"LEADERS ON THE COUCH: THE CASE OF ROBERTO CALVI"

by

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THE CASE OF ROBERTO CALVI

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ABSTRACT

This paper starts with a review of the psychobiographical or psychohistorical approach to the study of leadership. The advantages and disadvantages of this approach are discussed taking into consideration new theoretical advances in psychoanalytic theory. Particular attention is paid to the role of transference/countertransference in the relationship between researcher and subject.

To illustrate how the clinical approach can help to deepen our understanding of leadership, a case study is presented of a "tragic hero" type of leader, Roberto Calvi, the late chairman of the Banco Ambrosiano. In this presentation attention will be paid to his inner theater, the clinical picture, and organizational dynamics.
INTRODUCTION

In the preface to a book on Edgar Allan Poe by Marie Bonaparte, Freud noted in 1933 that "there is a particular fascination in studying the laws of the human mind as exemplified in outstanding individuals" (p.254). It was not the first time that he had voiced this opinion. Referring to his study of Leonardo Da Vinci made more than twenty years earlier, Freud wrote that he had wanted:

...to disclose the original motive forces of [Da Vinci's] mind, as well as their later transformations and developments. If this is successful, the behavior of a personality in the course of his life is explained in terms of the combined operation of constitution and fate, of internal forces and external powers (1910, p. 135).

Many historians shared Freud's curiosity about the "forces of the mind" of "outstanding" individuals. Before Freud's conceptualizations about intrapsychic life, however, they were ill equipped to paint well-rounded portraits of their subjects. Studies tended to be more of a descriptive or chronological nature. Not infrequently, historians would be so caught up in the lives of their subjects that the end product would be one of unrestrained glorification. In addition, they often had difficulty in explaining why their subjects acted and behaved the way they did, why they dealt with others in an idiosyncratic
manner, and why their relationship with society took a certain course. In particular, historians failed to understand the irrational side of their subjects. Common sense, intuition, or empathic feelings seemed to be insufficient in teasing out motives and explaining human action.

Psychoanalytically inspired biography was really the offspring of an interest in the lives of artists. The unconventional ways of living of many of them caught the attention of a number of psychoanalytic pioneers. If we look through the first years of the *Minutes of the Vienna Psychoanalytic Society* (Nunberg & Federn, 1962), we encounter a number of "pathographies" or studies of the psychopathology of artistic people. Although the early psychoanalysts professed to be curious about the origins of creativity and the creative process, the focus of many of their studies was actually a reconstruction of the subject's neurosis.

One study which stood separate from most others was Freud's inquiry into the life of Leonardo Da Vinci mentioned above. Freud wanted to understand better what made this gifted man function. He wanted to find the keys to Leonardo's intellectual development and discover what caused some of his psychological problems. By paying attention to the vicissitudes of creativity, he tried at the same time to avoid the reductionistic trap of pathography.

In his study, Freud emphasized childhood memories to explain adult behavior. With the advantage of hindsight, we nowadays
recognize some of the limitations to his reading of his unusual subject. To give just one example, Freud has been severely attacked for his mistaken interpretation of the word nibio. Found in a childhood memory taken from Leonardo's notebooks, nibio was wrongly translated as "vulture" and not as "kite," which led Freud to invest the memory with inappropriate symbolism. In spite of all its shortcomings, however, the study of Da Vinci was for many years the prototype for psychoanalytic biography. As their writings indicate, authors like Stefan Zweig and Lytton Strachey were strongly influenced by Freud's approach to the study of famous lives. In this regard, McAdams (1988) states that "the biographer's mission [was changed] from deferential eulogist to psychological surgeon" (p.3).

From our perspective, the benefits of using the clinical point of view to study the lives of "outstanding individuals" who become leaders were very well articulated by Mack (1972). He suggested that "...the study of political leaders and those who seek power may contribute to a body of public knowledge which eventually could lead to more rational judgments, on the part of the citizen, of those who want to control his destiny" (p. 177).

HISTORY AND PSYCHOANALYSIS: A RAPPROCHEMENT

The birth of psychohistory and psychobiography (at least for the historian) can be dated to an address given to the American Historical Association in 1957. In his speech, President William Langer stated that:
...the "newest history" will be more intensive and probably less extensive. I refer more specifically to the urgently needed deepening of our historical understanding through exploitation of the concepts and findings of modern psychology. And by this, may I add, I do not refer to classical or academic psychology which, so far as I can detect, has little bearing on historical problems, but rather to psychoanalysis and its later developments and variations as included in the terms "dynamic" or "depth psychology" (pp. 284-285).

Essentially, what makes history psychohistory is the reconstruction of an outstanding person or leader's story through the use of clinical understanding. A human life becomes like a "text" which has to be interpreted. Interestingly enough, the process of reconstruction gives both history and psychoanalysis a certain amount of congruity. Both disciplines try to reconstruct historical events. Freud himself frequently used the metaphor of the analyst as archaeologist. Thomas Kohut (1986) articulated this resemblance when, in reflecting on these two disciplines, he wrote:

The methods used by clinicians are for the most part the same as those traditionally used by historians. Just as the historian appreciates the complexity of the past, so the psychoanalyst recognizes the complexity of his patient, the many factors that influence him, the many different motives he may have. Just as the historian understands an event of the past as being the product of
a multitude of causal factors, historically comprehensible only from many different perspectives, so the psychoanalyst understands his patients in many different ways, from many different points of view offering literally hundreds of different interpretations during the course of an analysis (p. 34).

In spite of the obvious advantages of using a psychology interested in the human experience, critics were quick to object. Psychohistorians and psychobiographers were accused (sometimes for very good reasons) of not being rigorous enough about facts and validation. Other critics deemed the scientific foundations of psychoanalysis flawed. They felt that, given the nature of psychoanalytic interpretation, falsifiability was impossible or nearly impossible (Popper, 1959; Grünbaum, 1979, 1984). They didn’t recognize, however, that in clinical work validation occurs through coherence and correspondence of a psychoanalytic "text" with other sorts of data that appear during the clinical encounter. Since each psychic act has multiple functions and can consequently have multiple meanings (Waelder, 1936), hypothesis testing is of a different kind than that of the experimental scientist in the natural domain (Klauber, 1968; Spence, 1982; Edelson, 1984).

Another serious complaint concerned the danger of psychological reductionism and monocausality -- the tendency to reduce all human motivation to its lowest common denominator. Predictably, such an outlook leads to explanations based solely on the emotional drives and the Oedipus Complex. As a result, the
complexity of the human experience and the nature of creativity and achievements are reduced to mere derivatives such as infantile sexuality and aggression. The fact that these phenomena are too universal to explain the uniqueness of an outstanding individual’s life (or any life, in fact) is not recognized; insufficient weight (or none at all) is given to the social and historical factors which have a bearing on the matter. Erikson (1968) refers to the "originology fallacy" in calling attention to the tendency to use traumatic events and early drives as the only explanations for later behavior. The widespread use of such an approach was, of course, a reflection of the evolution of psychoanalytic theory at that time.

NEW THEORETICAL ADVANCES

The increasing sophistication of psychoanalytic theory has broadened the scope of possibilities for psychohistorians and psychobiographers. A number of new developments are worth noting. First of all, an intrapsychic model of the mind -- looking at the systemic relationships between ego, id and superego -- evolved into an interpsychic model whereby individual relationships with others and the interaction between individuals and society take a more central position (Freud, 1946; Hartmann, 1958). This is all the more so when we study the life of someone in a public position such as a leader. If we really want to understand the person’s life, it becomes important to have knowledge of the socio-cultural context of that life and look at it over time as a patterned continuum. Developmental ego psychology has made it possible to go beyond intersystemic
conflicts and methodically study the complex transformations of childhood wishes and needs into the challenges of adulthood. Connections have been made between fantasies, feelings, interpersonal relationships and experiences from one period in time to another. This orientation emphasizes the sequencing of psychosocial phases and their effect on the individual (Erikson, 1950, 1959).

Like developmental ego psychology, object relations theory gives less attention to pure drive theory. Whereas in drive theory relationships develop as a consequence of the frustration of drives, according to relational theory drives develop at least in part as the result of frustrated relationships. Consequently, object relations theory de-emphasizes the role of the instinctual drives of love and aggression (Sullivan, 1953; Klein, 1975; Fairbairn, 1954; Winnicott, 1975; Mahler, Pine & Bergman, 1975; Kernberg, 1975, 1976, 1985; Sandler, 1987) and focuses on the critical role people play in one's life, making for relations which can be internal or external, fantasized or real.

The development of yet another orientation in psychoanalysis, self psychology and its embedded theory of narcissism, has also advanced the psychobiographical approach (Kohut, 1960, 1971, 1977). Here the self is viewed as a psychological structure which organizes the way we experience ourselves and consequently take action. Central to self psychology is the realization that parents' inability to empathize appropriately with their children causes developmental failures leading to problems in self-esteem.
regulation. As with object relations theory, relations take precedence over drives.

Finally, there has been a shift from the analysis of symptoms to that of character (Kets de Vries & Perzow, 1990). Character is understood here as the basic core of the individual representing his or her singularity, uniqueness, and predictability. It becomes the highest level of psychological organization attained by the individual and expresses the habitual ways in which wants, obligations, opportunities and hindrances are experienced, understood and managed. The notion of this supraordinate concept with its cognitive and affective components, which can be observed as patterned behavior or coping style, highlights the impact of the interplay of genetic predispositions, parental influences and the effects of society at each stage of the human life cycle. For the purposes of psychobiography, character indicates what is most unique about any given subject.

Added to the shift from the analysis of symptoms to that of character has been the renewed interest in personality assessment and personality theory in mainstream psychiatry (Millon, 1981, 1984). The special status given to personality syndromes in the Diagnostic and Statistical Manual of the Mental Disorders III (1980) and III-R (1987) is a reflection of the trend. Although this taxonomy of thirteen different "types" pays no attention to the development of those disorders and the intrapsychic lives of the individuals in question, it provides insight into some of the
behavioral, cognitive, affective and interpersonal mechanisms applicable to each type.

THE PIVOTAL ROLE OF TRANSFERENCE/COUNTERTRANSFERENCE

One theoretical concept in particular warrants further elaboration, since it touches not only upon the relationship between leaders and their followers but also upon that between researcher and subject. I am referring here to the essence of psychotherapy: the transference.

Transference is one of the most central concepts in clinical work but also one of the most misunderstood. It can be described as a confusion of person, place, and time, a reliving of an earlier relationship. Referring to the transference process between analyst and patient, Freud (1938) states that:

...the patient sees in [his analyst] the return, the reincarnation, of some important figure out of his childhood or past, and consequently transfers on to him feelings and reactions which undoubtedly applied to this prototype (p. 174).

Thus, transference stands for stereotyped, constantly repeated behavior patterns which remain the same over long periods of time and are based upon specific relationships with early caretakers. Transference is an organizing activity, demonstrating the continuing influence of the person's early formative experiences.
Although most noticeable when it is artificially exaggerated in psychotherapeutic settings, transference is active in every relationship. As a significant authority figure, the "great man" is very likely to bring out these interpersonal responses and leaders are prime targets of such reactions (Kets de Vries, 1989a, 1989b). Followers may endow their leaders with the same magic powers and omniscience which in childhood they were likely to attribute to parents or other significant figures. This must always be taken into account in an organizational setting.

The Dialogue in Psychobiography

In the context of transference and its complement, countertransference, a frequently heard complaint about psychobiography is that, unlike psychoanalysis or psychotherapy, the biographer does not have the possibility of a clinical dialogue with the subject -- there is no opportunity in the here and now to check conjectures based on transferential reactions. In almost all cases, even if the person is alive, a direct interchange is missing.

As a defense for psychobiography it can be argued that, particularly in the case of persons no longer living, the psychobiographer has the advantage of seeing his or her subject's life in a total perspective (this is opposed to the clinical encounter where usually only a relatively short segment of time in a person's life is studied). Key experiences which have an effect on the person throughout the life cycle can be interpreted. Moreover, the psychobiographer can utilize
confirming data derived from sources other than his or her subject, particularly when that subject is a well-known leader, which again is not usually the case in the clinical dialogue (McKinley Runyan, 1982).

The question remains, however, to what extent the absence of a "live" dialogue in data retrieval and validation justifies the use of historical documentation on the subject as a sufficient substitute. We are very aware of the fact that using secondary historical sources has its problems. Too many "filters" may have been in place, causing distortions. And, unfortunately, even people who produce diaries, letters and other autobiographical material do not necessarily have a propensity for self-observation. In depth, more clinical material is seldom available. Typically, the leader is not the type of person who will seek out psychological help when needed.

Closely linked to the problem of data collection is that of the exact nature of the researcher's relationship to his or her subject. In some way or another there is always a reason why a specific individual is chosen. And every subject will have an effect on the researcher: there is always something happening between the researcher, the subject, the data, and the audience (Devereux, 1980; Edelson, 1985).

In psychoanalytic terms, the choice of subject is determined by the researcher's own emotional life. This will be translated into his relationship to the material and will affect inferences about the subject. At one stage or another in the research
process, after a sufficiently long period of immersion, the subject will start "talking" to the researcher and will evoke certain responses -- countertransference reactions.

Countertransference traditionally refers, of course, to the feelings produced in the analyst by the patient (Epstein & Feiner, 1979). Careful observation of transference reactions in the clinical setting offers the therapist another source of data which can be used concurrently with historical information. Such dual sourcing helps in the validation of inferences. And, actually, something similar happens in the work of the psychobiographer (although to a much lesser degree, of course). Perceptive researchers will take advantage of their countertransference reactions -- the effect their subject has on them.

Although countertransference reactions can be a handicap if the writer is caught unaware, the understanding of his positive or negative biases toward his subjects can be a great asset if used properly: these reactions become another source of data.

Here the psychobiographer is in a much better position than the positivistically inclined historian, who will not realize that an unrecognized countertransference reaction to the subject can be a serious pitfall and will bias his assessment. In this context, Loewenstein (1983) noted that psychohistory "...is the only model of research that includes in its method the countertransference phenomenon -- the emotional and subjective sensibility of the observer" (p.3). Given the inevitability of
the countertransference factor, it seems obvious that a certain amount of self-knowledge and the capacity for self-observation become an important requirement for the psychobiographer if he or she is seriously interested in studying other people's lives.

PSYCHOBIOGRAPHICAL STUDIES OF LEADERS

The psychoanalytically oriented study of leadership got a head start with the work of Harold Lasswell. In his book *Psychopathology and Politics* (1930), Lasswell postulated that political man displaces "private affects" onto "public objects" and then rationalizes them in terms of the public interest. With hindsight, his was a relatively unsophisticated way of looking at human motivation and action; for his time, however, Lasswell's work can be considered extremely innovative. He tried to go beyond observation of the purely manifest behavior of political man by paying attention to his intrapsychic life. Lasswell's contribution has guided the thinking of generations of political scientists.

An important study that followed (influenced by the work of Lasswell) was an investigation into the life of Woodrow Wilson by Alexander and Juliette George (1956). The Georges' study was a first in clearly showing how performance in leadership was affected by the individual's personality. A major theme which runs throughout their work is the concept of compensatory character formation whereby power becomes "a means of restoring the self-esteem damaged in childhood" (1956, p.320). In explaining Wilson's behavior and action, the Georges conclude in
a highly convincing way that he was very much guided by his wish to overcome a sense of inferiority inspired by a father who regularly humiliated him and made him the target of his sharp wit. Thus, to dramatically oversimplify the conclusions drawn from this important study, the use of power in the political sphere became Wilson’s way of mastering the "demons" of childhood.

Two other seminal studies followed, both done by Erik Erikson: one dealt with the life of Martin Luther (1958) and the other with that of Mahatma Gandhi (1969). These two biographies reflect the shifting paradigms of psychoanalysis. Erikson goes beyond simple conflict theory and masterfully constructs an intricate mosaic of the individual’s inner turmoil and that of society. He demonstrates the complementarity between the wishes of the person and his ability to activate the "historical moment," the collective experiences or shared themes alive in a community. Erikson draws attention to the link between universal modes of the unconscious and a particular social setting. He also keeps coming back to the basic question of what made individuals like Luther and Gandhi such remarkable leaders — what differentiated them from other people who had to struggle through similar developmental crises. In all these formulations, Erikson’s conceptualizations about the formation of identity take on a central position (1975). He emphasizes the way in which the identity crisis of one individual leads to the resolution of an identity conflict proper to that particular time in history. By solving their own problems, great leaders also seem to solve other people’s problems.
A host of studies followed (see for example Mack, 1971; Mazlish, 1971; Lifton, 1979; Gedo, 1972; and Loewenberg, 1983, for a review). Those biographers who took advantage of the more recent developments in clinical theory were able to make more sense of their subjects' personal history, motivations, conflicts and developmental challenges. They avoided interpreting symptoms in an abusive way, but viewed them rather as a tool for further understanding. These researchers were able to link a host of signifiers to a subject's later work and achievements -- connecting the past with the present and identifying what was signified. They perceived the psychic significance of childhood wounds but also gave weight to later events. They recognized the richness of the inner world of their subjects, incorporating such forces as aggression, sexuality, fantasy, conflict, repetitive behavior and style. By constructing this intricate mosaic, by going from surface to deep structure (Kets de Vries & Miller, 1987a) and studying the interrelationships, by linking the underlying themes which make up a person's interior drama with critical moments in the history of organizations, communities or society at large, they enriched the portrayal of the leader.

Explicitly or implicitly, an increasing number of scholars interested in leadership have begun to recognize the advantages of applying clinical concepts and principles to their work. Understanding the reasons for behavior and action has made for more realistic portraits of their subjects. And a strong argument can be made for utilizing proven theoretical concepts rather than merely relying on "gut feel."
Leaders warrant careful attention as catalysts of constructive change, but also as harbingers of destruction (Kets de Vries & Miller, 1987b; Kets de Vries, 1989b). Here psychoanalytic psychology and dynamic psychiatry can offer a valuable contribution in making more sense out of a leader's life and the psychology of his followers. The application of clinical concepts to leadership studies and the presentation of both creative potential and predictable foibles will ensure a balanced, more holistic portrait of the subject.

In order to illustrate how the clinical approach can help to deepen our understanding of leadership, a case study of a "tragic hero" type of leader now follows.

ROBERTO CALVI: THE MAN WITH THE EYES OF ICE

Prologue

In the early morning of 18 June 1982, the body of Roberto Calvi, a 62-year-old Milanese banker recently sentenced to four years' imprisonment on charges of fraud, was found hanging from scaffolding under Blackfriars Bridge in the City of London more than 1200 miles from his home. It was just three days before the appeal against his sentence was due to be heard in Italy. The discovery of Calvi's body, his pockets filled with stones and more than $15,000 in various currencies, along with an Italian passport issued in a false name, ended the week-long mystery of his disappearance. Yet it marked only the beginning of another mystery, one which has survived two inquests into the banker's
death and has been deepened, not clarified, by the pages of newsprint and hours of interrogation about the scandal that has become known as the Calvi affair.

The collapse of Banco Ambrosiano just two months after the death of Chairman Roberto Calvi was one of the most serious banking disasters in postwar Europe. The shock waves of its failure were felt throughout a chain of major international banking institutions; in Great Britain alone, Banco Ambrosiano left debts of $40 million to the Midland Bank and $75 million to the National Westminster Bank. The bank collapse revealed the full extent of Calvi's fraudulent activities. Investigators uncovered a complex system of ghost companies, dubious transactions and off-shore dealings, and an untraceable deficit of more than $400 million. The revelations came as a shock to Banco Ambrosiano's board of directors, most of whom were as ignorant as the bank's creditors of the way in which the bank worked, as well as its precarious financial position.

In his seven years as chairman, Roberto Calvi had transformed Banco Ambrosiano from a modest but profitable provincial bank into an international financial empire. It was his own creation and he had absolute control over it. The bank had been part of his life for so long that the success and failure of both were inextricably bound together. Calvi's death meant the demise of the bank, exposure and humiliation for those associated with him, and financial ruin for countless people. The disaster was heavily intertwined with intrigue and corruption as Calvi's links with the Vatican, the international underworld, high-level
protection rackets, and Italian Freemasonry were uncovered. The smokescreen he had created around his own activities continued to thicken rather than to clear as inquiry followed inquiry, fanning the flames of secrecy and collusion that underlay the scandal. Central to the mystery -- perhaps the only real key to it -- is the character of Roberto Calvi himself. His story transforms a tale of conspiracy and fraud into a tragedy at once personal and wide-reaching.

Personal Background

From childhood on, people who knew Calvi commented on his extraordinary reserve. Calvi's wife Clara described him as "closed" and attributed this to his upbringing by rather humorless, antisocial parents: "I never saw [his parents] dance or sing. I never saw friends in their house" (Gurwin, 1984, p.2). Giacomo Calvi, Roberto's father, was ambitious for himself and his family. He had risen to a middle-management position in the largest bank in Milan, the Banca Commerciale Italiana, but further promotion was hampered by his wife's refusal to allow him to accept overseas postings.

Roberto, the eldest of four children, went to secondary school in one of the wealthiest areas of the city. His natural diffidence was reinforced by a feeling of inferiority to his fellow students, who belonged to the elite of Milanese society. Roberto's mother, Maria, "was very conservative, very old-fashioned" and insisted on Roberto's dressing in simple, "sensible" clothes, while the other, more affluent students
dressed fashionably (Gurwin, 1984, p.3). Calvi's gift for languages did little to help his shyness, insecurity, and feeling of isolation, and he was to retain a sense of social ineptitude and awe for people of wealth and influence throughout his life.

After a conventional adolescence in a close-knit family, Calvi enrolled in 1939 at Bocconi University. He was a determined student, but war prevented him from completing his degree (Cornwell, 1984). He joined the cavalry -- an accepted route for the upper class and those aspiring to get on later in civilian life. During the war Calvi fought on the Russian front. He was an exemplary officer, leading his men through the miseries and hardships of the winter retreat of 1942-43 and winning both Italian and German decorations. Returning to occupied Italy in 1943 anxious to avoid being sent back to the front by the Germans, Calvi accepted his father's help in securing a protected job in the Banca Commerciale. There he stayed for the next three years, working as a clerk, until one of his father's friends, hearing of Roberto's dissatisfaction with his post, offered him an opening in the Banco Ambrosiano. This was a small private bank whose customers were mainly traders, artisans, religious institutions and religious orders.

The Rise to Power

In the world of the gentlemanly, old-fashioned "priests' bank," as Banco Ambrosiano was known, Calvi's hard work and single-mindedness made a very good impression. Within a short time he was made a deputy manager, a rare appointment for a man
in his twenties. During the economic boom of the 1950s, his
linguistic ability made him an important figure in Ambrosiano's
overseas business dealings. In 1956, at the age of 36, Calvi was
made joint manager, which was the highest position his father had
reached in his own career. The younger Calvi was involved in a
number of pioneering ventures that Ambrosiano undertook at that
time -- among them the purchase of a controlling interest in
Banca del Gottardo, later to become one of the largest foreign-
owned banks in Switzerland, and the launching of Italy's first
"mutual fund," Interitalia, which enabled small investors to
participate in the country's stock market. Calvi's personal
dedication and professional success won him the patronage of one
of the bank's senior officials, Carlo Canesi. Canesi was a
difficult man, fussy, pedantic and authoritarian, but he was
destined to rise and Roberto Calvi rose with him.

The tradition of patronage is deeply imbedded in the culture
of Italy, a country dogged by centuries of political instability.
Since the end of the Second World War, Italy has hardly known a
year without a political crisis. A deep mistrust of official
government has led to the development of a sottogoverno, or
"undergovernment," which operates through family networks, the
influence of friends and patrons, and secret organizations. It
is a real, albeit hidden, force in Italian life and finds what is
probably its most potent expression in the Sicilian Mafia.

In 1965, Carlo Canesi became chairman of Banco Ambrosiano and
Roberto Calvi became central manager. He had no real competition
within the bank in his bid for the top, but he did have a real
handicap in his efforts to get there. Canesi's influence counted for a lot, but in order to guarantee his eventual succession to the chairmanship Calvi needed patronage from outside the bank. As one Italian businessman has put it, "In Italy you can't become managing director without having political or economic support from the outside. It's like soccer: the best soccer players are the ones who can kick with both legs. In Italy, you have to be ambidextrous" (Gurwin, 1984, p.8). Calvi's reserve, which always created difficulties in his relations with other people, meant that he had few friends and associates who would be likely to help him.

**Patronage**

Some time around 1967 or 1968, the necessary patronage materialized in the charismatic figure of Michele Sindona, a Sicilian lawyer who had become one of Italy's richest, most influential and best-known financiers. Sindona could vaunt ties with top international political and business associates while at the same time the authorities on both sides of the Atlantic were voicing their suspicions about his Mafia connections. In Sindona's words, "When I met Calvi he was a small manager in the foreign department of Banco Ambrosiano. [But I could see] that Calvi, of everyone in the bank, was the only one who had an international mentality ...[and] a great brain for international operations" (La Stampa, 1982, p.4).

As a patron, Sindona had contacts that were an eclectic and powerful mixture of the apparently unimpeachable and highly
suspect. He had used his expertise as a tax and corporate lawyer to build up a flourishing financial empire and was much in demand in Milan’s business world. He so impressed Giovanni Montini, the Archbishop of Milan, that after Montini was elected Pope Paul VI in 1963 he recommended Sindona as lay financial advisor for IOR (Instituto per le Opere di Religione), the Vatican bank. Sindona became an intimate business partner of IOR, working closely with Archbishop Paul Marcinkus, the Vatican bank’s president. His affairs and those of the Vatican became so intertwined that "It was never altogether clear, whenever Sindona completed one of his spectacular business deals in Italy, whether the deal was Vatican business or Sindona business or both" (Lo Bello, 1982, p. 223). Links with the Vatican were an unbeatable advantage for Sindona. He also flaunted his connections with organized crime and Freemasonry. His banking network was known to launder money from drug trafficking and other Mafia activities, and he was a member of the secret Propaganda 2 lodge, or P2, run by Licio Gelli, a businessman from Tuscany. When Sindona decided to help Roberto Calvi in his career these contacts became Calvi’s own.

Attaining Total Control

When Carlo Canesi retired in 1971, Calvi became managing director of Banco Ambrosiano; the chairmanship was only one promotion away. As number two in the bank Calvi was in a strong position, and he had ambitions for the bank as well as for himself. Banco Ambrosiano had hardly changed in the twenty-five years that Calvi had worked there. It was a small, sleepy bank
in Milan with no pretentions concerning expansion. But Michele Sindona had not taken Calvi on for nothing; they both knew that Banco Ambrosiano had the potential to become a banque d'affaires operating in the stock market as well as taking deposits and making loans. The major problem would be how to circumvent Italy's stringent banking laws, which forbade banks from owning industrial or other non-banking companies. The solution was relatively simple, if irregular, and Sindona was practiced at it. Since the 1950s he had been setting up companies in "fiscal paradises" like Luxembourg and using them to operate in the Italian stock market, thus by-passing Italy's banking, tax and foreign exchange control laws. In late 1970, Banco Ambrosiano bought one of these companies from Sindona, the Luxembourg Company Compendium, which was renamed Banco Ambrosiano Holding (BAH). From that point onward, Calvi used BAH to operate in the Italian market and to control a series of banks and companies overseas. In early 1971 he opened his first foreign bank, Banco Ambrosiano Overseas, in the Bahamas. The new bank was controlled by BAH but the Vatican held a small number of its shares. Archbishop Marcinkus became one of the new bank's directors, and the first links were forged in the chain of dealings between Calvi and the Vatican that was to run so lucratively, yet so damagingly, through the Calvi affair right to its tragic end.

During the next four years, Banco Ambrosiano grew rapidly both within Italy and overseas. It acquired further off-shore controlling companies and more banks, including Banca Cattolica del Veneto, a Venice-based bank that Calvi bought from the Church. He also purchased La Centrale Finanziara, an Italian
holding company, divesting it of its stocks in non-financial companies and replacing them with stocks in banks and insurance companies. Many of these transactions were carried out through the new off-shore banks and companies, a simple tactic that was extremely effective in side-stepping Italy's foreign exchange control laws. Italian shares would be sold to an off-shore company controlled by Banco Ambrosiano. Calvi would then buy them back at an artificially inflated price. The surplus, representing many millions of dollars, remained overseas.

Calvi used the same system to amass shares in Banco Ambrosiano and so consolidate his personal position at the bank. According to Ambrosiano's statutes, no individual was permitted to own more than 5 percent of the shares; anyone with 15 to 20 percent of the stock would in effect have control of the bank. Calvi bought shares through the ghost companies owned by Banco Ambrosiano's foreign subsidiaries and managed by his off-shore holding companies. Through an intricate series of deals designed to camouflage the movement of money and shares, Calvi bought and sold within these companies, exporting lire illegally, evading the Bank of Italy's regulations, and artificially inflating the market value of Banco Ambrosiano's shares. By late 1974, the bank owned a controlling interest in itself, governed by Calvi.

But while Calvi rose in prominence, his patron was facing disaster. In 1972 Michele Sindona purchased a controlling interest in Franklin International, an American bank which, despite its ailing condition, was the twentieth largest bank in the country. Franklin International was hit hard by the worldwide
oil crisis of 1973; there was a run on the bank as depositors withdrew their funds, and this had an overflow effect on Sindona's banks in Milan. At the end of September 1974, shortly after merging his Italian banks, Sindona went bankrupt. Franklin International collapsed less than a fortnight later, the biggest bank failure in U.S. history. The results were devastating for the Milan stock exchange. Before warrants could be issued for his arrest Sindona had fled the country, tipped off by his P2 brother Licio Gelli.

Sindona's protégé Calvi now found himself the natural heir to Sindona's position of influence. The Vatican, which had already benefitted greatly from its investment links with Banco Ambrosiano, was more than ready to regard him as its new financial adviser. Calvi immediately recognized the advantage of having the Church as a business partner and the value of having the "blessing" of the Vatican on his affairs. By 1978, Banco Ambrosiano was an institution of national and international importance. Morale among its employees was extraordinarily high: and accolades and honors, including the title of Cavaliere del Lavoro, a kind of knighthood, were piled on Calvi both by the Italian authorities and by the press. The media made much of him as one of the most dynamic and innovative bankers in the country and gave him the ultimate kudo of a nickname that was to stick permanently: "God's Banker." In this atmosphere of boom and success, Roberto Calvi's succession to the chairmanship was guaranteed. He took over on 19 November 1975, retaining the position of managing director by invitation of the Board of Directors.
Calvi’s Management Style

Roberto Calvi was now fifty-five years old and the head of one of the most important private banks in one of Europe’s leading industrial and commercial cities. Yet, despite his growing prominence in the financial world, he remained unknown to top international bankers and was almost a stranger to the banking community in Milan. He never socialized with his colleagues and delegated members of his staff to attend most functions to which he was invited. His diffidence, reserve and coldness attracted comment. In conversation he seemed unable to look the person he was talking to in the face. After one meeting Giovanni Agnelli, the chairman of Fiat, was heard to exclaim in exasperation, "But how can anyone go through their life looking at the point of their shoes?" (Cornwell, 1984, p. 77). Since his marriage in 1950 Calvi’s life had been divided between his bank and his family, and his two worlds rarely met.

The isolation and secrecy which were always dominant features of Calvi’s behavior increased after he became chairman. It seemed that, far from bringing him the security he had worked so hard for, his new position of prominence brought only new anxieties. One of his biographers, Larry Gurwin (1984), writes that:

Calvi, in spite of his successful career, was a man haunted by fears: fear of showing his emotions, fear of appearing unworldly, fear of divulging his secrets, fear for his physical safety ...the fear that the financial
empire he had constructed so laboriously might be taken away from him (1984, p.31).

The extent of these fears was reflected in the obsessive measures Calvi took to safeguard security at the bank and at his home. His office was isolated from the rest of the building and armed bodyguards checked the identity of all visitors. Doors and windows were fitted with bullet-proof glass, scrambler devices were installed to sabotage any bugs there might have been in the room or telephone system, and Calvi was driven everywhere in armored cars. Forever reluctant to commit anything to paper, he took to carrying sensitive documents around in a locked briefcase which he always kept with him. The strength and control Calvi demonstrated in his business dealings were contradicted by the vulnerability he betrayed in his fears for his safety and that of his family.

The Corporate Culture

Calvi's system of management at Banco Ambrosiano could be described as one of organized ignorance. The different departments within the bank were kept rigidly apart and few people involved in the bank's normal activities knew anything about its overseas business. Furthermore, Calvi had appointed Filippo Leoni, a man paralyzed by his fear of flying, as head of the international department, and Leoni thus never visited the companies he was nominally in charge of. Calvi deliberately obscured the passage of money and shares within the organization through a secret and complex pattern of communications. Thus it
was difficult, if not impossible, to trace the source of instructions. He himself began to speak in an ambiguous, circumlocutory way and avoided giving direct answers to questions wherever possible.

As chairman Calvi was dictatorial. According to a former director of the bank, board meetings

...were only rituals. Calvi would quickly read the minutes, list the credits given ... and ask for approval. And then he would conclude: "If you’d like to read the documents, they’re down there" -- a pile of papers on a table two meters from where we were all sitting (Bagnasco, 1982, p.2).

Associate directors frequently found decisions they had taken in their own departments overruled by their chairman. Calvi never prepared anyone to be his eventual successor, continuing to hold the two most senior positions in the bank. In the words of an Ambrosiano official, "He was number one and there was no number two" (Gurwin, 1984, p. 68). In many ways, Banco Ambrosiano became an extension of Calvi himself, an intricate part of his identity. The success of the bank was inextricably tied to his own survival; the one could not exist without the other. Any loss of control, therefore, would mean personal disaster for Calvi. Despite the talent and initiative he had used in building up the bank, his insecurity led him into errors of judgment and illegal moves that guaranteed its eventual downfall.
Political Alliances

With his steady purchasing of shares and compartmentalized running of the company, Calvi did everything he could to ensure his security within Banco Ambrosiano, but he still felt vulnerable vis-à-vis the outside. In order to gain the political protection he felt he needed, he began to make direct and indirect payments to all the major political parties in Italy and provided loans for most of them. It has been estimated that over 88 billion lire were spent in this way from 1975 onward. Moreover, shortly before he became chairman Calvi had taken a step that he was confident would protect him on all sides. He had accepted Licio Gelli's invitation to become a member of P2.

Calvi's own secretiveness was an indication of the fascination he had throughout his life for secret societies and potere occulto, literally "hidden power," the notion that a lot of manipulation by powerful groups and individuals takes place. This was the darker side of the sottogoverno that Calvi had had a hint of in his contacts with Michele Sindona. Calvi was convinced that the world was run by conspiracies and that only a few nameless persons command and decide. He firmly believed that it was important to have connections and friendships within those circles (Macleod, 1982). He was known to regard Mario Puzo's novel The Godfather, a bestseller which was made into a hugely successful film in the 1970s, as a must to read if one really wanted to understand the way the world functioned. The flip side of this sort of fascination is gullibility, and Calvi was easy prey to people who could play on his preoccupation with
conspiracies. Calvi’s son is said to have remarked on one occasion that his father was naive enough to believe anyone who called someone else a spy (Gurwin, 1984, p.36).

After 1975, Calvi had the protection of Licio Gelli and fellow members of P2 -- although, because P2 was a "closed" or secret lodge, the latter were known by name only to Gelli and a very few others. Essentially Gelli was a fixer, providing favors and protection for some of the most powerful figures in Italian society. P2’s members were drawn from the armed forces, the intelligence services, parliament, the judiciary, and the police, as well as industry, business and the media. From these sources Gelli gathered a vast number of compromising documents, which he used for manipulation and blackmail. Every favor had its price, and Gelli never hesitated to use the information he held to ensure that it was paid. Once embroiled in the favors trade, it was almost impossible to escape from it.

Through Gelli Calvi became involved in a series of imprudent acquisitions, investments, and loans on behalf of Banco Ambrosiano, which suggests that the high price he had to pay for Gelli’s protection was the occasional subordination of the bank’s interests to those of P2. Slowly but inexorably, Calvi’s vulnerability was turning him into a victim of the system that was so fascinating to him. Despite his position of authority and power, he did not have the strength of character or confidence to resist the pressure to indulge in these transactions. It is probable that the chaos of his own internal world made it
impossible for him to judge his own motives and other people's with any clarity.

Signs of Trouble

In 1978, Calvi had the first real indication of how much he might need his highly-placed protectors and, simultaneously, ominous warnings of what might happen if his relations with them went sour. Since his flight from Italy in 1974, Michele Sindona had been single-mindedly campaigning to have the charges of fraudulent bankruptcy against him dropped. From his new base in the United States, he lobbied his former political and financial allies for their support. One of the many who refused to help him was Roberto Calvi. Calvi may have felt that it was too great a risk to be connected with Sindona at that point in time. In addition, he may have thought that, given Gelli's protection, ignoring Sindona represented very little danger. But he had misjudged the situation. Sindona's response was to take up a vendetta against Calvi, publicly exposing what he knew of Calvi's illegal activities in newspaper articles and letters to the Bank of Italy -- even printing a series of posters which were put up all over Milan proclaiming Calvi's "falsification of accounts, embezzlement, exportation of capital and tax fraud" (Sisti & Modalo, 1982, p.27). Despite the intervention of Licio Gelli, the vendetta continued for almost a year. It had no effect on Calvi's standing at Banco Ambrosiano, however, and, apart from increasing the number of his personal bodyguards, Calvi himself was apparently unruffled by it. In spite of the seriousness of the charges Sindona was making against him, Calvi evidently
believed that the greatest threat was to his person rather than to his bank. The following year that illusion was shattered.

For several years, the Bank of Italy had been interested in Calvi's affairs. In November 1978 it published a report on a seven-month inspection of Banco Ambrosiano which detailed all that the investigators had been able to uncover of Calvi's management of the bank, its control by shady foreign companies, and the involvement of the Vatican in a number of questionable deals. The report was handed on to the Foreign Exchange Office and the Italian magistracy, which were to decide if there was sufficient evidence in these findings for criminal proceedings to be undertaken against Calvi and his colleagues. During 1978 and 1979 several of the lawyers involved in investigating Michele Sindona's activities, who now found themselves examining Banco Ambrosiano's affairs as well, received death threats. One, Giorgio Ambrosoli, was shot dead in front of his house by three armed men. The inquiry into Calvi's affairs continued slowly after Ambrosoli's murder and became much less aggressive. As Calvi was well aware, Licio Gelli was using his contacts to obstruct the investigation. But if the Bank of Italy had become more cautious as the result of the warning it had had, the investigations continued nevertheless. Early in 1981 the home of Licio Gelli was raided. With the discovery of a list naming almost one thousand members of P2 and files containing incriminating evidence against most of them, the full extent of Gelli's manipulative and corrupt protection racket was uncovered. The papers on Roberto Calvi provided clear evidence of how Gelli had interfered with the Bank of Italy's investigation of Banco
Ambrosiano. Free of Gelli's obstruction at last, the prosecution proceeded vigorously.

On 20 May 1981, Calvi and eleven other financiers were arrested and charged with currency offenses against Italy's foreign exchange control laws. Calvi was refused bail by the presiding magistrates and imprisoned pending his trial. For the next two months he was questioned closely about a number of suspect transactions he had carried out for Banco Ambrosiano and no less closely about his connections with P2. Meanwhile, his family and a few friends campaigned tirelessly, lobbying the IOR and influential politicians on his behalf. Despite his generosity to all of Italy's major political parties and his close business links with the Vatican, nobody came to Calvi's aid. His sense of betrayal, combined with the violation of his privacy in a small, shared prison cell, made Calvi desperate. On the night of the ninth of July, halfway through his trial, Calvi took an overdose of barbiturates and slashed one wrist. Many, including Calvi's family, thought the suicide attempt had been feigned; however, when his sentence was pronounced almost two weeks later Calvi was still in the hospital recovering from complications stemming from the attempt. His sentence was the heaviest of all those handed down: four years' imprisonment and a fine of more than $10 million.

It is debatable to what extent Calvi had a true criminal temperament. Certainly he did not seem to have anticipated his arrest and conviction and continued to believe that someone would intervene on his behalf and extricate him from his unpleasant
predicament. Moreover, none of the money that was discovered to be missing from Banco Ambrosiano after the final collapse was ever traced to Calvi's personal accounts. During his imprisonment he became very depressed, but his distress grew more from his lack of personal privation and privacy than from guilt or remorse for his illegal activities -- or even recognition of them as such.

On 22 July 1981, Calvi was released from prison pending an appeal. On his release, with a four-year prison sentence hanging over his head, Calvi dismissed his entire trial as the consequence of a rash business deal he had been persuaded to make by Licio Gelli. He allowed himself to believe that his purchase of a leading newspaper had precipitated charges of fraud leveled in reprisal by envious competitors. Within eight days he was back at work, engaging once more in illicit activities despite the fact that the Bank of Italy was obviously watching his every move. A true criminal mastermind would certainly have been more circumspect.

**Efforts at Damage Control**

Calvi's most pressing problem when he returned to work in August 1981 was the loans made through his overseas subsidiaries to his ghost companies in order to buy Banco Ambrosiano shares. Having no real assets themselves, the subsidiaries had exploited the respectability of the parent bank in order to borrow huge sums of money from foreign banks. The loans were in dollars and the shares, bought at well above their real value, were paid for
in lire. As the lira weakened against the dollar, the repayment of these loans became more and more difficult. Calvi's creditors began to press him for payment. Of all the people who had sponsored Calvi in his climb to the top of Banco Ambrosiano, only Archbishop Paul Marcinkus, the president of IOR, was still in a position to help him. In September 1981, Marcinkus provided Calvi with "letters of patronage," pledging IOR's support for Calvi's off-shore companies. The loans made to these companies fell due on the thirteenth of June 1982, and Calvi had nearly a year to raise the money.

He next turned his attention to the public image of his bank, which had suffered badly during his trial. In an attempt to buy credibility, he invited Carlo de Benedetti, chief executive of Olivetti, to invest in Banco Ambrosiano stock and join the bank as deputy chairman. De Benedetti had been described by an associate as open, direct, and relatively apolitical (Kets de Vries & Busetti, 1989). A more unlikely partner for the secretive Calvi is hard to imagine, but De Benedetti accepted the offer. The Financial Times reported that "...most of Italy's establishment is rubbing its eyes with something akin to disbelief" (FT, 29 March, 1982). It was a short-lived alliance. Calvi found De Benedetti's inquisitiveness and high public profile insupportable and within days was reneging on agreements. According to De Benedetti, he "met a wall of rubber" when asking questions (The Economist, 30th January, 1982, p.83). Three months later De Benedetti sold back his shares and left.
It seems strange that Banco Ambrosiano's Board of Directors was willing to consider such an unprecedented alliance with someone outside the company, while the idea of removing Calvi was never seriously considered despite his prison sentence and suicide attempt. However, apart from some initial opposition from Roberto Rosone, the general manager, at the board's first meeting after Calvi's return, his chairmanship was reconfirmed and Rosone was named deputy chairman. The other members of the board were reluctant to challenge their chief.

In mid-February 1982, the Bank of Italy, frustrated by Calvi's refusal to respond to repeated requests for information, wrote directly to Banco Ambrosiano's directors inviting each of them individually to acknowledge the involvement of the bank in foreign operations. The directors were incensed at the implication that they were not doing a proper job and overlooked the suggestion that Calvi was still engaging in questionable activities. Minutes of the board meeting held on the seventeenth of February where the Bank of Italy's letters were discussed record that:

The members of the board for their part declare that not only have no obstacles ever been put in their way...but, on the contrary, they have always received the maximum collaboration -- at every level -- in carrying out their functions (Gurwin, 1983, p.95).

Rosone was less easily satisfied and pressed Calvi for information. He considered resigning, only to be persuaded by
Calvi himself to stay on. Ten days later, Rosone was shot. He survived the attack, albeit badly wounded in both legs. The would-be assassin was killed by Rosone’s bodyguard. The shooting was later discovered to have been arranged by Flavio Carboni, Calvi’s new "fixer" since the flight of Gelli. With De Benedetti’s resignation and the shooting of Rosone, any resistance Calvi might have had from within the bank had disappeared. It looked like it was dangerous not only to one’s career but also to one’s life to show too much curiosity about how the bank worked or too much resistance to its chief.

The Final Days

In spite of this incident, the pressures from the external environment continued unremittingly. By the beginning of June, Calvi’s situation was becoming increasingly desperate. The repayment of the loans on the thirteenth of June could not be met. New regulations for the Italian Stock market demanded that Banco Ambrosiano disclose the identity of its shareholders, publicize accounts, and employ external auditors. Finally, the Bank of Italy had been pursuing investigations into the bank’s overseas activities. On the fourth of June, Calvi received a letter demanding an explanation for loans amounting to $1.4 billion to subsidiary banks in Nicaragua, Peru and the Bahamas. Even his Board of Directors, meeting on the seventh of June, demanded an explanation, as well as the freedom to read bank documents beforehand. Calvi refused, but the matter was put to a vote and he was outvoted by ten to four. It was his first defeat in the seven years he had been chairman and seems to have been
the trigger for his extraordinary behavior during the days that followed.

On the eleventh of June, four days after the board meeting, Calvi disappeared from his Rome apartment. The week-long mystery concerning his whereabouts began. In the middle of that week the loans fell due and Rosone returned to the Vatican to request that it honor its "letters of patronage." Marcinkus's response was to hand Rosone a letter Calvi had written absolving the IOR of any responsibility for the loans. The "letters of patronage" were fraudulent documents that had bought Calvi time but no financial commitment. On the afternoon of the seventeenth of June, the Board of Directors voted to remove Calvi from office and called in the Bank of Italy. That evening Calvi's secretary, Graziella Corrocher, who had been with Banco Ambrosiano nearly as long as Calvi himself, leaped to her death from her office window. She left a note which read, "May God curse Calvi for all the harm he has done to us" (The Observer, 20th June, 1982, p.1). The following morning, Calvi's body was discovered in London.

Loose Ends

The mystery of the final, tragic week of Calvi's life will probably never be solved. At several points during his tortuous trip through Europe to London he telephoned his family and associates, hinting that he was on the verge of completing a deal that would solve all his problems: "Things are going very slowly but they're moving," he told his wife on the sixteenth of June. "...A crazy, marvellous thing is about to explode which could
even help me in my appeal. It could solve everything" (Bagnasco, 1982, p.3). Whether the marvellous deal really existed or whether it was a delusion Calvi had invented to ward off the depressing reality of his position is uncertain. What is certain is that, abandoned by his banking and business colleagues, Calvi felt terribly alone. He had information that could incriminate an entire spectrum of people and organizations, including the IOR and the Vatican, and he lived in a world of violence. He saw threats everywhere and fled like a hunted man, pursued both by external figures and internal ghosts and accompanied by shadowy fixers (Carboni and one of his friends).

On the night of the seventeenth of June, both Calvi’s companions left him to eat out with their girlfriends. It is almost certain that Calvi learned that evening of his loss of the chairmanship, as well as of Graziella Corrocher’s suicide. Alone in a shabby London hotel, forced to face the real consequences of his actions, Calvi disappeared one final time that night.

The jury at the first inquest into his death returned a verdict of suicide. Calvi’s family appealed and a second inquest, held in June 1983, concluded with an open verdict. The family has consistently claimed that Calvi was murdered, although the evidence to support such a claim is purely speculative. Calvi certainly behaved like a man pursued during the last week of his life, but paranoia had long been a feature of his personality.
A great deal was made of the condition of Calvi's body -- the stones in his pockets and the fact that he was discovered under Blackfriars Bridge ("Blackfriars" is the name of a British masonic lodge) seemed to point to a Mafia-style ritual killing. The awkwardness of the position that the body was found in prompted suggestions that it had been brought to the site and suspended after death. Above all, the irrationality of Calvi's behavior and the bizarre nature of the whole affair were contagious. The powerful draw of a mystery that implicated everyone from the Vatican down tended to obscure the facts, and public imagination ran riot.

An inquest into Calvi's death revealed that he had died from asphyxiation due to hanging. No trace of drugs was found in his body, and there were no signs that he had been assaulted or involved in a struggle. He had made a previous suicide attempt serious enough to keep him hospitalized for two weeks. His psychological state had been fragile for some time; his bank was on the verge of collapse; and there was a real danger that he would have to return to prison. He may have been tempted to try to disguise his suicide in order to protect the proceeds of substantial insurance policies which would go to his family.

The truth about the Calvi affair is unlikely ever to emerge, and an open verdict on the death of its principal player is as apt a commentary as any. Murder or suicide, Calvi's death -- such a public end for such a private man -- was the ultimate
expression of the ironies and contradictions that were so much a part of his character.

POSTSCRIPT

Given this descriptive overview of the life of Roberto Calvi, I will now highlight some of the themes which can be deciphered from the "text." In particular, I will pay attention to developmental concerns, diagnostic issues, and problems concerning psychodynamics and organizational dynamics. Given the limited information available about Roberto Calvi, the reader should keep in mind, however, that these comments can only be considered as tentative speculation. My intent is to draw out several broad themes indicated by the material for purposes of demonstration. Of necessity the analysis must remain incomplete.

The Inner Theater

Children develop recognition of and a sense of value for their own feelings by seeing them mirrored in their mother's reactions: if they smile, she then smiles; if they cry, she looks anxious and concerned. They also learn to mirror her emotions: if she looks worried, they will be tense; if she is happy, they will relax. What I am trying to describe is the origin of a stable nuclear self, the elaboration of positive self-esteem. The delighted response of the parents to the child -- the gleam in the mother's eye -- is essential to the child's development. Research indicates that the healthy nuclear self (or a lack of one) grows with the child's interactions with its caretakers.
during infancy. The caretakers can permit the child to value itself realistically and joyfully, mirroring back to the child a sense of self-worth and value, thus creating internal self-respect. A lack of love, excessive criticism or outright hostility on the part of the parents can leave the infant with a profound basic lack of positive self-esteem. The child is prevented from ever seeing itself as a complete human being. This will affect the adult's sense of competence, power, assertiveness and feeling of attractiveness.

There are a number of specific ways this process of development can go wrong (Kohut, 1971; Kohut & Wolf, 1978). Parents can overstimulate the child, flooding him or her with unrealistic fantasies of grandiosity. They can overburden the child with their own emotions, thereby not sufficiently carrying out the necessary soothing function. Understimulation can lead to feelings of deadness, apathy and a sense of being boring to others. The lack of consistent, integrated responses from the parents can lead to a kind of "fragmentation" of the core of the personality, or worse. Hypochondriacal preoccupations, quasi-delusional worries and compartmentalization of emotions, thoughts and actions may come to the fore. A cohesive sense of who one is -- a stable sense of identity -- will be missing.

What exactly occurred during Calvi's infancy we will never know. Whatever it may have been, some form of developmental failure occurred. From the data available we may infer that Calvi's parents were not emotionally demonstrative and were unable to empathize sufficiently with his needs while he was
growing up. As a consequence, their son may have had little exposure to age-appropriate "mirroring;" thus he learned to place little value on the expression of his feelings. Maria Calvi, his mother, appears to have been particularly unsympathetic to the needs and feelings of others. Simple signifiers of this situation include the curbing of her husband's career despite his ambitions and her insistence that her son dress differently from his school peers in spite of their ridicule. Calvi's cold and unemotional disposition implies that he may have learned at a young age how to harden himself: expressing feelings was a reaction not appreciated in his home.

Calvi's father was recognized as an ambitious man, and at times he seems to have taken an active interest in his son's career. He found Roberto his first job in banking and arranged for a friend to take him into Banco Ambrosiano. Given our inference that Roberto lacked a cohesive sense of self, he may have been conforming to his father's and mother's wishes rather than his own. His parents may have been using their son as a proxy in order to achieve their own ambitions.

There is little in his history to indicate what sort of man Giacomo really was, but perhaps Calvi's choice of personalities to emulate is an indicator. Canesi, Sindona and Gelli were strong, dominating characters who obtained information as if by magic. Information gave them power and they were the holders of many secrets. Perhaps this was how Roberto perceived his father, a magical, intrusive, dangerous figure who had secret information, a person to be placated and obeyed. Identifying with
the aggressor" became his way of finding something to hold on to somewhere -- to establish a stable beacon (Freud, 1946). One way of looking at this type of identification is as a possible means of neutralizing the anxiety attached to getting too close to strong authority figures.

But at times Calvi's ambivalence about authority figures would get the upper hand. He may have wanted to be successful and conform to his father's ambitions, but at the same time he may have wanted to destroy his father and his control over him. Indications of these coexisting desires can be seen in Calvi's adult relationships: he worked alongside Canesi, who helped him obtain promotions, while at the same time taking surreptitious steps to ensure he succeeded Canesi at the top; he refused to help Sindona once Sindona's empire began to crumble; and he denounced Gelli during his own trial in an attempt to buy favor from the judges.

The Clinical Picture

There have been objections to assigning individuals to a particular type or category. One common argument has been that classification is dehumanizing. Some people have even looked at it as an attack on the person's uniqueness and integrity. Others have suggested that it may contribute to a mistaken belief that psychopathological syndromes are discrete entities and not positions on a spectrum of possibilities. It has been argued that using classification schemes may only create self-fulfilling prophecies in that persons who are typified may start
to behave accordingly. In spite of these objections, however, it is my belief that the advantages of using classification schemes strongly outweigh the disadvantages. Not only does classification allow for a common frame of reference with other clinicians, summarizing a set of correlated habits, it also alerts others to a range of otherwise unobserved, but often related phenomena. Moreover, classification schemes also facilitate the generation of hypotheses of developmental tracks, as well as about the particular psychodynamics applicable to the individual in question.

Turning back to the case of Roberto Calvi, we can speculate that his bizarre emotional responses and isolated nature are reflective of the schizoid personality -- people who are characterized by detachment, shyness, seclusiveness and avoidance of close contact with others. The data presented indicates that he seems to have had major difficulty in dealing with his emotions. His cold and unresponsive disposition, his avoidance of eye-to-eye contact, and the absence of any outward emotional responses are all clear indicators of this behavior pattern.

Many schizoid personalities manage to function quite well in society. But in fact, they are usually very unhappy people whose distorted view of the world unsettles those around them. They tend to form loose and inconstant relationships and fear involvement, preferring to keep themselves separate from the community at large. Relationships are generally perceived to be dangerous, likely to cause pain and ending in disappointment. And with such an attitude toward life, these expectations are
often confirmed. As schizoid people have the capacity to stir up very mixed feelings, people tend to avoid contact with them; this in turn corroborates the view that relationships are dangerous.

Hand in hand with his inability to form close relationships we can mention Calvi's paranoid inclinations. He was highly suspicious of all his business colleagues, as demonstrated by his secretive activities, his exaggerated fear about his own and his family's safety, his concern about spies and "bugs," and his reluctance to commit anything to paper. His habit of carrying all his documents in his brief-case initially seems to have been an illogical precaution. Of course, with the growth of his illegal activities, it may eventually have been quite realistic to act as he did, due to the fear of being caught. Because he did not trust anyone he was on guard at all times; as his entanglements multiplied, his fears became more understandable.(1)

What added to this attitude of mistrust were a number of key events which took place later in Calvi's life having to do with betrayal the few times he did try to establish some relationship of trust. Actually, Calvi experienced not just one betrayal but a number of them. The first occurred when Sindona's empire collapsed -- Sindona was the man who had shown him the devious route to success. After Sindona's disgrace Calvi became more

1. These were also the years when the Red Brigades meted out their own "punishment" of prominent public figures with kidnappings and assassinations. Calvi (or his family) would have been a perfect target.
suspicious and paranoid, and it is thus not surprising that he agreed to combine forces with Gelli. But Gelli's influence could not halt the course of justice. When Gelli fled the country he abandoned Calvi to the investigative probing of the bank of Italy. The final betrayal was that of the IOR, which provided hollow guarantees for Calvi's loans. The IOR was callously prepared to see him go bankrupt rather than publicly admit involvement.

The constant harassment caused by the investigations and inquiries pursued by the banking authorities added to Calvi's distress. These invasive activities threatened his internal emotional stability as much as his external circumstances. His reactions to questioning during his trial and later when De Benedetti requested more information were bizarre and inappropriate, such as dramatic changes in attitude or erratic outbursts of anger, and illustrated his abhorrence of what he perceived to be intrusive acts.

During his jail term, Calvi's internal turmoil became very pronounced. In this state he made an attempt on his life, which was excused as a moment of weakness by those close to him. The relevance of this act was not fully appreciated. During the last year of his life, in the period between the end of his trial and the due date of the loans, the growing tension and the gradual disintegration of his control were obvious. Calvi's desperation is witnessed in his attempt to gain credibility by hiring De Benedetti.
A schizoid personality with paranoid features is one way of describing Calvi. However, a broader form of personality classification (apart from the DSM III,R) makes a general distinction between neurotic, borderline, and psychotic behavior (Kernberg, 1985). If one accepts that general division, Calvi would likely be classified as a borderline type. Borderlines lack a cohesive sense of self. Their identity is not very stable. This is exemplified by an individual's ability to compartmentalize several "lives." Borderlines often exhibit very contradictory ideas -- profound self-doubt and insecurity coupled with ideas of grandiosity, and feelings of helplessness and powerlessness mixed with a sense of magical omnipotence. Reality testing can be defective, and they may resort to very primitive defense mechanisms. There is the irony of fear of failure and fear of success. An element of the personality (usually unconscious) may be bent on self-destruction, despite the individual's proven intellectual or artistic ability.

Valerio Mazzola, once Calvi's defense lawyer, is said to have cried out in frustration, "How can you defend a client who has two brains?" (Macleod, 1982, p.39). Brain number one had skillfully built up Banco Ambrosiano, while brain number two believed that the world was run by conspiracies. This statement sums up the dualities found in Calvi's personality -- the various (2) We should keep in mind, however, that there are no clear indications that he really experienced a complete psychotic breakdown, except perhaps in the final days of his life when records are incomplete. Most of his life Calvi seemed to have maintained at least some capacity for reality testing and a relative sense of his own identity, contra-indications to a true borderline syndrome.
opposite and contradictory characteristics that differentiated him from other people. He was socially awkward and diffident, yet was a gifted linguist and had a reputation in his profession as a very able negotiator. He was an intelligent and innovative banker, yet was fascinated by intimidation and violence. He was able to work alongside Canesi, who was a forbidding boss, yet began to abuse his own power once he had attained a position of authority. There was a great contrast between Calvi's public self and his private self: for example, the disparity between the impression of strength and control he projected in his business dealings, and the fragile and vulnerable side which his wife witnessed. These different traits appeared to be contained in separate and insular pockets of his personality, so that the over-all impression was of a collection of different characters clustered together within one person. Calvi's was like Pirandello's "characters in search of a playwright." His coldness and isolation were perhaps his means of controlling the conflict created within himself by all those different characters. The way he ran the bank was certainly a reflection of that inner turmoil.

The relationships Calvi did develop seem to have been based on complementary needs using the mechanism of "projective identification" whereby he imagined others as split off parts complementary to himself, a form of vicarious gratification. Calvi's reserve and lack of emotion were thus "countered" by the animated and vivacious personalities of Sindona and Gelli, who had their own special brands of poisonous charm. Clara Calvi and Rosone, whose reactions were more spontaneous and honest,
unconsciously recognized Calvi's dependence on them for expression of feelings which he could not himself convey. Their recognition of this vulnerable side of his nature prevented them from deserting him, although Clara had admitted to difficulties in their marriage and Rosone was persuaded by Calvi himself not to abandon Banco Ambrosiano.

The notion that Calvi was the mastermind behind the bank scandal is questionable. It is more likely that, given his personality make-up, he was a victim of circumstances to a greater or lesser degree. We should not forget that the culture of Italian business was rife with violence, intimidation and corruption. Using the system of patronage must have seemed to Calvi to be a matter of course, indeed, a providential means of freeing himself from the limitations of his social status. It must have been important to him emotionally, albeit unconsciously, to negate in this way the social distinction his mother had inflicted on him. At least equally important was the means provided to break free of the frustrating limits his mother had imposed on his father's career, of which the young Calvi must certainly have been aware. These highly personal emotional needs coincided with the social reality of the system in Italy. They also blinded Calvi to the possible consequences of getting involved in such a system and allowed him to preserve the fantasy of patronage as a positive tool in his rise within the bank.

Calvi was exposed to opportunities and influences which required a strong personality to resist. Although a gifted man with a sharp intellect and the ability to apply his mind to
problems without the "contamination" of emotional considerations, his lack of involvement in his environment and his shaky identity reduced his ability to monitor situations and foresee the implications of his actions. The shortcomings of his personality and his psychological make-up prevented him from facing the reality of those actions, judging with clarity the intentions of his associates, and extricating himself from corrupting influences. Given the tolerance of the patronage system within Italian society at large, it would have taken exceptional strength.

Calvi's earlier mentioned ability to split his feelings, actions, and thoughts into separate, "water-tight" compartments aggravated his predicament. His capacity for using primitive defense mechanisms such as splitting, denial, projection, projective identification, and negation was extraordinary. An outstanding example of this was his return to work immediately after his trial and subsequent release from jail: he continued to use the same illegal banking methods for which he had been condemned. Another example was his denunciation of Gelli during the trial. One can interpret such action as being extremely reality bound. On the other hand, the disavowal of his own role allowed him to preserve the fantasy of his innocence. This illogical behavior illustrates the fact that personality defects contributed to Calvi's actions. Such defects do not, of course, excuse criminal behavior.
The secretive and complex network of communication Calvi set up at the bank and the rigid separation and isolation of the different parts of the organization can be viewed as a mirror of his own internal disharmony and divided inner world. Under situations of stress, an individual may experience heightened confusion which can erode the reality-fantasy boundary and reality testing may be impaired. This was certainly the case with Calvi as time passed. The transfer of such internal turmoil onto others may result in external, organizational chaos. This would seem to have been the situation created by Calvi at Banco Ambrosiano.

Calvi had always struggled to keep the external world from invading him, yet he may have feared isolation and the abandonment experienced in his intrapsychic theater. He could not tolerate the closeness which accompanied the threat of merging with external "objects" (meaning important others), as this would jeopardize his fragile identity. On the other hand, he could not tolerate separation because of the feeling that he was being deserted. Many of his business relationships had sadomasochistic overtones. Frequently, there was no trust or loyalty in the collaboration -- each party was bound to the others by hate and an over-riding need for control.

Calvi's inability to form empathic relationships meant that his colleagues and subordinates were discouraged from getting close to him. His unwillingness to offer an indication of his
own internal state (whether he was happy, pleased, angry or disappointed) meant that other people could project their own interpretation of his emotions onto his response (Kets de Vries, 1989a). Most people wanted to see their leader as a strong, clear-headed and stable character and mistook his lack of reaction to indicate just that. The end result was that many of his associates did not question his decisions or his instructions, but complied willingly. Few imagined that he was unable to cope with the stress of his position. Those who attempted to advise him found it impossible to discuss issues of importance because Calvi was unimpressed by emotional considerations and withheld a lot of information. People who did not admire him and accept him the way he was often disliked him outright. Agnelli's and De Benedetti's response was the latter, whereas Calvi's Board of Directors and Rosone took a long time to accept the idea that he was withholding information from them. His dispassionate attitude enabled him to sustain a ruthless negotiating position, which was formidable in business relationships. He managed to be perceived as a strong leader who commanded compliance without question, an enigma around whom mysteries, rumors and idealizations could be formed without contradiction. In Calvi's case the transferential aspects of leader-follower interaction were certainly operative.

Paradoxically, Calvi's impressionable side led him to fall prey to the influence of those he held in awe. That he was impressed by titled people can perhaps be traced back to the time he spent at the fashionable school. Also he must have considered the patronage of the Vatican as infallible. It is certainly true
that the bank took much comfort from the "letters of patronage" during the final year of struggle and the Board of Directors never questioned their value.

Another indication of the way this emotional consideration directly affected the bank's culture was Rosone's experience with loan arrangements. He attempted to evaluate requests on the basis of standard financial risk, but he was overruled by Calvi. Calvi's decisions were based on the reputation and social standing of the clients and proved financially unsound. Despite his impaired organizational ability in this case, Calvi was boss. Subordinates consequently learned to adopt his value system as far as loan decisions were concerned or became frustrated and moved on.

The impressionable aspect of his personality notwithstanding, it was Calvi's secretive and insular style of operating which kept him in a position of superiority. It was very noticeable that he did not trust anyone. Thus he established a network of communication within his financial empire which ensured that individuals received the facts essential to carry out their own jobs, but not to understand the working of the whole system. Anyone exhibiting too much curiosity was discouraged by expulsion or violence, as seen with De Benedetti and Rosone. Even Calvi's family was excluded from confidence. The facility to divide and separate activities into insulated compartments formed a defense for the organization as much as for Calvi. Those who suspected that the bank's activities were unlawful could claim ignorance. Others were unsuspecting and unquestioning and were willing to
function within narrow parameters. Individuals who disliked this environment did not receive promotions and eventually moved on to other organizations. Therefore Calvi did not face the resistance or challenge from work associates that might have prevented him from becoming embroiled in illegal actions.

We have seen how paranoid anxiety and mistrust went hand-in-hand with Calvi's secretive nature. His fears kept him on the defensive all the time. He expected an attack from the outside, and his elaborate precautions for his own safety led those who worked with him to believe that they too were vulnerable. As a result, a detached, suspicious culture developed in the bank (Kets de Vries & Miller, 1984, 1987b). The organization seemed to have become internally directed to the extreme, with insufficient scanning of the external environment and self-imposed barriers to the free flow of information. An organizational culture had developed where people jockeyed for power, and attack and withdrawal ("fight and flight") became the order of the day. Strategy making had turned secretive and became increasingly characterized by indecisiveness.

Paradoxically, because of the fight-flight culture Calvi was sometimes able to unite the staff to form a closed group, focusing their attention outside their own walls on an external "enemy" and thus blinding them to the pending disaster in their own midst.

Calvi's limited insight and faulty reality testing so permeated the organization that the Board of Directors actually
did not realize the situation was not as Calvi had presented it.
When the full impact of the scandal broke, the bank was left with
few resources for survival. Since Calvi's arrest depositors had
been withdrawing their money, a fact which was not apparent
because of the complex communication system. By the time the
Board of Directors called in the commissioners the bank was
already insolvent.

Calvi had not been able to imagine the bank without himself
at its head and therefore had not provided a line of succession.
Nor had he made any contingency plans for his absence, even after
the time he had already spent in prison and with the remainder of
his sentence approaching. The Board of Directors had not
confronted him with this issue either. When Calvi disappeared
they were leaderless and lost.

CONCLUSION

From this analysis of the Calvi affair we see how clinical
concepts can be used to understand better the dynamics of
leadership and, in particular, the connections between the
individual's motives and emotions, leader behavior and
organizational consequences. Roberto Calvi as "tragic hero" has
introduced us to a world of psychic conflict translated into a
specific leadership style. A clinical approach, using the body
of concepts and theory taken from psychoanalysis and dynamic
psychiatry, has allowed us to trace the transformation of his
unreflected ambitions and frustrated attempts at self-realization
into unsound decision-making methods and illicit empire-building
tactics, indeed, into a world of fantasy which Calvi himself did not recognize as such and which he succeeded in imposing on only-too-willing subordinates. The link is made between Calvi’s emotional needs and the opportunities he found to fulfill those needs in the society in which he lived.

The clinical method may further our insight into how to give leaders constructive outlets for their creative impulses but also how to create checks and balances against their destructive sides in light of the impact they can have on society at large. The Calvi case illustrates several such possibilities, notably as concerns the need for structures which would have guaranteed the presence of dissenting voices within this tragic hero’s organization.
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