

## Two out of three of you reading this are cowards, says **Rushworth Kidder**.

The third of you who *aren't* cowards don't need to read Rushworth Kidder's new book, says Kidder himself. You already know and practice what's in it. As for the rest of you, *Moral Courage: Taking Action When Your Values Are Put to the Test* (Tomorrow) just might make you, well, a more moral executive. "I think in the life of every good leader, there is at least one powerful instance where he has to stand up for what he believes in spite of great adversity," says Kidder, 50, founder of the Institute for Global Ethics. Unfortunately, he laments, most leaders wind up sitting down. They lack moral courage, which he defines as a commitment and willingness to act on your principles, and a willingness to endure the consequences of your actions in the presence of a significant danger (to your life, career, reputation, etc.).

Kidder spoke to *ATB* associate editor Vadim Liberman at the magazine's New York offices about courageous executives, whistleblowers, and terrorists.



**You write that most business leaders lack moral courage. Since they've made it to the top regardless, how can you convince them—and others working their way up the corporate ladder—of the virtues of moral courage?**

Look, you can negotiate your way to the top by doing whatever you feel you ought to do, but the question is: Will you be able to live with yourself knowing you compromised your principles?

**I'd say yes, many executives could—and likely do—live with themselves knowing that. Don't they need a stronger argument?**

OK, to those to whom the word *moral* just doesn't compute, I would explain that their companies now operate in an age of competition and transparency. There is a greater likelihood these days that

moral lapses within a company can have a negative effect on its public image, causing it to lose customers.

**So you're arguing: Be morally courageous not because it's the right thing to do but because you'll suffer bad consequences if you're not.**

Yes, because I'm talking to cynics who aren't going to be swayed by the argument that you should have high principles. They're going to have to be pushed into the ethical realm through a kind of back door. And I don't mind doing that as long as, in the end, they are more willing to do the right thing.

**But you do believe in doing the right thing simply because it's right. So aren't you compromising your own ethics by convincing**

**executives to be moral in order to foster a positive public image?**

Sure, but I wouldn't use the word *compromising* with that kind of bad connotation. The fact is, when a 3-year-old child is about to put his hand into a flame, we say, "Stop! Don't do that! Just obey me!" We don't reason it through with them.

**Not many executives are only 3 years old.**

Yes, but to some extent, the cynical executive has an adolescent mentality, so we *are* dealing with children, or people who just don't get it.

**Is their lack of moral courage a lack of ethics—or do they have ethics on which they simply don't act?**

A person can be ethical but not morally courageous. People can have

very fine values, but if in the end they lack the courage to implement their decisions based on these values, that's no different than having no values at all. At Arthur Andersen, for example, people wrote anonymous letters rather than going public.

**Whistleblowers face huge risks, though. Indeed, you write: "Of all the agonizing ethical dilemmas facing humanity, few are more wrenching than the choice between what's right for the world and what's right for your family." So should one risk damage to one's family just to preserve one's principles?**

It is common for people who think about ethics to say that you should put principle over family. You can't just push aside the responsibility to support your family financially.

This is a right-versus-right decision, so by no means am I outright condemning people with the ability to blow the whistle who say family is more important than going public about a company's activities.

**But would you consider those who choose their families morally courageous?**

No, because moral courage involves a high amount of risk and a willingness to endure it. If potential whistleblowers aren't willing to endure the risk of going public, it doesn't necessarily make them bad people, but it doesn't make them morally courageous either. However, it seems to me that there are an awful lot of executives who, because of the wealth they've accumulated, could've come forward in recent scandals, like Enron. It really wouldn't have been a hardship for them to weather a year out of work and still pay the mortgage and other bills. They could've saved the pensions of a whole bunch of modestly paid people but instead chose to protect their own capacity to inch upward on this competitive scale. Where was their moral courage?

**You also write about a homeless shelter that desperately needed money yet declined beer sponsorship. Was that decision a display of moral courage or foolishness?**

This is another example of a right-versus-right decision. Those who think good ethics are when you do the greatest good for the greatest number will say, "How dumb! Of course the shelter

should've taken the liquor money. Look at all the folks that would benefit. Sure, it may not be 100 percent clean and pure, but the shelter would still be making a difference." The other side says, "Ethics is about standing up for your principles; it's what you would want everyone in the world to do under similar circumstances. You are setting the standard, so do you want people from now on in homeless-shelter management to basically say, 'Well, we've got to cut corners sometimes. If we lose a few people who think we're happy with alcoholism, then that's OK?'" Both are valid stances, but in the end, the shelter took the morally courageous stance by deciding not to accept the sponsorship, no matter what the consequences. As though to reinforce the rightness of their determination not to rely on a merely consequentialist philosophy, they got a phone call a week later from a local business leader who had read about the shelter's decision. He was proud of their action and agreed to sponsor the shelter.

I hope this story inspires more organizations to be more courageous. I was just talking to someone who sits on the board of a women's organization that was offered tremendous support from one of the tobacco companies. It split the board right down the middle. They had a dragged-out fight over this, with a number of the board members saying, "We can't do this. Have you

any concept of what tobacco has done to women over the years? We have to stand by our principles even if we have to cut back in all kinds of ways." In the end, they didn't accept the tobacco grant.

**What about companies that do business in countries whose governments are known human-rights violators? Should these companies be taking more of a moral stand?**

The important question for me is not, Where is this country now? It's, Where is this country heading? Is it moving toward a greater understanding of democracy and equality? China, for example, seems to be doing just that. So far better to do business with China than to fold hands and say: "Until you come up to a level that we think is acceptable, we're not even going to talk to you."

On the other hand, I think it was the sanctions that helped move South Africa in the right direction. However, I'm well aware that Shell did not abide by some of those sanctions and, along the way, provided absolutely invaluable jobs for the black population, who otherwise would've been in desperate poverty. So it can be said that Shell was acting courageously by breaking ranks with other corporations, even though I do think that South Africa would not be where it is today without the sanctions.

**Let's talk about terrorists for a second. Many label them cowards. But by your definition,**

**it seems they have great moral courage.**

From their perspective, they do, because they are holding to their principles. But let's think about the five values of moral courage: honesty, respect, responsibility, fairness, and compassion. Were the 9/11 terrorists *really* displaying the highest sense of compassion and understanding by killing as many innocent civilians as possible? Was that the most responsible and fairest thing they could do? Is that the highest sense of respect they could display? They had a great deal of physical courage to fly an airliner into the World Trade Center, but not moral courage.

**From terrorists and murderers to their defenders—lawyers. They advocate for clients whom they may strongly believe to be guilty. Where's their moral courage?**

Lawyers will tell you that the reason they do that is not for the sake of their client but to preserve the system. They are committed to the fact that people are innocent until proven guilty no matter what. That takes great moral courage.

**So it's OK to send a murderer back into society as long as you stick to your principles? Is that putting your own principles above the safety of society as a whole?**

No, quite the reverse. If we're going to have a government that works, you've got to have this kind of system. You just have to trust the legal process to reveal guilt and provide a conviction. Imagine the alternative—where no one is willing to defend people they think are guilty. ♦