

Socially Responsible Banking & Finance

Instructions

When doing the reading for this class, there are the two basic kinds of information you need to understand:

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 position on an issue, rather than another.

Reading

Choudhry, M. (2014, July 7). *Why we all need banks*. CNBC. <https://www.cnn.com/2014/07/07/why-we-all-need-banks.html>

Likierman, A. (2010, June 15). Why we need banks. *Harvard Business Review*. <https://hbr.org/2010/06/why-we-need-banks>

Augar, P. (2010, June 16). Go back to basic banking. *Harvard Business Review*. <https://hbr.org/2010/06/go-back-to-basic-banking.html>

Benedikter, R. (2011, Spring). European answers to the financial crisis: Social banking and social finance. *Spice Digest*. http://spice.fsi.stanford.edu/docs/european_answers_to_the_financial_crisis_social_banking_and_social_finance

Optional: BankBazaar.com. (2014, January 15). *History of banking* [Video]. YouTube. https://www.youtube.com/watch?v=VksG_1r-gH8

Optional: Thomas, B., Hennessey, K., & Holtz-Eakin, D. (2011, January 27). What caused the financial crisis? *The Wall Street Journal*. <https://www.wsj.com/articles/SB10001424052748704698004576104500524998280>

Questions

As you read, keep these questions in mind:

1. What is the original idea or purpose behind a bank? (For more of the history and context for banking, please see the video from BankBazaar.) Do banks and the financial industry still adhere to this purpose today?
2. What is social banking and finance? How might this help prevent a financial crisis (like the one in 2007-2008) from occurring in the future? (For more on the possible causes of the 2007-2008 global financial crisis, please see the article by reading by Bill Thomas, Keith Hennessey & Douglas Holtz-Eakin.)

To answer these questions you will have to reflect critically on what you have read and possibly re-read important passages.

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.