

Social Issues in Management and Business Ethics: Exercises and Activities

Exercise/Activity Title:

Ethics of Capitalism Debate

Exercise/Activity Explanation (150 words or less):

Students need to understand their own moral feelings about capitalism. For this activity, students independently choose how ethical modern day capitalism is using a 1 (Very Ethical) to 6 (Very Unethical) scale. They then meet in small groups with like-minded classmates to share and further develop the reasons why they chose their shared score. Students quickly realize that their classmates have a variety of perspectives.

Then choose a representative from the minority perspective to share his/her group's analysis. Facilitate a discussion where groups that chose a different number civilly respond to the reasons provided by the minority group, and raise other issues in the process.

Assignment is on the following page.

Optional – Contact Information:

If interested in additional information, please contact Professor Denis Collins, School of Business, Edgewood College, Madison, WI; dcollins@edgewood.edu

Adam Smith's Ethical Defense of Capitalism [1776, *Wealth of Nations*]

Denis Collins, Edgewood College (dcollins@edgewood.edu)

- Freedom and liberty are essential values.
- Free people naturally pursue their own self-interests, they don't have to be told to do so.
- People will choose to enter product and labor markets where there is the greatest need and opportunity.
- People morally self-regulate their actions based on their conscience, belief in God, concern for the well-being of others, and reason.
- A strong system of justice is essential to punish those who do not appropriately self-regulate themselves.

Instructions:

Review Adam Smith's "Ethical Defense of Capitalism" (above) in 1776 (*Wealth of Nations*)

The U.S. political economy has evolved under Democratic Capitalism for more than 240 years.

Circle the number that represents the extent to which you believe the current United States' version of free market capitalism is ethical. Explain your answer.

#1: Very Ethical

#2: Ethical

#3: Slightly more ethical than unethical

#4: Slightly more unethical than ethical

#5: Unethical

#6: Very Unethical.

Why did you choose that number?

Discussion Process

- Students write down (or circle from above) a whole number from 1 (very unethical) to 6 (very unethical). A 3.5 score is not an option, students must lean toward ethical or unethical. Next, students write why they chose that option.

- Take a vote of the entire class and write down the number of students who chose each of the six options

- Group students together who chose the same number (a group who chose #2, a group who chose #3, etc.).
 - No more than 4 people in a group (if 12 students chose #3, create 3 small groups of 4 people per group)

 - In group, each student reads his/her answer why s/he chose that answer and together, as a team, they develop a list of reasons supporting that choice

 - Empower the minority position [the one with the least amount of students chose] to speak first and challenge others to respond to each reason provided.

 - Address other issues students want to explore

 - Debrief what you observed