

OPINION

Why Have Business Leaders Gone Silent?

By Robert E. Rubin

‘If anything has surprised Mr. Rubin,’ the New York Times wrote less than a year into the Clinton administration, “it is the avalanche of criticism, especially from the business community.”

While I don’t recall specifics, I suspect the Times’s assessment was accurate. In 1993 I left Goldman Sachs to serve as director of the National Economic Council and later as Treasury secretary. Like nearly everyone I knew in economic policy, in Democratic and Republican administrations alike, I found

Everyone is intimidated by President Trump, but we need to find the courage to stand up against abuses.

that business leaders had no problem voicing their opinions. While few in the administration enjoyed having them publicly object to our decisions, we found that private-sector engagement provided helpful perspective.

The history of such criticism makes it all the more noteworthy, and concerning, that the business community is now largely silent.

Over the past year, President Trump has taken unprecedented actions to assert federal control over our economy and undermine the

constitutional system on which that economy depends. In response, many leaders in the private sector—as well as in philanthropy, media, law and academia—have responded not with criticism, but with acquiescence and accommodation.

This is a serious loss for our economy and society.

I recognize that some in the business community believe Mr. Trump’s actions, on balance, promote free-market conservatism. To them, I pose this question. Imagine if, a decade ago, I told you a future president would do the following within the span of a year: create domestic instability with campaigns of political retribution; issue sweeping pardons for allies who break the law; adopt a foreign-policy doctrine favoring military action for the explicit purpose of seizing other nations’ resources, threatening not only adversaries but North Atlantic Treaty Organization allies; attack the legal immigration system and universities; and undermine the rule of law on which our rights and property depend.

Further, he would demand government ownership stakes in large American companies; take a share of export proceeds in exchange for lifting export controls; cancel public investment already approved by Congress; unilaterally raise tariffs, often for reasons that have nothing to do with the economy; demand private companies hire or fire executives for political reasons; sow distrust in government economic data; attempt to fire a member of the



MARTIN KOZLOWSKI

Federal Reserve Board without due process; and threaten his critics, including business leaders, with retribution, including financial penalties and criminal prosecution.

A large majority of business leaders, not long ago, would have agreed that this hypothetical future president would pose a grave threat to our country’s prosperity and our way of life.

Such a president is no longer hypothetical. In my experience, many leaders harbor deep concerns about Mr. Trump’s lawlessness, weaponization of the government, and interference in markets. They refrain from public criticism not because they find nothing to criticize but because they’re intimidated.

Such fear is understandable. Even so, when the business community and our leaders cease to speak out on matters of public concern, they turn their backs on the foundations of our country’s success.

Free markets can’t be separated from other freedoms Americans have cherished and sometimes taken for granted. Due process, the rule of law, free speech, a free press and honest elections have been among our most powerful advantages in the global economy. Countries where the rule of law is tenuous are viewed, rightly, as riskier places to do business. Most American leaders have an additional reason, beyond protecting our long-term prosperity and con-

stitutional principles, to support sound policy and the rule of law: They live here.

I don’t know how each leader should weigh and balance competing considerations in the face of this severe threat. But all should acknowledge the threat and consider how they might respond. Doing so can be as simple as keeping truth—and sound economic policy—alive in private conversation within the business community. It might involve advocating behind the scenes with elected officials in Congress and statehouses, or with opinion leaders in the media. It could mean considering how their organizations can mitigate the risks of coercion, even if those risks can’t be completely eliminated. In some cases, it might even involve being the rare voice willing to stand up to the government.

Perhaps most important, all business leaders—and leaders in all sectors—should ask themselves three questions. First, do Mr. Trump’s actions regarding the economy, the law, and use of the federal government cross a red line? Second, if not, what would? Third, what will I do differently if and when such a line is crossed?

The challenges of opposing authoritarianism can be great. But the ever greater consequences, if authoritarianism is left to continue, can be many times more severe.

Mr. Rubin, a senior counselor at Centerview Partners, served as U.S. Treasury secretary, 1995-99.