

THE COURAGE ECONOMY

WHY COMPANIES LIE
AND HOW TO CHANGE YOURS

BY THANE BELLOMO

A READER'S SAMPLE

Before you begin

Thank you for taking a few minutes with this book.

What follows is the opening of *The Courage Economy* (the Preface, the Introduction, and Chapter 1), followed by the book's final chapter. Together they show where the book starts and where it lands: why most organizations quietly run on lies, what that costs, and what becomes possible when leaders choose courage over comfort.

If something here rings true, or doesn't, I would be grateful for an honest review on Amazon. Reviews are how a book like this finds the leaders who need it.

— *Thane*

Preface	The Outward Bound story
Introduction	The \$400,000 lie
Three Organizational States	Comfort, Lie, Courage
Chapter 1	The Organizational Lie Economy
Chapter 20	The End

*"It is not enough to ask people to be courageous.
You must design the work so that courage is
required."*

P R E F A C E

When I was 17 years old, my parents sent me on a wilderness survival course called Outward Bound. I was your typical teenager who was struggling to get it together in high school, and I think they thought it would be good for me to get away from friends they believed were a bad influence.

I did not want to go. I had too many parties to attend and too many fun things to do with my “questionable” friends. But my parents were clear: I was going whether I wanted to or not. I would spend four weeks in the Adirondack mountains with twelve other teens and two instructors to guide us.

After the long trip to the wilderness of upstate New York, we arrived at the staging area. Kids and parents milled around a parking lot with mountainous peaks in the background. It was hot.

There were people sorting a huge pile of backpacks, tents, and food — all the things you would expect to take on a thirty-day trek into the wilderness. I looked for the kids I would be traveling with. I saw a girl who couldn’t have been more than 5 feet tall with short brown hair, a tall, kind-faced guy in a stretched-out tank top, and a dude in sports attire who looked like a linebacker ready to attack the mountains like an opposing team.

Would they be cool? Would they be jerks? I didn’t know. I’d never done anything like this before. I was nervous.

Before long, our instructors gathered us together and gave us a pep talk. They said we would have fun, learn a lot, and suffer.

Huh? I didn't know suffering would be involved...

Backpacking, canoeing, rock climbing — that all sounded like fun. But I was not expecting to suffer. I was rethinking the level of resistance I had mounted against my parents when they brought up this harebrained idea. But nothing was to be done about it now.

And so, we began.

Everyone in the group was out of sorts. And like any group of people who didn't know each other, we each dealt with our nervousness and discomfort in our own way.

One guy bragged he was an expert camper. A girl was quiet and looked down when anyone talked to her. Another guy was animated and talkative, as if talking through his nerves would make them go away.

I didn't say much.

Over time, we began to realize what the instructors meant when they said we would suffer. We carried 50-pound packs up steep mountains in 90-degree heat. I carried a 100-pound canoe by myself for miles while mosquitoes swarmed me. We ate a diet of nuts and twigs, washed down with stream water purified with iodine tablets.

It was miserable and I wanted nothing more than to go home.

But in the midst of that suffering, something began to happen. In the struggle to keep going when every part of our bodies wanted to shut down, we were revealed to be exactly who we really were. The braggart ended up being a decent guy. He boasted to hide his insecurities, but he was strong and kept us going when we all wanted to quit.

When I collapsed under the weight of my pack in the oppressive heat, the small, shy girl pulled the tent out of my pack and put it in

her own. Then she literally pulled me up off the ground and told me to “Move my ass.”

The struggle revealed us. The struggle burned away all pretense, all fakery, everything we used to hide our weaknesses and fears. We could see right through each other. And we loved each other for it.

When the program ended, we walked back into the staging area from whence we came proud, strong, and easily hefting our 50-pound packs. We laughed like friends who had known each other for a lifetime. But we all knew too that our time together was coming to a close.

At the beginning, I was scared and wanted only to escape. At the end, I wanted nothing more than to stay. How could we leave each other? The struggle to survive had made us an actual community: people with different backgrounds, different experiences, who deeply cared about one another and would not let each other fail.

I will admit that I cried at our parting.

Those four weeks were one of the most beautiful and satisfying experiences of my life. And I’ve spent thirty years trying to understand why.

Why do some groups of people accomplish extraordinary things together, but most do not? It’s a question that’s haunted my professional career.

What I have come to believe is that the struggle is the point. The struggle is the thing that creates trust. The struggle is the thing that creates community. The struggle is the thing that burns away all the lies and pretense that get in the way of accomplishing extraordinary things.

I've also realized that organizations can be designed like this. We can purposely design how our organization is built and how it functions so that the struggle to accomplish important work together creates a virtuous cycle of flourishing for both the organization and for the people who work in it.

And that through this struggle we can create a community where people are driven to be honest because after what they have been through, they cannot lie to each other.

When people perform genuinely hard and important work together, something changes. They stop performing and hiding because they are quickly revealed for who they are. Their machinations are open for all to see. After what they've been through together, they can't lie to each other anymore. That is what drives the organization to accomplish important things.

This is the Courage Economy.

I N T R O D U C T I O N

"... all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed."

— Thomas Jefferson

I once watched a leadership team spend \$400,000 implementing a performance management system they knew wouldn't work. They knew it because the line leaders had told them explicitly in the planning meetings.

But the executive team had already announced it was coming. So, they lied to themselves and they lied to each other. They lied to the organization.

"This will transform how we develop talent," they said. Everyone nodded, knowing that it wasn't true.

The system failed within eighteen months. The lie had already done its damage.

This dishonest dance occurs everywhere. I have worked with many organizations, big and small, and these sorts of lies pervade all of them.

Most organizations operate in what I call the Lie Economy. Small lies are its currency. "This is really important," "We value your input," "Bring your whole self to work." These lies seem harmless and maybe even necessary, but like any debt, they compound over time. The interest they accrue is cynicism and disengagement.

The cost of this is real harm to your organization and to your people. I have seen many truly talented people dim their light in the face of a Lie Economy. They become discouraged and checked out because navigating a Lie Economy is a skill set all of its own.

People are not the only ones who suffer. The Lie Economy also does real, measurable damage to organizations. What opportunity cost do you bear because of the innovation that was never discovered, the problem sub-optimally solved, and the talent lost to your competition?

This book is about having the courage to stop paying in lies. It's about what you gain when you finally operate in the truth. It's what I have learned over thirty years while coaching executives and working with organizations. This book shares how some of them decided to get rid of the Lie Economy and create a Courage Economy.

THREE

ORGANIZATIONAL STATES

The book will describe the journey from what I call the Comfort Economy to the creation of a Courage Economy.

The Comfort Economy seeks harmony and predictability. It believes that conflict erodes the functioning of the organization. But optimizing for comfort inevitably leads to lies.

Most of these lies are not told with evil intent. Rather, they are designed to minimize discomfort, to shield people from tough conversations, to spare feelings, and to make life easier for everyone.

The problem is that while they may spare us from discomfort in the short term, in the long term these small lies cause damage that accrues as Management Debt. In this book, Management Debt, a term coined by Ben Horowitz, is the slow accumulation of seemingly innocent lies that erode trust over the long term and diminish the ability to innovate and collaborate.

While most lies are told to support comfort, the Comfort Economy leaves the doors wide open to malicious actors who can, and do, use it to gain competitive advantage. They recognize that the space between truth and comfort can be extended for their benefit. These are the politicians, the maneuverers, and the back-stabbers that populate all organizations.

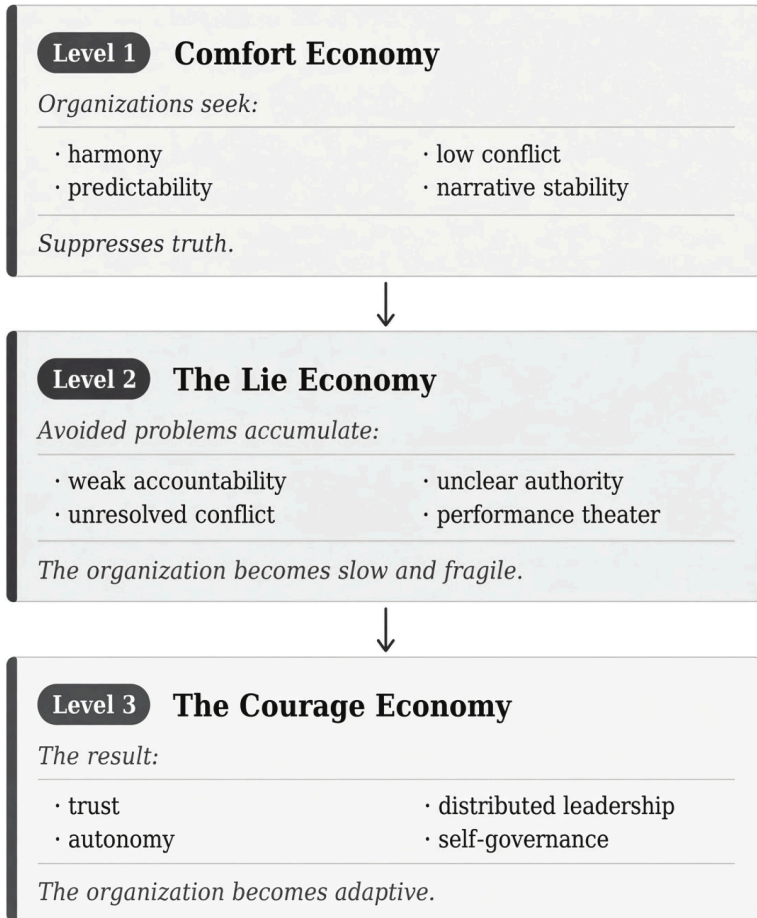
The Association of Certified Fraud Examiners (ACFE) estimates the typical organization loses 5% of annual revenues to fraud.¹ And that's tracking only explicit, deliberate fraud. When comfort is

prioritized over truth, a company can bleed to death from a thousand tiny cuts.

Over time, the Comfort Economy becomes the Lie Economy. The lies become part of how the company does business. The Lie Economy creates a culture of performance theater, weak accountability, slow decision-making, and unresolved conflict. This is Management Debt at scale. It is the accumulated impact of all the small lies and untruths that degrade organizational function.

Once an organization recognizes the Management Debt that the Lie Economy incurs, they have two choices. Either they live with it in what many consider to be a natural by-product of human interaction. Or they do something about it and gain the long-term benefits of a Courage Economy.

Three organizational states



A Courage Economy is grounded in what I call Designed Productive Struggle. This is the idea that when we engage in truly important work, lies become intolerable. We do not eliminate the Lie Economy through slogans or a commitment to be honest. Those never work. Instead, we *create the circumstances* where lies become more costly than telling the truth. Designed Productive Struggle is the forcing function that allows this to happen.

This enables the organization to leverage the natural human inclination to courageously work together to accomplish difficult and important work.

The Courage Economy creates a self-reinforcing, maximally truth-telling organization where lies are unthinkable. The payoff is a collaborative organization primed to accomplish things it once thought impossible.

CHAPTER 1

THE ORGANIZATIONAL LIE ECONOMY

It is sad to say, but most organizations run on lies. This isn't an indictment of the leaders who run them. It just sums up the culture they inherited. The reason is that the truth is inconvenient. The truth can cause trouble.

Should I tell Jim he's not getting promoted because the VP of Marketing thinks he's weird, or should I soften it and say he needs to improve his "leadership presence"? Should I give my honest opinion on the new initiative I know will fail, or should I smile and say "Wow, that's a great idea!"/> Should I warn Roger he's about to be let go so he can plan his life, or should I stay silent? Should I tell the VP of Operations that Mary didn't actually come up with that idea, or should I just let it go?

All of this is tolerated and often rewarded. People are rational beings and will generally seek the easiest way possible to get what they want and need. "White lies" are often a good way to do that. But what does this lead to? You can tell a culture by how its people behave, not what it says it is. A thing is optimized for whatever it does, not what anyone wants it to be.

Most of the time, people are not really "lying" per se. They are just maintaining a pleasant work environment. Little white lies are the social lubricant that allows us all to work together.

If that's the case, the system is designed to deliver good feelings and pleasantries, not to get the best outcomes.

This feels like a culture problem. But when you begin to understand why lying is often the rational choice, you begin to realize that it's a design problem.

Almost every lie told in the organization is a symptom of an organization too invested in comfort to tell the truth. In that world, the truth doesn't get you what you want or need. It is often more costly and less comfortable than a lie. This system doesn't just permit lying, it actually makes lying rational.

A VP of learning and development once told me that her team had to create online training to develop mid-manager leadership skills. There were no incentives and no accountability to ensure these busy managers would ever engage in this training. Since they weren't likely to do it, why create it?

She admitted what she really needed was a project that would demonstrate to executives that her department was delivering value.

I could hardly blame her. She was simply operating with the incentives she had in front of her. Her position, her trajectory in the organization, and ultimately her ability to pay her mortgage and feed her kids were tied up in creating the perception that she was doing really valuable work.

Meanwhile, the people developing the modules knew it was a lie. It was busy work added to their already overloaded days. And what impact do you suppose that had on the team? Would they continue to trust her when more assignments were handed down?

That lie was real organizational currency. Her position, power, and prestige were purchased with these kinds of lies. To be fair, she did other work that was valuable to the organization. That is also currency. But she supplemented her organizational wealth with a side-hustle of lies.

You see this everywhere you look. And once you see it, you can't unsee it.

The Lie Economy operates on a simple principle: lies are cheap and comfortable in the moment but expensive over time. They buy you comfort or benefit today, and they allow you to avoid the awkward conversation, to skip the difficult decision, and to maintain the pleasant fiction. But eventually, the interest compounds and the organization goes bankrupt in the only currency that matters: trust.

A 2020 peer-reviewed study of organizational deception found that lying at work is pervasive, and that organizations routinely coerce, compensate, or quietly condone it.³ The number who have lied to colleagues and also lied to researchers about it is likely much higher.

This accumulated cost of leadership shortcuts is Management Debt. Like technical debt in software development, Management Debt is the difference between doing things the right way and doing things the easy way. It is the difference between truth and convenience. It is the difference between courage and comfort.

Every time a leader assigns a solution instead of a problem or sells unimportant work as critical.

Every time they pretend to consult while having already decided.

When they avoid honest feedback to preserve feelings, or take credit for others' work, or make decisions based on optics rather than outcomes, they're taking out a loan.

The short-term payoff is comfort and credit. In a Comfort Economy, there is no conflict and no risk. But the long-term cost compounds and eventually you see:

Cynicism — Yet another flavor of the day. Learned

Helplessness — Why bother? They'll just override us.

Turnover — I can't work for someone I don't trust.

Reduced capability — We've forgotten how to solve problems.

Disengagement — My input doesn't matter anyway.

Gallup's 2026 report on the state of the global workplace found 80% of employees worldwide have low engagement with their work. Disengaged workers have less psychological attachment to their work, their team, and their employer. They've stopped caring.

Employee engagement translates directly to business-unit productivity, including profits and sales. Gallup estimates low engagement cost the global economy about \$10 trillion — 9% of GDP.⁴ Most organizations are drowning in this kind of Management Debt. They tell so many lies that they have a hard time identifying their real culture. It is no wonder that organizations roll out a new culture initiative every three to five years — which is often yet another lie.

I have operated in many such organizations. I am very familiar with these kinds of lies. As an organizational development consultant and executive coach, I have played this game for decades. For years, leaders asked me to fix their culture or develop their people, but this was not within my power. Only leaders can do this. I was left with a choice. I could say that I couldn't do it, but then I wouldn't get the job.

My other option was to put on my best consultant face and say "Of course!" with conviction and enthusiasm. I could go forth doing lots of work but getting few results because the outcome the leader wanted was never in my power to provide. Eventually, I would move on to another client who will also ask me to accomplish things that I cannot do.

I did not feel bad about it as much as I felt ashamed that I was not in a position to say no. I had a family to support, I had bills to pay.

And there was always the hope that I would be able to do something that people in my position do not have the power to do.

My participation in the Lie Economy was rational. My participation was less costly than telling the truth. And so, I traded lies as currency. I would say "Yes!" and leaders would get to tell the board that they were doing something to "improve culture" or "develop their people," and I would get paid. We all participated and colluded in this game. But I was damaged in the process. I had sold out.

I am now in a position to make some amends by demonstrating that it doesn't have to be this way. I can show not only why these lies happen and accumulate, but also what it's costing you and your organization... and what you can do about it.

What lies between

The full book moves from diagnosis to design to practice. Here is the road from Chapter 1 to the final chapter.

PART I: THE COMFORT ECONOMY (THE DEFAULT STATE)

- 1 The Organizational Lie Economy**
- 2 Why Do People Lie?
- 3 Management Debt: The Cost of Comfort
- 4 The Authenticity Trap
- 5 Why "Easy" Fails

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PART II: OPERATING IN COURAGE

- 6 Before You Begin
- 7 The Courage Economy Framework
- 8 Important Work
- 9 Designing Productive Struggle
- 10 Curiosity as a Prerequisite for Challenge
- 11 Mandating Challenge
- 12 The Development of Trust
- 13 Community — The Bond

PART III: CREATING A COURAGE ECONOMY

- 14 The Challenge Tax — What This May Cost You
- 15 The Autonomy Sacrifice — More Cost to You
- 16 The Lie Economy Audit
- 17 The Courage Tax
- 18 Resistance
- 19 Actually Building the Courage Economy
- 20 The End**

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CHAPTER 20

THE END

Years ago, I was asked to coach my son's soccer team of eight- and nine-year-olds halfway through their season. I did not relish the prospect since I had no experience as a coach and hadn't played the game since I was a kid myself. But the team needed someone, and I guess why not me?

As I surveyed my team members, a couple of them wrestling by the goal post, another picking grass, another strangely spinning by himself in the corner, my gaze fell upon Lucy.

Lucy was not a natural athlete. She was a little chubby, she was shy, and she was awkward. She was the kind of kid who not only looked a bit out of place but also clearly felt out of place. Frankly, she was the kind of person who would be easy for a coach to ignore.

At first, I didn't know where to put her on the team. At that age, it's not really about winning as much as it is about being on a team, learning the game, and having some fun. But Lucy wasn't having fun. Where could I put her so that she *would* have fun?

With her being not very fast, not so good with her footwork, and not blessed with endurance, I did what any self-respecting coach would do and placed her in the goal. She did not seem keen on the idea, but she reluctantly acquiesced in the way shy kids often do.

During our first game, Lucy was completely lost. She didn't know to come out of the goal when necessary, she wasn't aggressive in challenging attacking players, and she made half-hearted attempts

to throw her hands up to stop an incoming shot. I shouldn't have been surprised. Of course, we lost badly, but the worst part was that all eyes were on Lucy when the ball approached the goal. All eyes saw her fail. And she knew she'd failed. I could see her misery as she slowly walked toward her mom after the game. I could see her mom's sad concern.

At the next practice, I worked with Lucy. One on one, I showed her when to come out of the goal to challenge attackers. I showed her how to dive on the ball and smother it. I encouraged her to be aggressive when needed. I told her that she was going to be *our* goalie, *our* "go-to" to keep us in the game, *our* no-holds-barred, aggressive, most badass goalie in the league. She smiled shyly in spite of herself at that probably inappropriate description.

At the next game, I yelled encouragement to her from the sidelines. I told her when to charge out. I screamed admiration when she made a save. I shouted that she'd get it next time if one got by. As I yelled such words of encouragement, she became bolder. She became more aggressive. I saw her smile after she dived on a ball. Lucy still wasn't that great. But a few saves and a coach literally screaming encouragement from the sidelines was making a difference.

At the next practice and over the next few games, Lucy became more confident. She smiled more. She laughed more. And as her confidence grew, she got better and better. Lucy interacted with the other kids and even joked around with them. She was bringing herself to the team. Lucy was revealing who she was.

During our final game, Lucy made a particularly great save, and as she walked toward me off the field at the end of the game, her smile grew. In that moment, I saw Lucy as she was meant to be seen: a vibrant, brilliant human being filled with potential and

promise, and the confidence to know that she was OK. That she belonged. That she was a valuable member of a winning team.

I tell this story because Lucy is every person on your team and in your organization. What she became, and what she came to know about herself, is what every person in your organization can achieve. Every person, at heart, just wants to be a valuable member of a winning team. Your role as a leader is, fundamentally, to make that happen. If you make that happen, by and large your numbers will take care of themselves.

How many people in your organization languish in self-doubt or are diminished by what they can't do rather than celebrated for what they can do? How many people show up as a shell of themselves, or hide their radiant and joyful selves behind a mask of conformity? I guarantee you, too many. And you're losing a huge part of what every single person can contribute to your team.

Honestly, I wasn't an especially good coach. But I loved those kids. And I showed them that I loved them. They knew I believed in them, and they knew I would do everything I could to put them in a position where they could contribute and be valued. Yes, we drilled and worked on soccer skills. But I also encouraged and listened. I showed them that I cared and believed. And that made all the difference to them and, in the end, to me.

At the end of the final game, Lucy's mother came over and thanked me. She told me that Lucy's experience in the goal on that soccer team made a bigger difference to her self-confidence and self-esteem than anything she had experienced so far. Seeing Lucy's smile and seeing her become herself might have been my greatest leadership accomplishment.

The contrast to this is the tragedy I witnessed in my time at corporate. I spent twenty-five years watching organizations

promote based on politics instead of competence, preach authenticity while punishing honesty, implement “culture change” without changing what they reward, and talk about “development” while doing nothing that actually develops people.

And here, I coached a kids’ soccer team and accidentally demonstrated what leadership actually looks like. I saw an awkward, struggling, shy girl, and I told her the truth. You’re not that great. But together we will make you our go-to badass goalie. I gave her specific and actionable feedback and encouraged her relentlessly. I coached her one on one and helped her improve her skills. And I watched her transform into herself. I watched her transform into a confident, joyful girl who belonged. Who was a valuable member of her team. And who knew it.

My total investment was a few hours a week at a cost of almost nothing. All I needed to give her was honesty, attention, and encouragement. And the result was that I changed someone’s life. In the end, I realized that a volunteer soccer coach with eight-year-olds somehow understood something that Fortune 500 executives with MBAs and leadership training consistently miss.

In corporate America, I watched leaders refuse to see people clearly and refuse to have hard conversations. I watched them lie about performance and give vague non-actionable feedback. I watched them point out and criticize failure but then ignore success. They outsource development to an expensive L&D department and invest little of themselves.

And at what cost? Millions of dollars implementing expensive training programs, built around complicated frameworks, and implemented by L&D staff who simply do not have the power to develop people. And because of this, I watched people become a diminished version of themselves. People who disengage and do not contribute the full potential of their innovative capacity. People

whose lights have gone out because they see the Lie Economy robbing them of their hope.

Here's what I struggle with. A volunteer coach with no training and no budget created conditions where a struggling child could flourish. Highly paid executives with unlimited resources create conditions where talented adults slowly give up.

This is not a competence problem, it is a courage problem. Those who trade in the Lie Economy have every incentive to lie, to obscure standards, to give dishonest feedback, to view their people as a transactional resource, and to not invest the actual time and attention needed to unlock their people.

The antidote to the Lie Economy is the Courage Economy. A culture where lies are more expensive than the truth. A culture where people do important work. Where they are curious about the work and their questions are rewarded. Where people challenge one another because the work itself is so important. And where — through the shared struggle of accomplishing something meaningful — trust and community are formed. A community where lying is unthinkable.

Will we ever create an organization fully built on truth and courage? Probably not. We are human, after all. The Will drives us to get what we want and need, and will always help us rationalize the untruths we speak. The untruths the organization itself can often encourage by design.

But we have a choice. Most people will tell me that lies are just a part of the way things are. That lies help us smooth over the rough interaction of organizational life. But that is just a way of avoiding hard work or remaining comfortable or protecting a system that you are good at navigating. It's a system that is a tax on your organization and the people in it.

No, I have seen times and places where the choice was made. Where organizations and the leaders in them chose to build Courage Economies. And their performance in that Courage Economy was breathtaking.

The Courage Economy isn't a destination. The Courage Economy is a choice made every day and in every evolution. It is the choice to honor the important work you do every time you step into your craft.

I stated earlier that the impetus to build a Courage Economy is not born out of "niceness." That is true. It is born out of pragmatism. It is born out of a recognition that leveraging the innovative capacity of your workforce to solve problems and create new and better services is vastly easier in a Courage Economy. The outcome of that translates to real money and real shareholder returns.

But that does not mean that the people who labor in your organization every day do not benefit from a Courage Economy. Creating the conditions where people flourish and your business flourishes are not mutually exclusive. They can be complementary. They can compound. They can create a virtuous cycle where what is good for the business is good for the people, who in turn work to improve the business.

Yes, creating a Courage Economy is difficult. It is also difficult to maintain a Courage Economy. But the cost of not doing so is the Lie Economy.

Over twenty-five years, I have seen the Courage Tax paid over and over again. I have personally paid it and I would do it again. And I would do it because I don't want to see Lucy walk off the field alone.

Now you must decide. Only you can make a choice as to whether you want to be courageous.

NOTES

1. Association of Certified Fraud Examiners. (2026). *Occupational fraud 2026: A report to the nations*. ACFE. <https://www.acfe.com/fraud-resources/report-to-the-nations>
3. Jenkins, S., & Delbridge, R. (2020). Exploring organizational deception: Organizational contexts, social relations and types of lying. *Organization Theory*, 1(2), 1–24. <https://doi.org/10.1177/2631787720919436>
4. Gallup. (2026). *State of the global workplace: 2026 report*. Gallup, Inc. <https://www.gallup.com/workplace/349484/state-of-the-global-workplace.aspx>

Note numbers follow the full book. All names and details have been changed.

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ABOUT THE AUTHOR



Thane Bellomo is an organizational development consultant and executive with more than twenty-five years of experience building high-performing cultures. After navigating the Lie Economy inside corporate America and ultimately making the courageous decision to leave it, Thane became passionate about helping organizations break free from comfort-driven lies. He now guides executives to create Courage Economies where truth is rewarded, important work gets done, and people bring their full capability to the table.

Thane lives with his family in Pennsylvania.

Thank you for reading

If this sample made you think about your own organization, I would love to hear about it.

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Tools and resources for building a Courage Economy