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On Leadership



LEGAL SCHOLAR

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THE QUESTION

Gone But Not Forgotten

Former Vice President Dick Cheney has again criticized the Obama administration, raising the issue of the role of leaders after they step aside. Should "formers" offer advice, praise or criticism? In public or in private? When asked or unsolicited? Do different rules apply to public vs. private sectors?

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The Long Goodbye

In the private sector, the best practice is that ex-CEOs step down from the corporation's board and refrain from criticizing their (often handpicked) successor, even at private lunches in New York (because gossip moves faster than light) and certainly in public.

The new CEO should have his or her run, without second-guessing from the Ex. Even if the company shifts course sharply or is beset by subsequent problems, it is up to the board, the shareholders, the business media to sharpshoot the successor CEO. Business moves so quickly that the former CEO often lacks the day-to-day organizational and market information to critique strategies or decisions. Ex-CEOs know that the job is tough enough, and surrounded by enough critics, without adding their voice to any boo-bird chorus.

The same general practice has historically applied to ex-presidents in recent times. They rarely speak out publicly against their immediate successors for a variety of reasons: the American people have chosen a new president; the successor should be given a chance; it is below the dignity of the ex-president to get down for a dust-up in the political arena. If ex-presidents speak critically it all, it is long after they have left office and assumed a role as public citizen (as has been the case, from time to time, with President Carter).

But there are obvious exceptions to these "rules of comity."

In the private sector, CEOs who are thrown over the side by the board of directors or a new merger partner -- rather than just leaving via normal succession -- may wish to defend their reputations and their judgments. Recent cases are Hank Greenberg at AIG and John Thain of Merrill Lynch. They were involved in very public disputes and problems. Whether one agrees or disagrees with their positions, it certainly is understandable, given the complexity of corporate action and the vagaries of media coverage, that they would want to "get out" their side of story, either on their personal actions or their record.

In the public sector, there is, of course, the distinguished tradition of resigning on principle. If one truly believes that the government is making a mistake of profound importance, then criticizing it by resigning is an honorable course (practiced in the UK, of course, far more than in the US). Cy Vance's resignation over the Iran rescue mission in the Carter Administration still stands as one of the few senior resignations on principle at the high levels of American government.

Also, like a CEO forced from office, public officials whose party and ideas are rejected by the electorate may feel that important principles have been ignored which require a loyal opposition to speak up. A defense of the Bush Administration's approach to national security and terror is certainly legitimate at a time when the pendulum is swinging the other direction (to a degree). There should be a great national dialogue on issues of such import. The question about Dick Cheney's outspokenness is, in my view, much less about its propriety than about his judgment and his political effectiveness. Is he the right voice for a post-election Republican party?

Although the rules of comity make sense, this is an open society and when ex-public or private sector officials want to engage in a long-goodbye because they believe deeply in a position, it is hard to say their voices shouldn't be heard in the marketplace of ideas.

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