LAW 12

USE SELECTIVE HONESTY AND GENEROSITY TO DISARM YOUR VICTIM

JUDGMENT

One sincere and honest move will cover over dozens of dishonest ones. Open-hearted gestures of honesty and generosity bring down the guard of even the most suspicious people. Once your selective honesty opens a hole in their armor, you can deceive and manipulate them at will. A timely gift—a Trojan horse—will serve the same purpose.

OBSERVANCE OF THE LAW

Sometime in 1926, a tall, dapperly dressed man paid a visit to Al Capone, the most feared gangster of his time. Speaking with an elegant Continental accent, the man introduced himself as Count Victor Lustig. He promised that if Capone gave him $50,000 he could double it. Capone had more than enough funds to cover the “investment,” but he wasn’t in the habit of entrusting large sums to total strangers. He looked the count over: Something about the man was different—his classy style, his manner—and so Capone decided to play along. He counted out the bills personally and handed them to Lustig. “Okay, Count,” said Capone. “Double it in sixty days like you said.” Lustig left with the money, put it in a safe-deposit box in Chicago, then headed to New York, where he had several other money-making schemes in progress.

The $50,000 remained in the bank box untouched. Lustig made no effort to double it. Two months later he returned to Chicago, took the money from the box, and paid Capone another visit. He looked at the gangster’s stony-faced bodyguards, smiled apologetically, and said, “Please accept my profound regrets, Mr. Capone. I’m sorry to report that the plan failed... I failed.”

Capone slowly stood up. He glowered at Lustig, debating which part of the river to throw him in. But the count reached into his coat pocket, withdrew the $50,000, and placed it on the desk. “Here, sir, is your money, to the penny. Again, my sincere apologies. This is most embarrassing. Things didn’t work out the way I thought they would. I would have loved to have doubled your money for you and for myself—Lord knows I need it—but the plan just didn’t materialize.”

Capone sagged back into his chair, confused. “I know you’re a con man, Count,” said Capone. “I knew it the moment you walked in here. I expected either one hundred thousand dollars or nothing. But this... getting my money back ... well.” “Again my apologies, Mr. Capone,” said Lustig, as he picked up his hat and began to leave. “My God! You’re honest!” yelled Capone. “If you’re on the spot, here’s five to help you along.” He counted

out five one-thousand-dollar bills out of the $50,000. The count seemed stunned, bowed deeply, mumbled his thanks, and left, taking the money.

The $5,000 was what Lustig had been after all along.

FRANCESCO BORRI, COURTIER CHARLATAN

Francesco Giuseppe Borri of Milan, whose death in 1695 fell just within the seventeenth century ... was a forerunner of that special type of charlatanical adventurer, the courtier or "cavalier" impostor.... His real period of glory began after he moved to Amsterdam. There he assumed the title of Medico Universale, maintained a great retinue, and drove about in a coach with six horses.... Patients streamed to him, and some invalids had themselves carried in sedan chairs all the way from Paris to his place in Amsterdam. Borri took no payment for his consultations: He distributed great sums among the poor and was never known to receive any money through the post or bills of exchange. As he continued to live with such splendor, nevertheless, it was presumed that he possessed the philosophers' stone. Suddenly this benefactor disappeared from Amsterdam. Then it was discovered that he had taken with him money and diamonds that had been placed in his charge.

THE POWER OF THE CHARLATAN, GRETE DE FRANCESCO, *1939*

Interpretation

Count Victor Lustig, a man who spoke several languages and prided himself on his refinement and culture, was one of the great con artists of modern times. He was known for his audacity, his fearlessness, and, most important, his knowledge of human psychology. He could size up a man in minutes, discovering his weaknesses, and he had radar for suckers. Lustig knew that most men build up defenses against crooks and other troublemakers. The con artist's job is to bring those defenses down.

One sure way to do this is through an act of apparent sincerity and honesty. Who will distrust a person literally caught in the act of being honest? Lustig used selective honesty many times, but with Capone he went a step further. No normal con man would have dared such a con; he would have chosen his suckers for their meekness, for that look about them that says they will take their medicine without complaint. Con Capone and you would spend the rest of your life (whatever remained of it) afraid. But Lustig understood that a man like Capone spends his life mistrusting others. No one around him is honest or generous, and being so much in the company of wolves is exhausting, even depressing. A man like Capone yearns to be the recipient of an honest or generous gesture, to feel that not everyone has an angle or is out to rob him.

Lustig's act of selective honesty disarmed Capone because it was so unexpected. A con artist loves conflicting emotions like these, since the person caught up in them is so easily distracted and deceived.

Do not shy away from practicing this law on the Capones of the world. With a well-timed gesture of honesty or generosity, you will have the most brutal and cynical beast in the kingdom eating out of your hand.

Everything turns gray when I don't have at least one mark on the horizon. Life then seems empty and depressing. I cannot understand honest men. They lead desperate lives, full of boredom.
Count Victor Lustig, 1890-1947

KEYS TO POWER

The essence of deception is distraction. Distracting the people you want to deceive gives you the time and space to do something they won't notice. An act of kindness, generosity, or honesty is often the most powerful form of distraction because it disarms other people's suspicions. It turns them into children, eagerly lapping up any kind of affectionate gesture.

In ancient China this was called "giving before you take"—the giving makes it hard for the other person to notice the taking. It is a device with infinite practical uses. Brazenly taking something from someone is dangerous, even for the powerful. The victim will plot revenge. It is also dangerous simply to ask for what you need, no matter how politely: Unless the other person sees some gain for themselves, they may come to resent your neediness. Learn to give before you take. It softens the ground, takes the bite out of a future request, or simply creates a distraction. And the giving can take many forms: an actual gift, a generous act, a kind favor, an "honest" admission—whatever it takes.

Selective honesty is best employed on your first encounter with someone. We are all creatures of habit, and our first impressions last a long time. If someone believes you are honest at the start of your relationship it takes a lot to convince them otherwise. This gives you room to maneuver.

Jay Gould, like Al Capone, was a man who distrusted everyone. By the time he was thirty-three he was already a multimillionaire, mostly through deception and strong-arming. In the late 1860s, Gould invested heavily in the Erie Railroad, then discovered that the market had been flooded with a vast amount of phony stock certificates for the company. He stood to lose a fortune and to suffer a lot of embarrassment.

In the midst of this crisis, a man named Lord John Gordon-Gordon offered to help. Gordon-Gordon, a Scottish lord, had apparently made a small fortune investing in railroads.

By hiring some handwriting experts Gordon-Gordon was able to prove to Gould that the culprits for the phony stock certificates were actually several top executives with the Erie Railroad itself. Gould was grateful. Gordon-Gordon then proposed that he and Gould join forces to buy up a controlling

interest in Erie. Gould agreed. For a while the venture appeared to prosper. The two men were now good friends, and every time Gordon-Gordon came to Gould asking for money to buy more stock, Gould gave it to him. In 1873, however, Gordon-Gordon suddenly dumped all of his stock, making a fortune but drastically lowering the value of Gould's own holdings. Then he disappeared from sight.

Upon investigation, Gould found out that Gordon-Gordon's real name was John Crowningsfield, and that he was the bastard son of a merchant seaman and a London barmaid. There had been many clues before then that Gordon-Gordon was a con man, but his initial act of honesty and support had so blinded Gould that it took the loss of millions for him to see through the scheme.

A single act of honesty is often not enough. What is required is a reputation for honesty, built on a series of acts—but these can be quite inconsequential. Once this reputation is established, as with first impressions, it is hard to shake.

In ancient China, Duke Wu of Chêng decided it was time to take over the increasingly powerful kingdom of Hu. Telling no one of his plan, he married his daughter to Hu's ruler. He then called a council and asked his ministers, "I am considering a military campaign. Which country should we invade?" As he had expected, one of his ministers replied, "Hu should be invaded." The duke seemed angry, and said, "Hu is a sister state now. Why do you suggest invading her?" He had the minister executed for his impolitic remark. The ruler of Hu heard about this, and considering other tokens of Wu's honesty and the marriage with his daughter, he took no precautions to defend himself from Cheng. A few weeks later, Chêng forces swept through Hu and took the country, never to relinquish it.

Honesty is one of the best ways to disarm the wary, but it is not the only one. Any kind of noble, apparently selfless act will serve. Perhaps the best such act, though, is one of generosity. Few people can resist a gift, even from the most hardened enemy, which is why it is often the perfect way to disarm people. A gift brings out the child in us, instantly lowering our defenses. Although we often view other people's actions in the most cynical light, we rarely see the Machiavellian element of a gift, which quite often hides ulterior motives. A gift is the perfect object in which to hide a deceptive move.

Over three thousand years ago the ancient Greeks traveled across the sea to recapture the beautiful Helen, stolen away from them by Paris, and to destroy Paris's city, Troy. The siege lasted ten years, many heroes died, yet neither side had come close to victory. One day, the prophet Calchas assembled the Greeks.

Image: The Trojan Horse. Your guile is hidden inside a magnificent gift that proves irresistible to your opponent. The walls open. Once inside, wreak havoc.

"Stop battering away at these walls!" he told them. "You must find some other way, some ruse. We cannot take Troy by force alone. We must find some cunning stratagem." The cunning Greek leader Odysseus then came up with the idea of building a giant wooden horse, hiding soldiers inside it, then offering it to the Trojans as a gift. Neoptolemus, son of Achilles, was disgusted with this idea; it was unmanly. Better for thousands to die on the battlefield than to gain victory so deceitfully. But the soldiers, faced with a choice between another ten years of manliness, honor, and death, on the one hand and a quick victory on the other, chose the horse, which was promptly built. The trick was successful and Troy fell. One gift did more for the Greek cause than ten years of fighting.

Selective kindness should also be part of your arsenal of deception. For years the ancient Romans had besieged the city of the Faliscans, always unsuccessfully. One day, however, when the Roman general Camillus was encamped outside the city, he suddenly saw a man leading some children toward him. The man was a Faliscan teacher, and the children, it turned out, were the sons and daughters of the noblest and wealthiest citizens of the town. On the pretense of taking these children out for a walk, he had led them straight to the Romans, offering them as hostages in hopes of ingratiating himself with Camillus, the city's enemy.

Camillus did not take the children hostage. He stripped the teacher, tied his hands behind his back, gave each child a rod, and let them whip him all the way back to the city. The gesture had an immediate effect on the Faliscans. Had Camillus used the children as hostages, some in the city would have voted to surrender. And even if the Faliscans had gone on fighting, their resistance would have been halfhearted. Camillus's refusal to take advantage of the situation broke down the Faliscans' resistance, and they surrendered. The general had calculated correctly. And in any case he

had had nothing to lose: He knew that the hostage ploy would not have ended the war, at least not right away. By turning the situation around, he earned his enemy's trust and respect, disarming them. Selective kindness will often break down even the most stubborn foe: Aiming right for the heart, it corrodes the will to fight back.

Remember: By playing on people's emotions, calculated acts of kindness can turn a Capone into a gullible child. As with any emotional approach, the tactic must be practiced with caution: If people see through it, their disappointed feelings of gratitude and warmth will become the most violent hatred and distrust. Unless you can make the gesture seem sincere and heartfelt, do not play with fire.

Authority: When Duke Hsien of Chin was about to raid Yü, he presented to them a jade and a team of horses. When Earl Chih was about to raid Ch'ou-yu, he presented to them grand chariots. Hence the saying: "When you are about to take, you should give." (Han-fei-tzu, Chinese philosopher, third century B.C.)

REVERSAL

When you have a history of deceit behind you, no amount of honesty, generosity, or kindness will fool people. In fact it will only call attention to itself. Once people have come to see you as deceitful, to act honest all of a sudden is simply suspicious. In these cases it is better to play the rogue.

Count Lustig, pulling the biggest con of his career, was about to sell the Eiffel Tower to an unsuspecting industrialist who believed the government was auctioning it off for scrap metal. The industrialist was prepared to hand over a huge sum of money to Lustig, who had successfully impersonated a government official. At the last minute, however, the mark was suspicious. Something about Lustig bothered him. At the meeting in which he was to hand over the money, Lustig sensed his sudden distrust.

Leaning over to the industrialist, Lustig explained, in a low whisper, how low his salary was, how difficult his finances were, on and on. After a few minutes of this, the industrialist realized that Lustig was asking for a bribe. For the first time he relaxed. Now he knew he could trust Lustig: Since all government officials were dishonest, Lustig had to be real. The man forked over the money. By acting dishonest, Lustig seemed the real McCoy. In this case selective honesty would have had the opposite effect.

As the French diplomat Talleyrand grew older, his reputation as a master liar and deceiver spread. At the Congress of Vienna (1814-1815), he would spin fabulous stories and make impossible remarks to people who knew he had to be lying. His dishonesty had no purpose except to cloak the moments when he really was deceiving them. One day, for example, among friends, Talleyrand said with apparent sincerity, “In business one ought to show one’s hand.” No one who heard him could believe their ears: A man who never once in his life had shown his cards was telling other people to show theirs. Tactics like this made it impossible to distinguish Talleyrand’s real deceptions from his fake ones. By embracing his reputation for dishonesty, he preserved his ability to deceive.

Nothing in the realm of power is set in stone. Overt deceptiveness will sometimes cover your tracks, even making you admired for the honesty of your dishonesty.