The case for CEO term limits

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Successful leaders are, over time, susceptible to hubris, arrogance, even psychopathy. One solution? Give their jobs an expiration date.

By Ian Mount

FORTUNE -- It is a leadership truism that CEOs and presidents are arrogant psychopaths. Recent studies have found that half of U.S. Presidents experienced some kind of mental illness, with many of them (and U.K. Prime Ministers) suffering from "Hubris syndrome."

But it may be those illnesses that make these leaders persuasive, charming, and focused in the first place. As author Kevin Dutton writes in his book, The Wisdom of Psychopaths (reviewed here in Fortune), "Psychopaths appear, through some Darwinian practical joke, to possess the very personality characteristics that many of us would die for."

But how did they get that way, and how can the countries and companies they lead channel their psychopathy to noble ends?

In their recently published book, titled Som una espècie violenta? (Are We a Violent Species?), David Bueno i Torrens, a professor of genetics at the University of Barcelona, and five other members of the Barcelona-based interdisciplinary neuroscience group known as the "Cervell de Sis" ("Brain of Six" in Catalan) emphasize the role of biology in aggressiveness and psychopathy, and, in the process, offer insight into what these qualities mean to organizations and leaders.

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The group put together the book after noting that, despite all the effort being put into addressing the social causes of violence, incidence rates of social ills like domestic violence were barely budging. "We thought that social aspect was one side of the coin, but lacked the biological aspect," Bueno says.

Bueno draws a distinction between violence, which implies an understanding that one is inflicting harm on someone else, and aggressiveness, which is an emotion. "Aggressiveness is a response to a particular situation," he says. "When we find ourselves in a dangerous situation, we have three responses: to flee, to freeze, or to defend ourselves. This third is aggressiveness. Without aggressiveness, no species can survive."

Aggressiveness is not only necessary for survival, he notes, but also to become a leader. "Human systems inspire pyramids, and to get to the top requires competition," he says. "That implies a certain amount of aggressiveness."

The predisposition to aggressiveness is mixed with that for creativity and impulsiveness -- more than 30 genes that affect aggressiveness have been identified, Buenos says -- thus creating the classic profile of the leader

But the brain is not static. Once people with a leader's mix of aggressiveness, creativity, and impulsiveness get to the corner office, power actually does corrupt them -- physically.

"Many leaders adapt to power, and the parameters change. There are studies where one can see changes on the neural-
hormonal level. And the leaders get colder, more distant, less empathetic," Bueno says.

This loss of empathy is not necessarily bad for a leader, to a point. Diminished empathy – one definition of psychopathy – allows a person to make decisions without worrying about every constituent or employee's feelings.

"Being less empathetic is a means of adaptation. If you have to lead a group, you never lead in a way that everyone likes," Bueno says. "If you allow those who do not agree with you to affect policies that benefit a majority, you're not good.

"A certain grade of psychopathy can help a leader in the sense that he's not always asking the same questions to keep the whole world happy."

The problem is that when such behavior reaches an excessive level, psychopathy leads to the kind of arrogance that defines fallen, once-great leaders, like the heads of banks who kept ill-thought policies in place -- despite contrary evidence and advice -- in the run up to the 2008 financial collapse.

"Over time, you perceive the desires of the people you are leading less," Buenos says.

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So how does a nation or company avoid the dangers of tone-deaf leaders? For Bueno, it's as simple as making finite the time that leaders spend close to power's flame. In other words: term limits.

"That's why many constitutions -- even if it was done in an unconscious form -- have a limit of two consecutive terms [for presidents]," he says. "That's one way of limiting those changes, so a person doesn't end up being excessively arrogant."

Some companies, like Deloitte, do impose time limits on their CEO and chair roles (at Deloitte's, those roles are limited to two consecutive four-year terms). Whether that model would work at other companies is open to debate, but considering the damage wrought by hubristic leaders during the recent financial crisis, it's worth considering.

"It's good to not be so many years in one leadership post," says Bueno. "No one should be eternal in power."