

Mathew Goracke Essay

Ethics can be a difficult concept for most people to grasp. Dictionary.com defines ethics as a set of moral principles, but ethics to me means simply doing the right thing. As the world goes around, many people are losing sight of their principles. People are becoming ruthless and corrupt in many aspects. It seems to be most prevalent in the business world.

While businesses are out to make money, many companies today base their decisions solely on the monetary consequences. Understandably, they are out to make a dollar, but many large companies today do not take into the effect that their actions may have on their employees, their community, and their country's economy. Businesses must be accountable for the way that their actions affect the world around them. A great example of this is pollution. Many businesses meet only the standards set by government, instead of doing everything they can to reduce their affect on the environment. Another simple example is the recent oil spill in the Gulf of Mexico. BP had received numerous citations for safety before the explosion in April 2010. Because BP chose not to spend a few dollars to fix some safety problems on their deep-water rig, they caused billions of dollars in damage and irreparable damage to coastal wildlife.

Integrity is another difficult concept to understand. Integrity is synonymous with honor, sincerity, and goodness. There are many businesses that choose to operate without integrity, but Berkshire-Hathaway is a company that has great integrity. When Chairman and CEO Warren Buffett acquire a new company, his main goal is to grow the company and do what is in the company's best interests. Many investment conglomerates acquire companies to strip them of their slow-growing assets in favor of the quick moneymaker, but Berkshire-Hathaway and Warren Buffett nurture their investments in order for both to grow steadily. This shows integrity in business because of the many jobs that growing and nurturing the business saves. When stripped of their assets, smaller companies are often expected to lay off many of their workers. This not only hurts the community in which the company is located, but also the overall economy of the United States.

Honesty is the basic of our society. Without honesty, we have no credible news sources, no justice system, and no reliable economy. Our whole world relies on honesty and the truths that we gain from being honest. Business relies on honesty as much as anything. If a business is no honest about what they sell, how can we have any faith in what we are buying? If a business is not honest about what they are investing in, how will we know where to put our money? A popular example of dishonesty in business is Bernie Madoff and his Ponzi scheme. He was extremely dishonest in how he dealt with his clients. He claimed to be a stockbroker and a major investor. People gave their money to him to invest, and he used it to pay off other people that had also hired him to invest. They trusted him with millions of dollars, and near the end he had made billions of dollars from this scheme. Eventually he was convicted of fraud and sent to jail. His story is a great example of the dishonesty that goes on in business.

Ethics are a very important part of business, and with ethics come accountability, integrity, and honesty.

