

LEADING FOR THE LONG FUTURE

by Daniel Goleman

My late uncle, Alvin Weinberg, was a nuclear physicist who often acted as the conscience of that sector. He was fired as director of Oak Ridge National Laboratory after 25 years in the job because he would not stop talking about the dangers of reactor safety and nuclear waste. He also, controversially, opposed using the type of reactor fuel that produces material for weapons. Then, as founder of the Institute for Energy Analysis, he initiated one of the nation's pioneering research and development units on alternative energy—he was one of the first scientists to warn about the threat of carbon dioxide (CO₂) and global warming.

Alvin once confided to me his ambivalence about for-profit companies running nuclear power plants, fearing that the profit motive would mean they cut safety measures—a premonition of what led to Japan's 2011 Fukushima disaster

Alvin was particularly troubled that the nuclear energy industry had never solved the problem of what to

do with radioactive waste. He urged them to find a solution that would persist as long as the waste remained radioactive—such as an institution dedicated to guarding those stockpiles and keeping people safe from them over centuries or millennia.

Acting for the Long Term

Decisions with the long horizon in mind ask questions like: How will what we do today matter to the grandchildren of our grandchildren's grandchildren? In a century, or in 500 years?

In that far future the specifics of our actions today may well fade like distant shadows of forgotten ancestors. What could have more lasting consequence are the norms we establish, the organizing principles for action that live on long after their originators have gone.

There are independent think tanks, as well as corporate and government groups, who think deeply about future scenarios. Consider these projections

for the world in 2025, made by the US National Intelligence Council:

- Ecological impacts of human activity will create scarcity of resources like farmable soil.
- The economic demand for energy, food, and water will outstrip readily available sources—water shortages loom soon.
- These trends will create shocks and disruptions to our lives, economies, and political systems.

When that report was delivered in 2008, the federal government ignored the results. There is no agency, office, or particular government position charged with acting for the long term. Instead politicians focus on the short term—what it takes to get reelected, particularly—with virtually no attention paid to what needs to be done now to protect future generations. Politicians, like business leaders, typically make decisions for the short-term gain, not the long-term reality. Saving their jobs commands more of their attention than saving the planet or the poor.

Like politicians and business people, most of us lean toward short-term success. Cognitive psychologists find that people tend to favor now in decisions of all kinds—as in, *I'll have the pie à la mode now and maybe diet later.*

This pertains, too, to our goals. “We attend to the present, what’s needed for success now,” says Elke Weber, a Columbia University cognitive scientist. “But this is bad for far-sighted goals, which are not given the same priority in the mind. Future focus becomes a luxury, waiting for current needs to be taken care of first.”

In 2003 New York Mayor Michael Bloomberg decreed that smoking was banned in bars. It got huge opposition—bar owners said it would ruin their business; smokers hated it. He said, you might not like it, but you’ll thank me in 20 years.

How long does it take before the public reaction becomes positive? Elke Weber looked at Bloomberg’s smoking ban, among other such decisions, to answer that question: “We did case studies of how long it took

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for a change that was initially unpopular to become the new, accepted status quo. Our data shows the range is 6–9 months.”

“Even smokers liked it after a while,” Weber adds. “They got to enjoy hanging out with other smokers outdoors. And everyone likes that bars didn’t reek of stale smoke.”

Another case study: The provincial government of British Columbia imposed a tax on carbon emissions. It was revenue neutral: the fees collected were distributed among the province’s citizens. At first there was tremendous opposition to the new tax. But after a while people liked getting their checks. Fifteen months later the tax was popular.

“Politicians are in charge of our welfare,” says Weber. “They need to know people will thank them later for a hard decision now. It’s like raising teenagers—sometimes thankless in the short term, but rewarding in the long.”

Reshaping Systems

In the weeks after Hurricane Sandy devastated large parts of the New York City area, Mayor Bloomberg said it straight: this hurricane is due to global warming.

Soon after, I spoke with Jonathan F. P. Rose, a founder of the green community planning movement, who was writing a book that looks at cities as systems. “We’re at an inflection point about the belief that climate change is a serious long-term problem we must deal with,” Rose said. “Sandy’s worst hit was the Wall Street area. You don’t hear any climate warming deniers down there these days. In the Wall Street culture a quarter is

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a long time away. But Sandy may have gotten them to think about a much longer time horizon.”

“If we reduce our production of heat-trapping gases today, it would still take at least 300 years for the climate to begin to cool, perhaps much longer,” Rose added. “We have strong cognitive biases toward our present needs, and are weak thinkers about the long away future. But at least we’re starting to recognize the degree to which we have put human and natural systems at risk. What we need now is leadership. Great leaders must have the essential long view that a systems understanding brings.”

Reinventing business for the long future could mean finding shared values supported by all stakeholders, from stock owners to employees and customers to communities where a company operates—to generations as yet unborn. Some call it “conscious capitalism,” orienting a company’s performance around benefiting all stakeholders, not just aiming for quarterly numbers that please shareholders—and studies show that companies like Whole Foods and Zappos with this broader view actually do better on financials than their purely profit-oriented competitors. For a more in-depth examination of this topic, see *Conscious Capitalism*, the 2013 book by John Mackey, chief executive officer (CEO) of Whole Foods, and Raj Sisodia, chairman and cofounder of the Conscious Capitalism Institute.

If a leader is to articulate such shared values effectively, he or she must first look within to find a genuinely heartfelt guiding vision. The alternative can be seen in the hollow mission statements espoused by executives but belied by their company’s (or their own) actions.

Even leaders of great companies can share a blind spot if their time frame is too small. To be truly great, leaders need to expand their focus to a farther horizon line, even beyond decades, while taking their systems understanding to a much finer focus. And their leadership needs to reshape systems themselves.

That brings to mind Paul Polman, CEO of Unilever, who surprised me when we were both members of a panel at the World Economic Forum in Davos. He took that opportunity to announce that Unilever had adopted the goal of cutting the company’s environmental footprint in half by 2020 (this was in 2010, giving them a decade to get there). That was laudable, but a little ho-hum: many socially responsible companies announce global warming goals like that.

But the next thing he said really shocked me: Unilever is committed to sourcing their raw agriculture material from small farms, aiming to link to one half million smallholders globally. The farmers involved mainly grow tea, but the sourcing initiative will also include crops for cocoa, palm oil, vanilla, coconut sugar, and a variety of fruits and vegetables. The farms involved are in areas ranging from Africa to Southeast Asia and Latin America, with some in Indonesia, China, and India.

For Unilever, this diversification of their sourcing lowers risks in a turbulent world, where food security has come on the radar as a future issue.

Unilever hopes not only to link these small farmers into their supply chain but also to work with groups like Rainforest Alliance to help them upgrade their farming practices and so become reliable sources in global markets.

For the farmers, this will mean better profits, though exactly what these might be will vary from crop to crop and season to season. This redrawing of their supply chain, Polman pointed out, would have a range of benefits, from leaving more money in local farm communities to better health and schooling. The World Bank points to supporting smallholder farming

as the most effective way to stimulate economic development and reduce poverty in rural areas

“In emerging markets three out of four low-income people depend directly or indirectly on agriculture for their livelihoods,” according to Cherie Tan, who heads this initiative on sourcing from small farms. Eighty-five percent of all farms are in this smallholder class, “so there are great opportunities,” she adds.

If we see a company as little more than a machine for making money, we ignore its web of connections to the people who work there, the communities it operates in, its customers and clients, and society at large. Leaders with a wider view bring into focus these relationships, too.

Although making money matters, of course, leaders with this enlarged aperture pay attention to *how* they make money and so make choices differently. Their decisions operate by a logic that does not reduce to simple profit–loss calculations—it goes beyond the language of economics. They balance financial return with the public good

In this view a good decision allows for present needs as well as those of a wider web of people—including future generations. Such leaders inspire: they articulate a larger common purpose that gives meaning and coherence to everyone’s work and engage people emotionally through values that make people feel good about their work, that motivate, and that keep people on course.

Focusing on social needs can itself foster innovation, if combined with an expanded field of attention to what people need. Managers at the India division of Gillette, a global consumer goods company, saw village men bloodied by barbers using rusty razors and so found ways to make new razors cheap enough that those villagers could afford them

Such projects create organizational climates where work has meaning and engages people’s passions. As for the teams that developed those cheap razors and soap bars, their labor becomes “good work”: where people are engaged, work with excellence, and find meaning in what they do.

Big Picture Leaders

The good-enough leader operates within the givens of a system to benefit a single group, executing a mission as directed, operating within a single level of complexity. In contrast, a great leader defines a mission, acts on many levels, and tackles the biggest problems.

Great leaders do not settle for systems as they are, but see what they could become and so work to transform them for the better, to benefit the widest circle. They take on the greatest challenges and tackle the biggest problems. That demands a shift from mere competence to wisdom.

Then there are those rare souls who operate on behalf of society itself rather than a specific political group or business. They are free to think far, far ahead. Their thinking encompasses the welfare of humanity at large, not a single group; they see people as a We, not as Us and Them. And they leave a legacy for future generations—these are the leaders we remember a century or more later. Think Jefferson and Lincoln, Gandhi and Mandela, Buddha and Jesus.

One of today’s wicked messes is the paradox of the Anthropocene: human systems affect the global systems that support life in what seems to be headed for a slow-motion systems crash. Finding solutions requires Anthropocene thinking, understanding points of leverage within these systems dynamics so as to reset a course for a better future. This level of complexity adds to layers of other challenges facing leaders today.

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There are, of course, many other fundamental systems dilemmas. For instance, through the health and ecological impacts of our lifestyle, the world's richest people are creating pain for the world's poorest. We may need to reinvent our economic systems themselves, factoring in human needs, not just economic growth.

Then there's the growing gap between the very richest and most powerful and the poorest worldwide. While the rich hold power, as we've seen their very status can blind them to the true conditions of the poor, leaving them indifferent to this suffering. Who, then, can speak truth to power?

Although the perks and pleasures of civilization are alluring, there are also the "diseases of civilization," like diabetes and heart disease, which are worsened by the rigors and stresses of the routines that make those lifestyles possible. This intensifies as we fail in much of the world to make medical services equally available to all.

Then there are the perennial problems of inequities in education and access to opportunity; countries and cultures that privilege one elite group while repressing others; nations that are failing, devolving into warring fiefdoms—and on and on.

Problems of such complexity and urgency require an approach to problem solving that integrates our self-awareness and our actions, our empathy and our compassion, with a nuanced understanding of the systems at play.

To begin to address such messes, we need leaders who focus on several systems: geopolitical, economic, and environmental, to name a few. But sadly for the world,

the failing of so many leaders is that their focus is too narrow. They are preoccupied with today's immediate problems and so lack bandwidth for the long-term challenges we face as a species.

The president's annual State of the Union address, Columbia University's Jeffrey Sachs proposes, should frame the present in terms of the (somewhat longer) future, by explaining how actions today might matter for people in 40 years. Sachs, like so many thinkers, sees the need not just for systems thinking but for framing our thoughts around the consequences for decades or centuries hence.

Peter Senge, who teaches at the Massachusetts Institute of Technology (MIT) Sloan School of Management, developed the "learning organization," which brings a systems understanding into companies, and was introduced in his best known book, 1990's *The Fifth Discipline: The Art and Practice of the Learning Organization*. "Essential to understanding systems is your time horizon," Senge told me. "If it's too short, you'll ignore essential feedback loops and come up with short-term fixes that won't work in the long run. But if that horizon is long enough, you'll have a chance of seeing more of the key systems at play."

"The bigger your horizon," adds Senge, "the bigger the system you can see."

But "transforming large-scale systems is hard," said Rebecca Henderson at an MIT meeting on global systems. Henderson teaches on ethics and the environment at Harvard Business School and uses a systems framework to seek solutions. For instance, recycling, she points out, represents "change at the margins," whereas abandoning fossil fuels altogether would represent a system shift.

Henderson, who teaches a surprisingly popular course at the business school on "reimagining capitalism," favors transparency that would accurately price, say, CO₂ emissions. That would cause markets to favor any means that lowers those emissions.

Or, for instance, we might take to scale what's been happening for years at Ben and Jerry's Ice Cream. One of their popular flavors, chocolate fudge brownie, calls

for brownies to be broken up into the ice cream. Ben and Jerry gets their truckloads of these tasty cakes from the Greyston Bakery, located in a poverty-stricken neighborhood of the Bronx. The bakery trains and employs those who struggle to find work, including once-homeless parents who, with their families, now live in nearby low-cost housing. The bakery's motto: "We don't hire people to bake brownies. We bake brownies to hire people."

Such attitudes represent the kind of fresh thinking intractable dilemmas call for. But there's a hidden ingredient in any true solution: enhancing our attention and understanding—in ourselves, in others, in our communities and societies.

"Civilizations should be judged not by how they treat people closest to power, but rather how they treat those furthest from power—whether in race, religion, gender, wealth, or class—as well as in time," says Larry Brilliant, president of the Skoll Foundation Global Threats Fund. "A great civilization would have compassion and love for them, too."

At the same MIT meeting on global systems where Henderson spoke, the Dalai Lama said, "We need to influence decision makers to pay attention to the issues that matter for humanity in the long-run"—like the environmental crisis and the inequity in income distribution—"not just their national interest."

His words apply to us all, in our personal decisions—not just to those recognized as "leaders." In the sense that leaders influence or guide people toward a shared goal, leadership is widely distributed. Whether within a family, on social media, in an organization, or society as a whole, we are all leaders in one way or another.

"We have the capacity to think several centuries into the future," the Dalai Lama said, adding, "Start the task even if it will not be fulfilled within your lifetime. This generation has a responsibility to reshape the world. If we make an effort, it may be possible to achieve. Even if it seems hopeless now, never give up. Offer a positive vision, with enthusiasm and joy, and an optimistic outlook."

Conclusion: For Whose Benefit?

We must ask ourselves: in the service of what exactly are we using whatever talents we may have? If our focus serves only our personal ends—self-interest, immediate reward, and our own small group—then in the long run all of us, as a species, are doomed.

The largest lens for our focus encompasses global systems, considers needs of the powerless and poor, and peers far ahead in time. No matter what we are doing or what decision we are making, the Dalai Lama suggests these self-queries for checking our motivation:

Is it just for me or for others?

For the benefit of the few or the many?

For now or for the future?



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