

## Unit 1

### Objectives



- Define the concepts of *law, ethics, and justice*
- Analyze ethical/unethical decisions
- Use verbs followed by infinitive and or gerund forms

### Introduction to Business Law.

#### *Law, Justice and Ethics*



#### *What is Law?*

Laws are rules and **guidelines** established and enforced by the government and its entities. They vary from country to country, and there is a body of international laws applying to all countries that decide to ratify certain **treaties** or conventions. Laws establish what citizens, business, and governmental agencies are or aren't permitted to do. The **judiciary** system has the power to interpret them and to **enforce** them in all different situations.

*What is Justice?*

Justice is a broad and somehow abstract concept based on equality of rights, **fairness**, kindness, dignity, moral and ethics. In a just world, we would not have discrimination, violence, abuses, **poverty**, slavery, and injustices in general. Therefore, all laws should be based on the idea of justice and all governments should defend enforcing national laws in a just and equal way.

Furthermore, justice applies to all individuals without discrimination or limitations.

*What is Ethics?*

Ethics is a system of moral principles which affect how people make decisions and how they consider **leading** their lives.

Ethics **is concerned** with what is right or wrong for individuals and society.

1. Complete the following sentences with the concepts taken from the reading. Pay attention to the verb forms when necessary.

<b>guidelines</b>	<b>treaty</b>	<b>judiciary</b>	<b>to enforce</b>
<b>fairness</b>	<b>poverty</b>	<b>to lead</b>	<b>be concerned</b>

- a) Regardless the legal aspect, this case \_\_\_\_\_ with the defendant's absence of moral principles.
- b) According to the ECLAC, 10.7% of Chile's population still lives under the \_\_\_\_\_ line

- c) Peru has been negotiating a commercial \_\_\_\_\_ with India to increase its agricultural exports.
- d) How difficult is \_\_\_\_\_ environmental laws in your country?
- e) The \_\_\_\_\_ of the project were very confusing, the team was not able to follow them.
- f) She \_\_\_\_\_ her law career in a very professional and successful way.
- g) Who appoints the \_\_\_\_\_ of the Supreme Court in Chile?
- h) Laws should be applied with \_\_\_\_\_ and equality to all the citizens, with no distinction nor limitations.

## 2. Ethics and decision making

*An ethical system is a way of deciding what is right or wrong in a consistent, reasoned, impartial manner. Consider the three important elements in this definition.*

- 👉 A decision is made about a right or wrong action.
- 👉 The decision is reasoned.
- 👉 The decision is impartial.

### Decision about a Right or Wrong Action

Many of your decisions have little effect on anyone except yourself. For example, your decision to buy blue jeans with wide pant legs instead of narrow ones has no ethical component. On the other hand, when you decide to discontinue medical support for an

unconscious, terminally ill relative, it is an intensely ethical decision. To involve ethics, a decision must affect you or others in some significant way

### **Reasoned Decisions**

You often act in response to your emotions. For example, when you really like a movie, you might recommend watching it to friends with words such as, *“It really made me feel good.”* Or when someone asks you why you made a particular comment, you respond, *“I don’t really know, I just felt like doing it.”* What you mean is that your feelings or emotions guided your actions. To make ethical decisions, you must consider making your decisions based on reason, not on emotion. People often reason about right and wrong by referring to a **time-tested authority**. The law is such an authority for some; religious texts are for others.

### **Impartial Decisions**

Impartiality is the idea that the same ethical standards are applied to everyone. If it is wrong for you to engage in a certain action, then in the same circumstance, it is also wrong for me. So, by definition, ethics does not value one person or group of persons more than any other. Each person is an individual and should expect to receive equal respect and consideration from others. Impartiality requires that, in making ethical decisions, you need to balance your **self-interests** with the interests of others. Sometimes it is difficult to recognize the interests of others. Your self-interests can make your perceptions unclear and thus affect your ability to be impartial.

## **2a) Discussion**

Work with a partner. Think of a decision that you each made recently that affected another in a significant way. Would you consider that decision to be an ethical decision? Why or why not? Present your findings to the class.

**2b) Look at the sentences below and identify the main verb in each sentence. Is there only one verb in the sentence?**

- a) She is **thinking about taking** the case in spite of the difficulties that may arise.
- b) Fortunately, they could **afford to hire** the best lawyers in town.
- c) Business owners should **consider making** ethical decisions if they want to have a long-run profit maximization.
- d) They **agreed to set** prices on medicines so they could charge higher prices to customers.

The sentences above contain examples of verbs followed by gerund or infinitive. However, there are verbs that can be followed by both the gerund and the infinitive form keeping a similar meaning.

- 1. He **began searching** for information 3 months before the trial. He **began to search** for information 3 months before the trial.
- 2. They **prefer discussing** the defendant's alibi in private. They **prefer to discuss** the defendant's alibi in private.

**2c) Most common verbs followed by:**

Gerund	Infinitive	Gerund/Infinitive
avoid	agree	begin
consider	afford	continue
discuss	choose	hate
dislike	decide	like
enjoy	expect	love
finish	need	prefer
miss	plan	propose
think of/ about	promise	start
feel like	seem	cease
give up	want	can't stand

**Complete the following sentences with the correct form of the verb in brackets.**

- I. The judge has decided \_\_\_\_\_ (sentence) all the members of the directory board.
- II. They will continue \_\_\_\_\_ (defend) the owners no matter the cost.
- III. The team of attorneys representing the company is discussing \_\_\_\_\_ (change) the defense strategy.
- IV. She needs \_\_\_\_\_ (analyze) the case thoroughly before presenting the evidence.
- V. You should avoid \_\_\_\_\_ (talk) to the media while the trial is in process.

VI. The government ceased \_\_\_\_\_ (provide) legal assistance.

Finally, we can find verbs that can be followed by both the gerund and the Infinitive form with changes in meaning.

<b>Stop</b>	She stopped (2) smoking (1) (She broke the habit)	She stopped (1) to smoke (2) (She stopped an action to smoke)
<b>Regret</b>	I regret (2) cancelling (1) the party due to the weather. It is a beautiful, sunny day now! (after the action)	I regret (1) to cancel (2) the party due to the weather. (before the action)
<b>Remember</b>	She remembers (2) reading (1) bedtime stories to her daughter. (memories)	She remembers (1) to read (2) bedtime stories to her daughter every day. (remembers to do a habit)
<b>Forget</b>	I forgot (2) turning off (1) the lights before leaving my house. (sth you did or didn't do)	I forgot (1) to turn off (2) the lights before leaving my house. (sth you had to do)
<b>Try</b>	They try learning English by listening to native speakers. (experimenting)	They try to learn English at least 3 times a week. (make an effort)

**Complete the sentences using the gerund or infinitive form of the verb in parenthesis.**

**Read the sentences well before answering.**

1. Please do not forget \_\_\_\_\_ (appoint) an interview with the main witness as soon as possible.
2. If you can't reach the prosecutor on this number, try \_\_\_\_\_ (call) him to his office.
3. Do you remember \_\_\_\_\_ (hear) about this case before? It was very famous in the 90's.
4. You've been working the whole day! Stop \_\_\_\_\_ (have) something to eat and rest for a while.

5. I really regret \_\_\_\_\_(take) this case! It is too hard, and I don't see a good ending here.
6. Stop \_\_\_\_\_(complain) about the case! Pull yourself together and try \_\_\_\_\_(calm down).

**Go back to the readings above and identify 5 sentences that contain verbs followed by gerund or infinitive. Write down the sentences.**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

### **3. Ethics and Business**

#### **Business Law**

Business law refers to the specific group of laws that regulates the establishment, operation, and termination of commercial enterprises. Without a stable body of business laws, a businessperson would have to **contend with** many conflicting laws that would make **profitable** trade improbable, if not impossible. Nonetheless, a working knowledge of all aspects of the law, not just the specific area of business law, is required for your success.

#### **Business Ethics**

The reason you are learning about ethics in general is to prepare you to apply ethical concepts to business decision making. Business ethics are the ethical principles used in making business decisions. All too often, however, ethics are not considered when business decisions are made. The reason can be summarized in two words: profit maximization. Those who would move factories **offshore** or cut jobs and pay in order to reduce costs and produce greater short-term profits support the idea of profit maximization. However, such activities tend to do little more than line the pockets of the business owners. This **enriching** of the few



at the expense of the many occurs because our free-market economy is far from perfect. To achieve a more ethically motivated economy, the profit maximization ethic will need to be replaced by more humane ethical standards.

**3a) Match the words taken from reading 2 and 3 with their definitions.**

1. Contend with	_____making or gaining a profit, advantage, or benefit.
2. Profitable	_____to make something or someone richer.
3. Offshore	_____having proved valid, workable, or useful over a long period of time
4. Time-tested	_____personal benefit or advantage.
5. Enriching	_____to deal with an unpleasant or difficult situation.
6. Self-interests	_____in a foreign country.

**3b) Answer the following questions.**

**1. What is the difference between law and justice?**

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**2. What are the three elements in the definition of ethics?**

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**3. Explain the conflict between business ethics and profit maximization.**

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**4. Explain the importance of making ethical decisions when dealing with business and institutions.**

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