
If Only, "We're Sorry."

By Patrick Field

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Timothy Geitner apologized in his confirmation hearing for his failure to report and pay past income and social security taxes. In light of the enormous financial challenges facing the country, it looks like Mr. Geitner will get a pass on his personal transgressions.

But we are also giving a free pass to the leaders, current and former, of the finance system and the government officials who supposedly worked to protect the public interest. That's just not right. They owe us collectively—rich and poor, investors and tax payers—an apology.

Imagine a pressroom packed with top Washington journalists. The front row is filled with ordinary citizens: Joe and Jane Does, some struggling with foreclosure and bankruptcy, others with job loss and declining savings, and others who earned much but lost much of their retirement.

Enter former Treasury Secretaries, Senators and Congressmen, current and former CEOs, Federal Reserve chairmen, and SEC heads. One of them speaks on behalf of all:

“We are each here because we have failed you. We’ve failed our investors and fellow citizens. Greed overtook wise stewardship of the nation’s finances. We let risk-taking overwhelm sensible checks and balances. We abandoned Main Street for a party on Wall Street. We collectively let you down. Now people are losing their jobs, homes, and savings. You, the taxpayers, are now heavily burdened with our mistakes. For all of this we sincerely and deeply apologize.”

Don't hold your breath. Despite calls by the media and millions of Joes and Janes, not one of the leaders of our failed financial institutions—private or public—have apologized. Richard Fuld of Lehman would only say he feels “horrible” about what happened to his company; he did not apologize. He only “shares responsibility” with many others, including Congress. Others voiced similar sentiments: “Yes, this is terrible, but it wasn't my doing; it's everybody's fault.”

This doesn't sit well. Offering an apology is a seemingly simple act. You admit mistakes and acknowledge the impact on those affected. You accept responsibility, offer remorse, and lay out plans to prevent future mistakes. And a successful apology must be heartfelt and genuine; you must be vulnerable and authentic for the act to carry real moral substance.

A public apology does several things:

1. It would help restore a modicum of self-respect to victims of all kinds of this crisis. Millions of Americans struggle not only with monetary loss, but also with loss of self-respect as creditors foreclose on their homes and repossess their belongings. Imagine the pain of telling your kids you just can't afford to send them to college. Imagine telling your spouse that the retirement fund, built up over years of hard work, long hours, & risk-taking, is now worth half and all the golden year rewards are off. Millions are deprived of the dignity of being a breadwinner, a parent, a senior, a community member—from being a part of the Family of Man. A public apology treats these losses seriously, with compassion.

2. An apology also has public value to the national and international community by recognizing that moral standards have been violated and must be restored. The pursuit of blind self-interest prevailed over responsibility, decency, accountability, and common sense. Social trust, the glue that makes market economies and democracies flourish, was betrayed for the “greed party.” Someone needs to stand up and say, “We were wrong to conduct business this way; we'll learn from this terrible error and do better for you, ourselves, and the nation.”

3. An apology re-establishes a culture of responsible leadership. In today's complex, interdependent global economy no one person can be held responsible for this crisis. But as long as any individual accountability remains unresolved, a collective act of apology will carry even more significance. Such a gesture expresses a shared commitment to moral principles—responsibility, respect and compassion—and shows actors still steer by a moral compass. Individual responsibility and accountability still matter.

Unfortunately, our leaders are in damage control mode, some positioning themselves as “chosen

ones,” poised to rescue collapsing institutions through bailout billions. They think they are showing the kind of leadership we need. Yes, many spend sleepless hours seeking true substantive fixes.

But this flurry of activity misses a larger point: the people are the economy. Behind every bank, job, or foreclosure is a person and family. We missed the human element in creating the problem. Will we miss it in the remedy?

We, the taxpayers (and our children, future taxpayers) are now asked to help cleanup the mess. Why should we say yes? Just how do our leaders expect us to shift from harm and hurt to action and responsibility?

The act of apologizing treats injured parties as essential to the well-being of those making amends. In the words of Professor Nick Smith, “I recognize when apologizing that my own dignity depends upon others and my treatment of them.” This emphasis on equal footing makes a public apology radically different from damage control. Joe and Jane, victims, become the moral equals of our leaders—not merely passive and subordinate victims to those that did them harm.

Apologizing isn’t easy. It’s especially painful for leaders unused to admitting mistakes, much less humbling themselves before the public. But even though it’s difficult, it must be done. The public deserves to stand eye-to-eye with its leaders. After that, we can get back to basics, back to decency, and back to business.

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