

Bankers ethics

Business



It is a clear indication that the blame was pointed to the bankers for the financial crises. The public felt that financial problems were due to bad ethics in the banking sector. Bankers have been criticized for issuing risky loans but according to (Lewis 2010), he argues that it is too crude to blame the financial crisis on the ethics of bankers. According to Graafland and van deVen (2011), the three areas where the U. S. government has failed include encouraging the credit extension in the real estate market, failure by the government to keep a strong financial policy, and finally failure to regulate and monitor the markets. According to Graafland and van deVen there should be an improved sense of professionalism and duty to the public is needed. When an organization or industry loses its authenticity, the benefit of the doubt is also lost. This is according to Kopeck.

The Corruption Perception Index

The corruption perception index (CPI) can also be used to measure the ethics of US businesses. This method ranks countries on the degree of corruption in the government and also public officials. The method was inaugurated in 1995. The Corruption Perception Index ranks countries on a scale. The scale runs from 10-0. The 10TH scale is perceived to be the least corrupt country and one as the most corrupt country. Corruption is a hidden activity hence measuring it is a challenge and that is why an organization such as transparency international bases the index on a number of polls which is challenging to measure. The corruption perception index began with 41 countries in the year 1995 and has since grown and expanded to 182 countries and this is included in the 2011 index. The challenge with this method is that measuring the degree of corruption and also ranking is hard.

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Significantly there has been a steady decline in the United States CPI score over the last sixteen years with the highest score of 7.79. Edelman Trust Barometer is also another way of measuring trust; this is according to a study from the UK which has been assessing trusts levels worldwide in the last 12 years. The method examines trust in different sectors such as government institutions, business sectors, media industry, and Non-Governmental Organizations worldwide. The 2012 survey involved 25,000 people that were polled from the general population. An additional 5,600 individuals were also chosen from a population with high incomes and also good educational backgrounds. The results indicated a significant drop in government trust worldwide; the business also lost trust globally.