

The case of bernie madoff remains

[Sociology](#), [Ethics](#)



The case of Bernie Madoff remains to be a controversial aspect due to his ability to commit fraudulent acts against individuals and companies whether they may belong to the upper or middle class. Due to this, the repercussions of his actions remain to be a debate due to its timeliness with the ongoing American fiscal crisis. That is why careful considerations must be made in order to actively understand the parameters of this case and align its application with normative ethics.

Looking at this particular case, it can be seen that Madoff conducted what usual economists call a Ponzi scheme. This system creates various business practices that aim to provide fraudulent information among a client base to generate significant income and profit (Moore, 2009). This setup forwarded increased profits on Madoff as he continued to lobby for this act in different sectors. Such actions then resulted in huge losses as profits promised for clients were unequal to the actual amount (Lezner, 2008).

This situation also resulted in the furthering negativity for hedge funds as the economy and the stock market continued to decline and drop. “The arrest of the 70-year-old Madoff, widely considered to have the magic touch as an investor, is another serious black eye for the hedge fund industry and all non-transparent investment vehicles” (Lezner, 2008, p. 1). Such ideas furthered rethinking how might have Madoff gained the ability to continue this practice for several years.

Analyzing this case on the perspective in the realm of ethics, it may be a good portion to argue about Madoff's ability to act and commit actions that is considered good or bad. In here the standards and ideals provided by society and the business perspective comes into picture as the question of whether

Madoff should have been awaiting trial at home or in jail. In arguing for this scenario, it is essential to denote what normative ethics can provide and shed sufficient justification for the actions committed by Madoff.

In understanding the elements of normative ethics, it tries to seek and provide theories of how individuals should live (MoralPhilosophy, 2005). This branch tries to explain the parameters of individual actions with the use of several approaches that denote different factors affecting human lives. By fostering on this element, a careful yet comprehensive approach can be deciphered if whether or not Madoff should be awaiting trial and verdict in home or jail.

Operating on the virtue ethics category, it is essential to look into the parameters of the case such as the plaintiff, how the action was conveyed, and its relevant consequences (Moral Philosophy, 2005). Applying this on Madoff's case, it can be argued that his actions neither constitutes morally accepted traits nor seek to provide away that can help improve people's lives. Since this facet revolves around the application of virtues and character, the action portrayed by Madoff does not coincide with the positive traits an individual should possess.

Due to this it makes it difficult and hard to establish a relationship towards good. Applying this to the question of where he should be situated during trial, virtue ethics would argue that the most appropriate choice would be waiting verdict in jail. This is because it can help compensate and correspond to the negative values committed by Mardoff to his victims. Though this approach also considers undesirable consequences, it is still a manifestation

of character that needs to be compensated accordingly (Moral Philosophy, 2005).

Likewise, this is chosen because under the other condition, it can provide several freedoms that Mardoff can enjoy and acquire. By having serving time in jail during the trial, it will actively address the similar actions conveyed by Mardoff. On the other hand, operating under deontological framework, it does not consider the consequences of the act given but rather focuses in the ability of whether an action is good or bad (Moral Philosophy, 2005). Operating on this approach, deontologists would argue that the actions committed by Mardoff are not congruent with what is appropriate of an individual.

This element then necessitates the idea that it should promote something that is significant and essential towards what is prescribed by rules and standards of any group, organization and society. Thus, the element of whether or not Mardoff should be in jail or under house arrest is not significant. What is significant for deontologists is establishing that the actions committed by Mardoff are right or wrong in their own essence. Lastly, the condition provided by the consequentialist theory points out the significance of the results created by an action committed by the individual (Moral Philosophy, 2005).

Under this idea, consequentialism in normative ethics is concerned about the positive or negative outcomes of a particular action and how it impacts the creation of another event or situation related to such. It is through this framework that individuals and groups can create the necessary explanation of how it can create actions constituting good or bad. Applying this to the

case of Mardoff, consequentialist would argue that the action appropriate for this case is that Mardoff be situated in the jail and await his sentence.

This action is significant due to his ability to create consequences that affected many peoples and company's lives. His actions also contributed to the downfall of many industries as his assurances of high profitability and stability went down the drain. Seeing this, it is only justifiable that Mardoff serve in jail due to the large consequences of his actions committed. On the other hand, operating on the other category, allowing Mardoff to stay at home under house arrest will only generate minimal outcomes compared to his actions committed to many.

This initiative would only necessitate several freedoms that may not be available while in jail. Due to this, this action may not be a feasible option from the point of view of consequentialist. To conclude, applying normative ethics in the case of Bernie Mardoff revolves around the action of understanding how his actions constituted good or bad. Under the three different approaches, it can help provide clear insights and understanding of how the concept can be properly addressed and administered accordingly.

Due to this, it can facilitate a functional framework of interpreting the case of Mardoff in an effective and efficient manner. References Lezner, R. (2008) Bernie Madoff's \$50 Billion Ponzi Scheme. Retrieved July 13, 2009 from, http://www.forbes.com/2008/12/12/madoff-ponzi-hedge-pf-ii-in_rl_1212croesus_inl.html Moore, M. (2009) Bernie Madoff. Retrieved July 13, 2009 from http://www.time.com/time/specials/packages/article/0,28804,1894410_1893837_1894189,00.html Moral Philosophy (2005)

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