

BUSINESS, SOCIETY & ETHICS

Blame Game in the Time of the Global Financial Crisis

As you read the material for our next class, keep the questions below in mind. To answer these questions you will have to reflect critically on what you have read and possibly re-read important passages. Keep in mind that there are two basic kinds of information that you need to look for in the reading:

1. What are the main points or conclusions that an author accepts with respect to a particular issue?
2. What are the reasons, important considerations, and evidence that lead the author to accept that conclusion?

For our purposes, *it is information of the second sort that will be our primary concern* since our most basic task is to *evaluate the reasons and evidence* that are offered to support accepting one possible conclusion about an issue, rather than another.

Although I strongly suggest that you write out brief answers to these questions, you do not have to turn in written responses. You do, however, need to be prepared to speak intelligently about these issues at our next class meeting.

Reading

- Choudhry, M. (2014, July 7). "Why We All Need Banks. CNBC. Retrieved November 13, 2017 from <https://www.cnbc.com/2014/07/07/why-we-all-need-banks.html>.
- Likierman, A. (2010, June 15). Why We Need Banks. *Harvard Business Review*. Retrieved November 13, 2017 from <https://hbr.org/2010/06/why-we-need-banks>.
- Augar, P. (2010, June 16). Go Back to Basic Banking. *Harvard Business Review*. Retrieved November 13, 2017 from <https://hbr.org/2010/06/go-back-to-basic-banking.html>.
- Thomas, B., Hennessey, K., & Holtz-Eakin, D. (2011, January 27). What Caused the Financial Crisis? *The Wall Street Journal*. Retrieved November 13, 2017 from <https://www.wsj.com/articles/SB10001424052748704698004576104500524998280>.
- Benedikter, R. (2011, Spring). European Answers to the Financial Crisis: Social Banking and Social Finance. *Spice Digest*. Retrieved November 13, 2017 from http://spice.fsi.stanford.edu/docs/european_answers_to_the_financial_crisis_social_banking_and_social_finance.

Questions

1. What is the original idea or purpose behind a bank?
2. What happened during the financial crisis of 2007–2008? Who do you think is primarily responsible for it?
3. What, if anything, should the banking sector do to prevent such a crisis from occurring in the future?