

Main Street wants an apology from Wall Street

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From Ms Kara Tan Bhala.

Sir, When the US House of Representatives rejected the largest taxpayer-funded bail-out in history on Monday, Wall Street and its cheerleaders were shocked. The reaction of the country's financial elites provides some evidence of the chasm that separates Main Street and Wall Street.

The financial world's reaction to the House vote prompts three observations. First, the arrogance of Wall Street was in full display. Only Wall Street and its saviour, Treasury secretary Hank Paulson, could possibly know the right solution to this financial crisis.

This arrogance is also evident in the second observation: Wall Street thinks Main Street does not understand the economic connections between the two worlds. Yet it is possible that ordinary people comprehend the connections but disagree with the proposed (expensive) solution.

Third, Wall Street has not grasped the fundamental reason for the emotive reaction of the people. For years, people have watched (with some fascination, admittedly) the extravagant lifestyles of the über-wealthy. The extreme wealth was accepted with little envy because people believed the success of the financial elite was a result of hard work and expertise, and that it was achieved on a level playing field. Instead, we discover that much of this fabulous wealth was garnered through a system of smoke and mirrors. Then, after disaster results from their unwise investment choices, these financiers have the audacity to ask for \$700bn from taxpayers in order to save their jobs and institutions.

The bail-out is difficult but not impossible for the country to accept. Main Street, in the main, is comprised of good people. Perhaps they simply want an apology for rotten behaviour and the mess it caused.

Kara Tan Bhala,

Lecturer, The University of Kansas Business School

Chief Executive Officer

Seven Pillars Consulting,

Lawrence, KS, US