When you watch the Oscars on Sunday, you will see winners thanking their worst enemies, losers concealing their disgust and weasels being honored for their commitment to uplifting the human spirit. In some circles, this kind of dissembling is little more than good manners. But in Hollywood, being a good liar is a prerequisite for professional success.

Late last year, for example, Michael Eisner took the stand and testified that his former best friend, Michael Ovitz, was a liar. Ovitz testified that Eisner was a liar. Both, no doubt, were right. They didn't become two of the most powerful people in the entertainment industry by being Boy Scouts. Like showmen from P.T. Barnum to Harry Cohn, they rose by learning to bluff, bedazzle and shill.

These are venerable American skills. But Hollywood is a special case. It's not just that the entertainment industry, like other corporate sectors, is short on scruples. It's that entertainment itself is a tissue of lies.

That's why Plato banished the poet from the Republic; because poets — the pop stars of his day — get people to believe things that aren't true. Then as now, entertainers con us into thinking that illusions are reality, that dreams come true, that actors are the characters they play. They persuade us to suspend our disbelief. Show business is about talking the suckers into the tent to see that magic.

The problem is that when you lie as a matter of professional duty on a regular basis, sooner or later you lose touch with reality even on the big things.

I spent 12 years on the Disney lot, four of them as a studio executive, the rest as a feature film writer-producer. My initial training as a suit consisted of watching the masters at work. Early on, I sat in a meeting where a chieftain told a producer and a writer who'd just pitched a project: "I love this movie. Let's do it." After they left, the executive, without missing a beat, told me: "Get me out of that."
The operating principle, I learned, was never to say no to someone's face. And because both sides of the transaction assumed that rank insincerity was baseline behavior, everyone also understood that "yes" could just as easily mean "pass." No wonder Eisner told Larry King he'd rehire Ovitz in a heartbeat, even as he tried to offload him to Sony.

Everything in Hollywood is always fabulous. ("Fantastic" is Gov. Arnold Schwarzenegger's favorite word.) No studio executive is going to admit that the tent-pole picture on which he just spent $150 million tested miserably with preview audiences. Virtually every human interaction in the business involves marketing, salesmanship, promotion. If you say a casual "How are you?" to someone in the industry, the minimally acceptable reply is, "Excellent." I have also heard, "Perfect." And from an agent's assistant, on the phone, I once heard this: "I can't imagine how I could be any better."

Executives and producers spend their days playing God. In development meetings, they invite writers, who themselves play God, to re-imagine their scripts. "What if she doesn't die, but gets married instead?" "How about setting it in Malibu, instead of Sparta?" "Hey, what if the president uses the space shuttle as a doomsday plan to escape a nuclear war?" (actually proposed to me by one of Hollywood's most successful producers).

No suggestion by a studio executive — no matter how idiotic — is ever laughed at. As at Versailles and the Vatican, acceptable answers range from "yes" to "Why didn't I think of that?"

The illusion of omnipotence and infallibility is fostered not only by a sycophantic corporate culture but by the staggering amounts of money that people are paid. Super-agents and their clients, and super-executives and their courtiers, need never butt up against the real world's limitations. Your flowers are always fresh. Your office can look like a Cotswold cottage or the flight deck of a starship; your home can resemble a movie set or a theme park. Private jets exempt you from civilian inconvenience. Not everyone lives in a bubble as impermeable as Michael Jackson's, but we shouldn't be surprised that even minor Hollywood royalty risk confusing the exquisite sensory input they permit to reach them with the foul rag-and-bone shop of reality.

"Nobody knows anything" is how screenwriter William Goldman famously boiled down entertainment industry epistemology. Most players in town know how subjective their opinions are and how much luck goes into success. That's why accountability often means failing upward.

"If I said yes to all the pictures I said no to, and no to all the pictures I said yes to, it probably would have all turned out just the same" is a saying I've heard attributed to Eisner, as well as to half a dozen other moguls. But in Hollywood, even apocryphal tales can be true. Psychologists talk about an impostor syndrome, in which people have nightmares that they will be discovered to have no credentials for their job. In that respect, Hollywood is probably no different from politics, punditry or any other part of the infotainment economy. There's no way to credential yourself to pick hits.
If actors and actresses are simply grown-ups who are rewarded for playing and pretending, the way they did as children, then it should be no shocker that the suits who make their deals and sign their paychecks also believe in make-believe.

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