

When executives inherit dark histories

Many companies have a long history that may include participation in crimes and violent acts. Public demands to atone for such actions confuse corporate leaders. They may think those acts are in the past, but for the public there is no statute of limitations. Sarah Federman writes that, in attempting to atone for their past actions, companies must understand that it's not always about money. She offers a model to guide corporations in achieving historical integrity.

Entrepreneurship is a forward-looking venture. Executives sort through overwhelming amounts of data as different departments circle through with reports, graphs, and projections. Corporate leaders must make sense of these numbers, identify leaks, and stop them. They must also look ahead. Any company can find itself on the endangered list if it fails to anticipate new circumstances and adapt. All of this while competitors perpetually pitch to their clients. The pressure is relentless.

It's no wonder, then, that public demands to atone for actions in distant pasts confuse corporate leaders. Of course, executives recognize that they inherit the unfortunate decisions of their predecessors, such as lamentable product lines and some lousy employees. These can be addressed by shifts in direction and making some staffing changings. But historic crimes? "Wait, you want me to atone for my company's role in slavery (genocide, colonialism, etc.)? Where did you say it happened? I don't even know where that is." These events often seem as distant as high school history class. Many want to shrug it off. To defend. To lawyer up. But it's important to understand that while lawyers may launch a successful defence, for publics, there is no statute of limitations.

Anyone working for heritage brands or a company older than fifty years would be wise to examine their company's origin story. Every group recounts their traumas and glories in particular ways, says psychiatrist [Vamik Volkan \(2001\)](#). Newer members learn about these wins and losses and then take on the associated pride and grief. Corporations do the same. In business, this may sound like, "Remember the X debacle (referring to some product disaster)? We don't want to repeat that." Glory stories are sources of pride: "We provided the first web-based service to hospitals." While based on elements of truth, these narratives nearly always have gaping holes, skipping over some periods, over-emphasising others. And rarely do they recount moral failure.

Let's look at the legacy companies of Alexander Brown & Sons. Today, [Alex.Brown](#), a wealth management company owned by Raymond James, begins their corporate timeline in 1800 when the company became the first investment banking firm. The historical accounting neglects to mention that the original family created investment banking to provide the credit needed for the slave shipping business and plantation agriculture ([Killick, 1977](#)). Another legacy company, [Brown Brothers Harriman](#) (BBH), offers a more thorough historical rendition, but still misrepresents the founding family's position on abolitionism.

Or take the [Hudson's Bay Company's History Foundation](#), offering extensive content about North America's oldest company. The in-depth site, with classroom resources, omits how company leadership historically wrested land from indigenous peoples. For example, the company paid as little as possible –371 blankets and a cap—for what is now Victoria ([Duff, 1969](#)). Local people did not understand these treaties as land surrenders used to facilitate HBC's monopoly and the sovereignty of the British Crown. "The HBC's work has implications in the everyday political and legal lives of the Coast Salish peoples of Vancouver Island," says Brian Thom, an anthropologist at the University of Victoria and former land claims negotiator.

So, what happens when companies attempt to atone for their participation in historic crimes? Let's look at the French National Railways (SNCF). With 500,000 wartime employees, the SNCF played overlapping roles in World War II: a victim of the German occupation, a perpetrator in the Holocaust, a hero in the resistance. After the war, the SNCF enjoyed fifty years of a singular story of heroism, based primarily on the acts of a few brave railway workers who sabotaged the trains filled with German armaments on D-Day.

The company's role in the deportations remained largely suppressed until the 1990s, when survivors could access archival documents and the western world was ready to listen. Lawsuits against the company launched in France all failed, but public attention grew. SNCF executives responded, even though they arrived seven decades after the transport of roughly 76,000 deportees crammed in cattle cars to the German border, where another driver carried them on to Auschwitz. The SNCF first hired an independent historian to muddle through their archives to better understand the company's wartime history. The company released the study, participated in historical dialogues, expressed its regrets, and contributed over \$12 million to Holocaust commemoration efforts. This satisfied much of the French Jewish leadership, but not some survivors in the United States.

In [Last Train to Auschwitz: The French National Railways and the Journey to Accountability](#), I recount the SNCF's move towards atonement in both countries. When lawsuits met dead ends, some survivors sought to block the company's attempts to win local rail contracts, especially in Maryland, Florida, and California. Pressure built, resulting in a \$60 million settlement paid by the French government to those not compensated by other programs.

The SNCF case study shows us how companies can meaningfully (and erroneously) engage in transparency, commemoration, and apologies in response to past atrocities. It's important to understand that it's not always about the money. The majority of the 90 survivors I interviewed sought no financial compensation from the SNCF. Yet, each suffered irreparable harm, that increasingly haunts them in old age. The company's contributions to commemoration mean something to those who continue to attend the annual Reading of the Names or visit the plaques at stations from which their parents were deported.

As calls for atonement continue to ring around the world, companies that aided and abetted in mass harm have an opportunity to respond. To those ready to engage, I can briefly offer a model of corporate historical integrity: Start by hiring independent historians to study the company's history, correct distortions in historical renditions, and then work with harmed communities to develop meaningful responses. This might mean compensation, or it might not. Regardless, avoid simply writing a check. That relegates mass murder to a cost of doing business. Become part of something larger and more restorative. This will secure your legacy as much as any financial gain and help position your company as trusted moral leader in the 21st century.



Notes:

- This blog post is based on [Last Train to Auschwitz: The French National Railways and the Journey to Accountability](#), University of Wisconsin Press (2021).
- The post expresses the views of its author(s), not the position of LSE Business Review or the London School of Economics.
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