

Interview with Laura Tyson

Chair

Council of Economic Advisors (1993-1995)

Laura Liswood: So that is evolved in my own mind. Have gotten more into the thought process of what are the leadership of the dominant groups and the leadership traits of the non-dominant groups and what can they learn from each other. Particularly, I see in the non-dominant gender group—that there are some skill sets that could be bolstered. Dave Gergen said to me “what do guys know?”

Laura Tyson: And part of what you probably do for Goldman is let people know what guys know.

Liswood: What guys know and don't know. So this has evolved into not exactly a parable kind of thing, but not 'who moved my cheese'. But it's a parable. I call it the elephant and the mouse. The notion being that elephants develop certain skill sets. But the bottom line, if you are the elephant in the room, how much do you need to know about the mouse in the room. The answer is not much. If you are the mouse in the room how much do you need to know about the elephant in the room, which comes down to everything. So you come down, as Dave would put it, great watcher—the watcher and the watched.

The point for me is, I don't want to get into notion that look at the mice... The notion to me is what is it that the skill sets of that group bring? And what can the dominant group learn from that? And what are the dominant group skill sets—i.e. forceful action, clear vision, loud voice, not concerned about what others are doing—that the non-dominate group can learn from. What is the downside, if you are the dominant group? Whether it is as an individual, gender situation, large company – small company. Or large country – small country. So first off, I wanted to give you that as a paradigm structure, and say, how does that resonate with you. My earlier discussions have been with you and David. When you think about the traits of the global leader, what happens when you just remain the elephant and don't develop any of these mouse skills?

Tyson: I tend to view this as different leadership styles which reflect different personalities and different experiences. And then I thought are there male/female differences within those, and I think there are. So, I just never really thought about it. I think that the general notion that if you are put into a setting where you are not—where you are given the rules and someone is in charge—if you desire to affect an outcome, you do have to figure out the rules. In that sense, the mouse analogy is trying to figure out what the dominant group knows. Then, as an academic, I would say that to some extent I always thought, and perhaps you can correct me, that a lot of leadership depended on some deep-seeded knowledge. I tend to think of leadership as a match between the individual and the understanding of the moment. In that sense, I can't do a proper analogy of mouse-elephant, because the mouse in my view could learn enough to become an elephant. That it is knowledge, not just rules, that determine how the organization works. Take a CEO that I know...He has been at the organization, really has some great leadership disembodied skills too, but he has absolutely unparalleled knowledge about the organization, the market, the competition. Acquiring knowledge is part of being a successful leader in the thing you choose to be do. It's a little different for political

Interview with Laura Tyson

Chair

Council of Economic Advisors (1993-1995)

leaders obviously. People always ask the question, ‘what is the difference between an effective political leader and business leader?’ One part of that is that you have to understand the nation, and that is impossible—you can’t.

Liswood: And politicians don’t usually develop a deep-seeded knowledge on any particular topic.

Tyson: No, politics is about something else, where as leadership in lots of other organizations is predicated on deep-seeded knowledge.

Liswood: Another example. *Money Magazine* had an article what men thought they knew about their wife’s natural beliefs and values. Wives think they know about the men’s beliefs and values. Turns out when they do the survey the women are much closer about knowing the true values and beliefs of the husbands than the husbands are of know about their wives. Then you could think of other pairings like that. **Prisoners and guards...The original thinking was colonize and colonizer...and again what were the leadership skills. The more tools you have in your tool box, the more you—**

The colonizers can be at the mercy of the colonized, in the sense that the colonized have a better understanding of the environment.

Liswood: Mary Robinson said the Irish know more about the English, than the English know about the Irish.

Tyson: The colonizer and the Irish. The issue there is if you come in as an outsider. I have power in principle [as Dean at London Business School]. But actually, I was a foreigner, foreign to the institution. The institution also had all sorts of rules and behavior and people who had networks understood each other. I had to watch them as much as they watched me. They had the knowledge and I had to figure it out.

Liswood: Because you are actually originally from a non-dominant group you knew you had watching and developing to do. You use those skills as a leader to make you more successful. Whereas, if you were part of the dominant group, you may or may not have the watcher skill set.

Tyson: I think that is an interesting thing. The skills of the non-dominant are more important when they are coming into an organization. Most are willing, likely, sensitive to others, because they have been in that situation before.

Liswood: Which also may be a little reflection on why there are few true CEOs...

Tyson: When I came, the team was already in place. I was not going to wipe out the whole team. These are people who are doing their job pretty well. But then you have to become part of the team. How would that happen because you are not chosen by the team. You are chosen by the board of some other entity. You are put in this position, and

Interview with Laura Tyson

Chair

Council of Economic Advisors (1993-1995)

there is this team. How do you figure out who these people are and what their tasks and rules of behavior are. Who talks to whom? Who are they? Who is the 20% of the team who are going to do 80% of the work? You have to figure all that out. You have to develop the skills to watch, which is not what people recruit leaders for. They don't say is this person a good watcher. They say, does this person have a great track record, a great reputation? It's not, does this person fit? If you come from a place where you built your own team, that is a different skill than coming in with a team. I am sensitive to this because I did this in a small way. Very different. At Hoss [UC Berkley School of Management] there was no team. I built it and got things done very quickly. Here, there is a big institution with a lot of people, and I spent a lot of time figuring it out.

Liswood: Interrelationships are more and more necessary in the global world. In fact, the watching skills become more important.

Tyson: I suspect that this goes to the US. I truly doubt that when you have hyper-power status you are not just an elephant; you can knock out all the other elephants out. You really don't have to pay attention to the elephants or the mice. And now, one of the things that makes the immersions of new major power so complicated is that the hyper-power, the dominant...the mouse has become an elephant and there is no room for the elephant. You don't know how to deal with it. And I think that is a huge power for the US. The understanding that the US has for the rest of the world is really quite limited. I have been shocked by US reaction to Iran. Just shocked. No one has any sense of what Tehran is. Another one that is shocking is Al-Jazeera, the US attitude—and I am talking about people that are sophisticated, worldly, well read. They actually would not be able to talk about Al-Jazeera as a positive source of information, which it is. In the US, even the people that are the intellectual leaders don't get it. How is the country going to improve its understanding?

Liswood: And what is the danger if you are just that. If all you are is an elephant?

Tyson: You can kill a lot of mice, and get in trouble with the other elephants.

Liswood: Doesn't it just astound you that you could go to the Netherlands or something, and they could know the governor of some US state and we could barely name their Prime Minister?

Tyson: I know. I sat next to this lovely Indian woman, the mother of one of the board members [in India]. She said to me, what do people in the US think of the most recent election? In my mind, I know it to be one of the great battles of south democracy in the last eight years, and Americans don't know about it.

Liswood: Of the presidents, who actually had a mix of the two skill sets?

Tyson: You could actually put the presidents on a spectrum...Clinton had a lot of the non-dominant skill sets.

Interview with Laura Tyson

Chair

Council of Economic Advisors (1993-1995)

Liswood: What's next for you [in London]?

Tyson: I feel that this experience here, will really affect the three things in my life that I am going to do next. It has made me a better observer.

It's observing as opposed to doing. It's studying and learning and sitting there and trying to figure out what, to the extent that you are trying to acquire knowledge by sitting there. It may just be that you study for hours. Male and female students handle work differently—they really do. The women tend to be more organized and they tend to do more of the getting in and sticking to the calendar. It could be it's more of an 'I'm not in control and I got to figure this out.'

Liswood: That maybe like the statistical quote that men feel prepared for the job with 25% of the knowledge and women feel prepared with 75% of the knowledge.

Tyson: Part of it is that 'I need to keep observing and learning.' But there are also a lot of components including women's lack of confidence, a perfectly logical sense of over-scrutiny—knowing that you are going to be over-scrutinized as a non-dominant group member and you know you have to be more prepared. As a male, the risk of not knowing is lower. Thus, the ability to take action without thought. So you have a spectrum of action and thought and the ideal is half action/half thought. The visual to me is men are action-thought and women are thought-action. For all sorts of rhyme and reasons including this watched/watcher observer.

* * * * *