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Mark Stein PhD is a Senior Lecturer in Leadership and Organizational Behaviour at Imperial College Business School, Imperial College London. His doctorate on envy in groups and organizations was supervised by Anton Obholzer, Eric Miller and Keith Grint. He has also spent many years, before and after his doctorate, studying at the Tavistock Clinic. He has a long-standing interest in the psychoanalytic study of leadership, groups and organizations and has undertaken many years of research, consultancy, coaching and teaching using these ideas. He has held Research Fellowships at Brunel University and the London School of Economics, and been a Researcher and Consultant at the Tavistock Institute. He has held visiting or associate posts at the Tavistock Clinic; London Business School; Sumbershire, Singapore; the Helsinki University of Technology; and INSEAD, France. His publications include two edited books and numerous journal articles. He received an Emerald Citation of Excellence for his paper on 'critical period of disasters' (published in *Human Relations* in 2004) and the Richard Normann Prize for an article on 'toxicity' in organizations (published in *Organization Studies* in 2007).

**Masters of the Universe:
A Culture of Narcissism and the Incubation
of the 2008 Credit Crisis**

While the idea of a culture of narcissism is already established in the literature, I argue that this concept can be extended and further elaborated. Drawing on psychoanalytic writing in the Kleinian tradition, I develop the ideas of unconscious triumphalism and manic denial as facets that are central to narcissistic culture.

I then apply this argument to financial markets and the 2008 credit crisis in particular. While many commentators have emphasised the role of a wide range of parties and institutions – such as banks, hedge-funds, ratings-agencies, regulators, auditors and governments – in the lead up to the financial crisis, the activities of these parties raise the deeper question of the cultural changes that had taken place that led many, more or less simultaneously, to be implicated in such unprecedented and extreme risk-taking.

I argue therefore that this deeper question should have its locus at the level of the profound changes in culture – a three-decade long 'incubation period' – that occurred in capitalist society in which many colluded. Central to these changes in culture were narcissistic feelings that – in spite of evidence to the contrary – capitalism has won the war against boom and bust in financial markets and that a rosy future could be guaranteed.

Further, I argue that unconscious triumphalism and manic denial played a pivotal role in exacerbating this narcissistic culture. This argument focuses on the substantial increase in omnipotent risk-taking when other cultures were seen to fail; the development of stories or accounts that spoke of a bountiful 'new economy' of endless success; and the dismantling and subversion of regulatory and other apparatuses that were warning of the imminent implosion of the markets. I argue that the development of this narcissistic culture – in which unconscious triumphalism and manic denial played key roles – led inexorably to the credit crisis of 2008.