

NARCISSISM IN THE BOARDROOM

The perpetrators of the recent spate of financial frauds in the USA acted with callous disregard for both their employees and shareholders - not to mention other stakeholders. Psychologists have often remote-diagnosed them as "malignant, pathological narcissists".

Narcissists are driven by the need to uphold and maintain a false self - a concocted, grandiose, and demanding psychological construct typical of the narcissistic personality disorder. The false self is projected to the world in order to garner "narcissistic supply" - adulation, admiration, or even notoriety and infamy. Any kind of attention is usually deemed by narcissists to be preferable to obscurity.

The false self is suffused with fantasies of perfection, grandeur, brilliance, infallibility, immunity, significance, omnipotence, omnipresence, and omniscience. To be a narcissist is to be convinced of a great, inevitable personal destiny. The narcissist is preoccupied with ideal love, the construction of brilliant, revolutionary scientific theories, the composition or authoring or painting of the greatest work of art, the founding of a new school of thought, the attainment of fabulous wealth, the reshaping of a nation or a conglomerate, and so on. The narcissist never sets realistic goals to himself. He is forever preoccupied with fantasies of uniqueness, record breaking, or breathtaking achievements. His verbosity reflects this propensity.

Reality is, naturally, quite different and this gives rise to a "grandiosity gap". The demands of the false self are never satisfied by the narcissist's accomplishments, standing, wealth, clout, sexual prowess, or knowledge. The narcissist's grandiosity and sense of entitlement are equally incommensurate with his achievements.

To bridge the grandiosity gap, the malignant (pathological) narcissist resorts to shortcuts. These very often lead to fraud.

The narcissist cares only about appearances. What matters to him are the facade of wealth and its attendant social status and narcissistic supply. Witness the travestied extravagance of Tyco's Denis Kozlowski. Media attention only exacerbates the narcissist's addiction and makes it incumbent on him to go to ever-wilder extremes to secure uninterrupted supply from this source.

The narcissist lacks empathy - the ability to put himself in other people's shoes. He does not recognize boundaries - personal, corporate, or legal. Everything and everyone are to him mere instruments, extensions, objects unconditionally and uncomplainingly available in his pursuit of narcissistic gratification.

This makes the narcissist perniciously exploitative. He uses, abuses, devalues, and discards even his nearest and dearest in the most chilling manner. The narcissist is utility-driven, obsessed with his overwhelming need to reduce his anxiety and regulate his labile sense of self-worth by securing a constant supply of his drug - attention. American executives acted without compunction when they raided their employees' pension funds - as did Robert Maxwell a generation earlier in Britain.

The narcissist is convinced of his superiority - cerebral or physical. To his mind, he is a Gulliver hamstrung by a horde of narrow-minded and envious Lilliputians. The dotcom "new economy" was infested with "visionaries" with a contemptuous attitude towards the mundane: profits, business cycles, conservative economists, doubtful journalists, and cautious analysts.

Yet, deep inside, the narcissist is painfully aware of his addiction to others - their attention, admiration, applause, and affirmation. He despises himself for being thus dependent. He hates people the same way a drug addict hates his pusher. He wishes to "put them in their place", humiliate them, demonstrate to them how inadequate and imperfect they are in comparison to his regal self and how little he craves or needs them.

The narcissist regards himself as one would an expensive present, a gift to his company, to his family, to his neighbours, to his colleagues, to his country. This firm conviction of his inflated importance makes him feel entitled to special treatment, special favors, special outcomes, concessions, subservience, immediate gratification, obsequiousness, and lenience. It also makes him feel immune to mortal laws and somehow divinely protected and insulated from the inevitable consequences of his deeds and misdeeds.

The self-destructive narcissist plays the role of the "bad guy" (or "bad girl"). But even this is within the traditional social roles cartoonishly exaggerated by the narcissist to attract attention. Men are likely to emphasise intellect, power, aggression, money, or social status. Narcissistic women are likely to emphasise body, looks, charm, sexuality, feminine "traits", homemaking, children and childrearing.

Punishing the wayward narcissist is a veritable catch-22.

A jail term is useless as a deterrent if it only serves to focus attention on the narcissist. Being infamous is second best to being famous - and far preferable to being ignored. The only way to effectively punish a narcissist is to withhold narcissistic supply from him and thus to prevent him from becoming a notorious celebrity.

Given a sufficient amount of media exposure, book contracts, talk shows, lectures, and public attention - the narcissist may even consider the whole grisly affair to be emotionally rewarding. To the narcissist, freedom, wealth, social status, family, vocation - are all means to an end. And the end is attention. If he can secure attention by being the big bad wolf - the narcissist unhesitatingly transforms himself into one. Lord Archer, for instance, seems to be positively basking in the media circus provoked by his prison diaries.

The narcissist does not victimise, plunder, terrorise and abuse others in a cold, calculating manner. He does so offhandedly, as a manifestation of his genuine character. To be truly "guilty" one needs to intend, to deliberate, to contemplate one's choices and then to choose one's acts. The narcissist does none of these.

Thus, punishment breeds in him surprise, hurt and seething anger. The narcissist is stunned by society's insistence that he should be held accountable for his deeds and penalized accordingly. He feels wronged, baffled, injured, the victim of bias, discrimination and injustice. He rebels and rages.

Depending upon the pervasiveness of his magical thinking, the narcissist may feel besieged by overwhelming powers, forces cosmic and intrinsically ominous. He may develop compulsive rites to fend off this "bad", unwarranted, persecutory influences.

The narcissist, very much the infantile outcome of stunted personal development, engages in magical thinking. He feels omnipotent, that there is nothing he couldn't do or achieve if only he sets his mind to it. He feels omniscient - he rarely admits to ignorance and regards his intuitions and intellect as founts of objective data.

Thus, narcissists are haughtily convinced that introspection is a more important and more efficient (not to mention easier to accomplish) method of obtaining knowledge than the systematic study of outside sources of information in accordance with strict and tedious curricula. Narcissists are "inspired" and they despise hamstrung technocrats.

To some extent, they feel omnipresent because they are either famous or about to become famous or because their product is selling or is being manufactured globally. Deeply immersed in their delusions of grandeur, they firmly believe that their acts have - or will have - a great influence not only on their firm, but on their country, or even on Mankind. Having mastered the manipulation of their human environment - they are convinced that they will always "get away with it". They develop hubris and a false sense of immunity.

Narcissistic immunity is the (erroneous) feeling, harboured by the narcissist, that he is impervious to the consequences of his actions, that he will never be effected by the results of his own decisions, opinions, beliefs, deeds and misdeeds, acts, inaction, or membership of certain groups, that he is above reproach and punishment, that, magically, he is protected and will miraculously be saved at the last moment. Hence the audacity, simplicity, and transparency of some of the fraud and corporate looting in the 1990's. Narcissists rarely bother to cover their traces, so great is their disdain and conviction that they are above mortal laws and wherewithal.

What are the sources of this unrealistic appraisal of situations and events?

The false self is a childish response to abuse and trauma. Abuse is not limited to sexual molestation or beatings. Smothering, doting, pampering, over-indulgence, treating the child as an extension of the parent, not respecting the child's boundaries, and burdening the child with excessive expectations are also

forms or abuse.

The child reacts by constructing false self that is possessed of everything it needs in order to prevail: unlimited and instantaneously available Harry Potter-like powers and wisdom. The false self, this Superman, is indifferent to abuse and punishment. This way, the child's true self is shielded from the toddler's harsh reality.

This artificial, maladaptive separation between a vulnerable (but not punishable) true self and a punishable (but invulnerable) false self is an effective mechanism. It isolates the child from the unjust, capricious, emotionally dangerous world that he occupies. But, at the same time, it fosters in him a false sense of "nothing can happen to me, because I am not here, I am not available to be punished, hence I am immune to punishment".

The comfort of false immunity is also yielded by the narcissist's sense of entitlement. In his grandiose delusions, the narcissist is sui generis, a gift to humanity, a precious, fragile, object. Moreover, the narcissist is convinced both that this uniqueness is immediately discernible - and that it gives him special rights. The narcissist feels that he is protected by some cosmological law pertaining to "endangered species".

He is convinced that his future contribution to others - his firm, his country, humanity - should and does exempt him from the mundane: daily chores, boring jobs, recurrent tasks, personal exertion, orderly investment of resources and efforts, laws and regulations, social conventions, and so on.

The narcissist is entitled to a "special treatment": high living standards, constant and immediate catering to his needs, the eradication of any friction with the humdrum and the routine, an all-engulfing absolution of his sins, fast track privileges (to higher education, or in his encounters with bureaucracies, for instance). Punishment, trusts the narcissist, is for ordinary people, where no great loss to humanity is involved.

Narcissists are possessed of inordinate abilities to charm, to convince, to seduce, and to persuade. Many of them are gifted orators and intellectually endowed. Many of them work in in politics, the media, fashion, show business, the arts, medicine, or business, and serve as religious leaders.

By virtue of their standing in the community, their charisma, or their ability to find the willing scapegoats, they do get exempted many times. Having recurrently "got away with it" - they develop a theory of personal immunity, founded upon some kind of societal and even cosmic "order" in which certain people are above punishment.

But there is a fourth, simpler, explanation. The narcissist lacks self-awareness. Divorced from his true self, unable to empathise (to understand what it is like to be someone else), unwilling to constrain his actions to cater to the feelings and needs of others - the narcissist is in a constant dreamlike state.

To the narcissist, his life is unreal, like watching an autonomously unfolding movie. The narcissist is a mere spectator, mildly interested, greatly entertained at times. He does not "own" his actions. He, therefore, cannot understand why he should be punished and when he is, he feels grossly wronged.

So convinced is the narcissist that he is destined to great things - that he refuses to accept setbacks, failures and punishments. He regards them as temporary, as the outcomes of someone else's errors, as part of the future mythology of his rise to power/brilliance/wealth/ideal love, etc. Being punished is a diversion of his precious energy and resources from the all-important task of fulfilling his mission in life.

The narcissist is pathologically envious of people and believes that they are equally envious of him. He is paranoid, on guard, ready to fend off an imminent attack. A punishment to the narcissist is a major surprise and a nuisance but it also validates his suspicion that he is being persecuted. It proves to him that strong forces are arrayed against him.

He tells himself that people, envious of his achievements and humiliated by them, are out to get him. He constitutes a threat to the accepted order. When required to pay for his misdeeds, the narcissist is always disdainful and bitter and feels misunderstood by his inferiors.

Cooked books, corporate fraud, bending the (GAAP or other) rules, sweeping problems under the carpet, over-promising, making grandiose claims (the "vision thing") - are hallmarks of a narcissist in action. When social cues and norms encourage such behaviour rather than inhibit it - in other words, when such behaviour elicits abundant narcissistic supply - the pattern is reinforced and become entrenched and rigid. Even when circumstances change, the narcissist finds it difficult to adapt, shed his routines, and replace them with new ones. He is trapped in his past success. He becomes a swindler.

But pathological narcissism is not an isolated phenomenon. It is embedded in our contemporary culture. The West's is a narcissistic civilization. It upholds narcissistic values and penalizes alternative value-systems. From an early age, children are taught to avoid self-criticism, to deceive themselves regarding their capacities and attainments, to feel entitled, and to exploit others.

As Lilian Katz observed in her important paper, "Distinctions between Self-Esteem and Narcissism: Implications for Practice", published by the Educational Resources Information Center, the line between enhancing self-esteem and fostering narcissism is often blurred by educators and parents.

Both Christopher Lasch in "The Culture of Narcissism" and Theodore Millon in his books about personality disorders, singled out American society as narcissistic. Litigiousness may be the flip side of an inane sense of entitlement. Consumerism is built on this common and communal lie of "I can do anything I want and possess everything I desire if I only apply myself to it" and on the pathological envy it fosters.

Not surprisingly, narcissistic disorders are more common among men than among women. This may be because narcissism conforms to masculine social mores and to the prevailing ethos of capitalism. Ambition, achievements, hierarchy, ruthlessness, drive - are both social values and narcissistic male traits. Social thinkers like the aforementioned Lasch speculated that modern American culture - a self-centred one - increases the rate of incidence of the narcissistic personality disorder.

Otto Kernberg, a notable scholar of personality disorders, confirmed Lasch's intuition: "Society can make serious psychological abnormalities, which already exist in some percentage of the population, seem to be at least superficially appropriate."

In their book "Personality Disorders in Modern Life", Theodore Millon and Roger Davis state, as a matter of fact, that pathological narcissism was once the preserve of "the royal and the wealthy" and that it "seems to have gained prominence only in the late twentieth century". Narcissism, according to them, may be associated with "higher levels of Maslow's hierarchy of needs ... Individuals in less advantaged nations .. are too busy trying (to survive) ... to be arrogant and grandiose".

They - like Lasch before them - attribute pathological narcissism to "a society that stresses individualism and self-gratification at the expense of community, namely the United States." They assert that the disorder is more prevalent among certain professions with "star power" or respect. "In an individualistic culture, the narcissist is 'God's gift to the world'. In a collectivist society, the narcissist is 'God's gift to the collective.'"

Millon quotes Warren and Caponi's "The Role of Culture in the Development of Narcissistic Personality Disorders in America, Japan and Denmark":

"Individualistic narcissistic structures of self-regard (in individualistic societies) ... are rather self-contained and independent ... (In collectivist cultures) narcissistic configurations of the we-self ... denote self-esteem derived from strong identification with the reputation and honor of the family, groups, and others in hierarchical relationships."

Still, there are malignant narcissists among subsistence farmers in Africa, nomads in the Sinai desert, day laborers in east Europe, and intellectuals and socialites in Manhattan. Malignant narcissism is all-pervasive and independent of culture and society. It is true, though, that the way pathological narcissism manifests and is experienced is dependent on the particulars of societies and cultures.

In some cultures, it is encouraged, in others suppressed. In some societies it is channeled against minorities - in others it is tainted with paranoia. In collectivist societies, it may be projected onto the collective, in individualistic societies, it is an individual's trait.

Yet, can families, organizations, ethnic groups, churches, and even whole nations be safely described as "narcissistic" or "pathologically self-absorbed"? Can we talk about a "corporate culture of narcissism"?

Human collectives - states, firms, households, institutions, political parties, cliques, bands - acquire a life and a character all their own. The longer the association or affiliation of the members, the more cohesive and conformist the inner dynamics of the group, the more persecutory or numerous its enemies, competitors, or adversaries, the more intensive the physical and emotional experiences of the individuals it is comprised of, the stronger the bonds of locale, language, and history - the more rigorous might an assertion of a common pathology be.

Such an all-pervasive and extensive pathology manifests itself in the behavior of each and every member. It is a defining - though often implicit or underlying - mental structure. It has explanatory and predictive powers. It is recurrent and invariable - a pattern of conduct melding distorted cognition and stunted emotions. And it is often vehemently denied.

