural luminary shining by the gift of Heaven; a flowing light-fountain, as I say, of native original insight, of manhood and heroic nobleness—in whose radiance all souls feel that it is well with them. On any terms whatsoever, you will not grudge to wander in such neighborhood for a while....

I am well aware that in these days Hero-worship, the thing I call Hero-worship, professes to have gone out, and finally ceased. This, for reasons which it will be worthwhile some time to inquire into, is an age that as it were denies the existence of great men; denies the desirableness of great men. Show our critics a great man, a Luther for example, they begin to what they call "account" for him; not to worship him, but take the dimensions of him—and bring him out to be a little kind of man! He was the "creature of the Time," they say; the Time called him forth, the Time did everything, he nothing—but what we the little critic could have done too! This seems to me but melancholy work....

I liken common languid Times, with their unbelief, distress, perplexity, with their languid doubting characters and embarrassed circumstances, impotently crumbling down into ever worse distress towards final ruin—all this I liken to dry dead fuel, waiting for the lightning out of Heaven that shall kindle it. The great man, with his free force direct out of God's own hand, is the lightning....All blazes round him now, when he has once struck on it, into fire like his own. The dry mouldering sticks are thought to have called him forth. They did want him greatly; but as to calling him forth! Those are critics of small vision, I think, who cry: "See, is it not the sticks that made the fire?" No sadder proof can be given by a man of his own littleness than disbelief in great men....The History of the World, I said already, was the Biography of Great Men.

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