Watching movie then writing

Law

The Inside Job – Unethical Practices Introduction The movie d " The Inside Job" was created by Charles H. Ferguson and was released during the period of 2010. The purpose of the movie was to unfold the various unethical practices conducted by different stakeholders and how these practices led to the financial crises of 2008. One of the unethical practice that had been outlined in the movie was that the brokers or the agents of investment organizations were providing wrongful information to their clients/investors and they were trying to sell more and more collateralized debt obligations (CDOs) to their clients even when they knew that the investors will end up incurring a loss in the end (Ferguson 1). This is a pure example of unethical practice because there is a relationship of trust between brokers and investors and investors rely on their brokers for useful information so they can invest their money in the right areas.

Body

It is quite possible that the brokerage houses and their agents supplied wrongful information due to their self-interest and they ignored the interest of the investors. They may justify their action of providing unfair information on the basis of the framework of ethical egoism. The theory of ethical egoism states that those actions are considered as morally correct that are made while giving precedence to one's self interest (Mann 149). Brokers indulged in these unfair practices because they wanted to make their bosses happier as their bosses wanted that more and more investors purchase CDOs. Due to this they were able to secure higher commissions and salaries that were awarded to them by the higher level management of the organizations they worked for.

If the brokerage firms and their agents would have followed the ethical framework of utilitarianism, they would not have indulged in such unethical acts. This framework states that while making a moral or ethically correct decision, individuals need to conduct those actions that result in the highest possible benefits for the society and lowest disadvantages for the society (Mann 150). If the agents and brokerage firms would have taken decisions based on this theory they would not have advised their clients to invest in CDOs as they knew that their investors would face a loss for investing in CDOs.

Another ethical framework that would have not allowed the parties to indulge in unethical act is Kant’s theory of categorical imperative. According to this theory, an ethical act is one that is conducted on the premise that the person or the group conducting that act is ready to accept the same act being conducted against them in a similar situation or any other situation (Mann 160). If brokers and agents would have followed this rule they might not have indulged in the act because they would have never accepted that others provide them with wrongful information which might result in excessive monetary losses.

Conclusion

The act of brokerage firms and their agents selling CDOs to their clients even when they were aware that investing in CDOs would result in losses for the investors is one of the examples of unethical acts that have been depicted in Inside Job. The parties that conducted the act might have done so because they would have justified their acts on the basis of ethical egoism. They would have refrained from indulging in such unethical acts if they would have made their decisions on the basis of ethical frameworks of Utilitarianism and Kant’s Categorical Imperative.

Works Cited

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