Incorporating Ethics and Ethical Decisions in the Classroom and Extension Outreach

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Discussion on ethics – why?

• Headlines of 09/11/01 all too familiar, even 2_ years later.

• 11/08/01 – Enron admitted to using accounting practices by Arthur Andersen that inflated its income figures; filed for Chapter 11 bankruptcy a month later; Justice Department launched criminal investigation as to why over $1 billion shares of Enron stock were sold by executives while telling employees and stockholders to hold, resulting in over $60 billion lost by investors. How could something like this happen? Why did it happen? Who let it happen?

• 03/27/02 – Adelphia Communications announced financial problems stemming from founder John Rigas (and family) used corporate assets as collateral for loans of $3.1 billion to make personal purchases and finance family projects; filed bankruptcy. What kind of people would do such things? How could this happen? Could it happen again?
• 03/27/02 (same day) – CEO of Tyco, Dennis Kozlowski, charged with evading $1 million in sales tax on artwork and other finery purchased for himself with company funds; found to have looted $600 million from the firm.

• WorldCom announced internal audit found improper accounting procedures, resulting in overstatement of profits by $7.1 billion while understating expenses by $3.8 billion – an $11 billion error resulting in 17,000 employees losing their jobs.

• Why is this happening? How many companies are unethical? Whatever happened to business and personal ethics?
• Questionable ethics not limited to business:

• Alleged abuses in Catholic Church and attempted cover-ups.

• Stephen Ambrose, history professor, plagiarized passages from fellow historian Thomas Childers for his Pulitzer prize-winning book.

• Figure skating judge in Salt Lake City’s Winter Olympics claimed her decision had been coerced, altering the pairs competition results.

• Wide-spread “cut & paste” from Internet by high school and college students to complete assigned papers and get grades.

• Published research journal articles copied from www by college professors and integrated into manuscripts – publish or perish.

• Dehumanization of Iraqi and Afghan detainees/prisoners.
Ethics – why a topic of discussion in the classroom and extension education?

• Undergraduate agribusiness students in agribusiness marketing, finance, accounting, and management classes ask Who? How? in response to the headlines.


• Ethical dilemma may lead to unethical choices, buy why?
  – We do what’s most convenient.
  – We do what we must to win.
  – We rationalize our choices with relativism, by deciding what’s right in the moment according to the circumstances.

• “Where once our decisions were based on ethics, now ethics are based on our decisions.” John Maxwell, There’s No Such Thing As “Business” Ethics
Some current marketplace solutions:

- Teach remedial ethics (Joan Ryan)
- Perform an “ethical flea dip” (F.J. Navran)
- Rely on the law and legality

- Ethics + Competence = Winning Solution

- Responsibilities to Customers
  - Serve customers’ best interest
  - Never misrepresent or mislead the customer
  - Protect confidences; avoid unauthorized incentives

- Responsibilities to Company
  - Remain loyal
  - Support the total marketing effort

- Responsibilities to Public
  - Do not downgrade the competition
  - Be informed and uphold regulations

- Responsibilities to Self
  - Constantly upgrade self; separate personal and professional life
“Men of Character Between the Hedges”
Mark Richt, UGA football coach

• Character is more than talk.
• Talent is a gift; character is a choice.
• Character brings lasting success with people.
• People cannot rise above the limitations of their character.

• Responsibilities to students:
  – To encourage the free pursuit of learning, to demonstrate respect for students, and to respect confidentiality.
  – To model the best scholarly and ethical standards.
  – To foster honest academic conduct and to ensure fair evaluation.
  – To avoid exploitation, harassment, or discrimination.

• Responsibilities to colleagues, the institution, the discipline:
  – AAUP guidelines on ethical behavior.
Adopt the “Golden Rule” – how would I like to be treated in this situation?

• Decisions, not conditions, determine your ethics.

• Wrong decisions leave scars.

• The more people involved, the greater the pressure for conformity.

• Inaction is also a decision (“to decide not to decide is to decide”).

• J.C. Penney and the Golden Rule stores

• Thomas Addington and Stephen Graves (editors of Life@Work magazine) observe “We cannot grow character through a crash course weekend seminar when one day we suddenly realize we need some; it’s impossible. We can’t become an astronaut or a world class fly fisherman or an expert brick mason in a microwave weekend of learning.”
Undermining the Golden Rule

- **Pressure**
  - Enron booked future revenue immediately, rather than when earned.
  - Avoid compromising your values: Am I going to make rash emotional decisions? Am I going to compromise the truth? Am I going to take shortcuts? Am I going to bow to others’ opinions? Am I going to make promises I can’t keep?

- **Pleasure**
  - “If it feels good, do it.” lead to moral and fiscal irresponsibility.
  - Run from temptation and develop discipline.

- **Power**
  - Dr. Seuss’s *Yertle the Turtle*.
  - Power cycle: reception of power; abuse of power; loss of power.

- **Pride**
  - “Pride is the bottom of all great mistakes.” John Ruskin

- **Priorities**
  - “Things that matter most must never be at the mercy of things that matter least.” Johann Wolfgang von Goethe
Seizing the “golden opportunity.”

- Take responsibility for your actions.
- Develop personal discipline.
- Know your weaknesses.
- Align your priorities with your values.
- Admit wrongdoing quickly and ask forgiveness.
- Take extra care with finances.
- Put your family ahead of your work.
- Place high value on people.

- Treat people better than they treat you.
- Walk the second mile.
- Help people who can’t help you.
- Do right when it’s natural to do wrong.
- Keep your promises even when it hurts.

Thank you for your attention!