



# Ethics and conduct

Lesson code: 12A9-46CB-N8QR

INTERMEDIATE

 American English

## 1 Business ethics

What are business ethics? Which of the following behaviors are 'ethical' and which are 'unethical'?

*treating employees with respect*      *dealing with suppliers fairly*      *bribery*  
*discrimination in the workplace*      *exploiting workers*      *respecting the environment*  
*employing ethnic minorities*      *using company facilities for personal use*

Which of these activities take place in your business or industry?

## 2 Fairtrade

Read the following text about the Fairtrade movement and put the words in bold next to their correct definitions on the next page.



**FAIRTRADE**

is a movement that aims to help producers in **developing countries** obtain better trading conditions and promote **sustainability**. The movement supports the payment of a higher price to producers and ensures that social and environmental standards are met. Many products are made by Fairtrade producers, for example, coffee, cocoa, sugar, tea, honey, cotton, wine, clothing, chocolate, flowers, and gold. Fairtrade is making a real difference to the lives of more than 7 million farmers, workers, and their families in dozens of developing countries.

When a product carries the Fairtrade certification logo, it means the producers and traders have met Fairtrade Standards. Fairtrade producers typically either work together in **co-operatives** or other organizations with a democratic structure or work for employers who pay them **a decent wage**, guarantee the right to join **trade unions**, ensure health and safety standards, and provide **adequate** housing where relevant.

Fairtrade determines a minimum price paid to producers. This price covers their average costs of sustainable production and acts as **a safety net** for farmers at times when world markets fall to very low levels. In addition to the price, there is an additional sum of money called the Fairtrade Premium. This money goes into **a communal fund** for workers and farmers to use to improve their social, economic, and environmental conditions.

*www.fairtrade.net*



1. organizations that represent workers and protect their rights: \_\_\_\_\_
2. the poorer countries of the world, especially in Africa, Asia, and South America: \_\_\_\_\_
3. a sum of money collected for a group of people: \_\_\_\_\_
4. a system for helping people who have serious problems and no other form of help: \_\_\_\_\_
5. the ability to continue over a long period of time without damaging the environment: \_\_\_\_\_
6. companies that are owned and managed by the people who work for them: \_\_\_\_\_
7. an acceptable amount of money paid to a worker for his/her work: \_\_\_\_\_
8. satisfactory, good enough: \_\_\_\_\_

### Answer the following questions

1. Who does Fairtrade help?
2. What standards do employers have to meet?
3. What does the Fairtrade minimum price cover?
4. What is the Fairtrade Premium?

**Match the words below to form phrases from the text. For each phrase, create a sentence about the Fairtrade movement.**

- |            |  |
|------------|--|
| 1. promote | a decent wage                                  |
| 2. meet    | adequate housing                               |
| 3. make    | a real difference                              |
| 4. pay     | social and environmental standards             |
| 5. provide | social, economic, and environmental conditions |
| 6. improve | sustainability                                 |

## 3 Dishonest business practices

**Match the terms on the left with their correct definitions on the right:**

- |                     |   |
|---------------------|---|
| 1. a sweatshop      | a. a small factory where workers are paid very little and work many hours in very bad conditions                          |
| 2. a bribe          | b. buying and selling of company shares by people who have special information because they are involved with the company |
| 3. insider trading  | c. giving untrue information in a company's accounts, for example to show increased profits                               |
| 4. false accounting | d. illegally obtaining money by deceiving people  |
| 5. tax evasion      | e. illegally paying less tax than you should  |
| 6. fraud            | f. money or a present that you give to someone so that they will do something for you, usually something dishonest        |



**Answer any the following questions:**

1. What happens in your country if you are guilty of insider trading?
2. Is it common to give bribes in order to secure a business deal in your country?
3. Why would a business falsify its accounts?
4. In which countries are sweatshops common? What typical products are made in sweatshops?
5. How common is tax evasion in your country? Is it acceptable for small businesses to avoid paying taxes?



**1 Business ethics**

Ethical behavior: treating employees with respect, dealing with suppliers fairly, respecting the environment, employing ethnic minorities

Unethical behavior: discrimination in the workplace, bribery, exploiting workers, using company facilities for personal use

**2 Fairtrade**

1. trade unions
2. developing countries
3. a communal fund
4. a safety net
5. sustainability
6. co-operatives
7. a decent wage
8. adequate

*Comprehension check:*

1. producers in developing countries
2. They have to pay workers a decent wage, guarantee them the right to join trade unions, ensure health and safety standards and provide adequate housing where relevant.
3. the producer's average costs of sustainable production
4. An additional sum of money that goes into a communal fund for workers and farmers to improve their social, economic, and environmental conditions.

*Match the words:*

1. promote - sustainability
2. meet - social and environmental standards
3. make - a real difference
4. pay - a decent wage
5. provide - adequate housing
6. improve - social, economic, and environmental conditions

**3 Dishonest business practices**

1. a            2. f            3. b            4. c            5. e            6. d

