

Trust at Work

How ethical choices support free enterprise

6.7.C “understand the importance of ethics in maintaining a functional free enterprise system.”

NAME _____

DATE _____

1 READ AND MARK _____ Read it twice

YOUR JOB Underline each ethical or dishonest action, then circle the effect it has on trust, customers, prices, or competition.

Choices That Keep Markets Working

- ① In a free enterprise system, people can open businesses, choose what to buy, and compete for customers. This system works best when people follow ethical rules, or principles about right and fair behavior. Ethics are not the same as a law. A business might obey a law but still make an unfair choice, such as hiding an important problem from customers. Ethical choices build trust, which helps people feel safer buying, selling, lending, and investing.
- ② Maya owns a bicycle repair shop. To bring in quick money, she could advertise used brake pads as new. Instead, she labels each part honestly and tells customers when a repair can wait. A customer later finds a price mistake on a receipt, and Maya returns the extra charge without being asked. Customers share these experiences with neighbors. They return to her shop because they expect accurate information and fair treatment. Other repair shops must compete by offering dependable service too.
- ③ Ethics also guide customers. Suppose a shopper notices that a cashier gave too much change. Keeping it may seem like a small gain, but returning it treats the worker and business fairly. When dishonest actions become common, businesses may spend more on security, raise prices, or lose customers. Honest behavior does not guarantee that every business succeeds, because products, prices, and service also matter. Still, ethical choices help create the trust and fair competition that allow a free enterprise system to function.

2 ANSWER WITH EVIDENCE _____ Use the passage

1 How does the passage explain the difference between ethics and laws?

2 What are two ethical actions Maya takes at her repair shop?

3 How do Maya's ethical choices affect competition among repair shops?

4 Name two possible results when dishonest actions become common in businesses.

3 YOUR TURN _____ Your own words

Write three or four sentences about an ethical choice by a business or customer that is different from the examples in the passage. Explain two ways the choice supports trust or fair competition in a free enterprise system.

PART 1 • READ AND MARK

Underline each ethical or dishonest action, then circle the effect it has on trust, customers, prices, or competition. Accept any marking that follows this job and points at the right text.

PART 2 • ANSWERS

#	QUESTION	ANSWER
1	How does the passage explain the difference between ethics and laws?	Ethics are principles about right and fair behavior. A business can obey a law but still make an unfair choice.
2	What are two ethical actions Maya takes at her repair shop?	She labels used parts honestly and tells customers when a repair can wait. She also returns an extra charge caused by a price mistake.
3	How do Maya's ethical choices affect competition among repair shops?	Customers return because they expect accurate information and fair treatment. Other repair shops must compete by offering dependable service.
4	Name two possible results when dishonest actions become common in businesses.	Businesses may spend more on security, raise prices, or lose customers.

PART 3 • YOUR TURN (SAMPLE ANSWER)

A grocery store learns that a sign lists a lower price than the computer. The manager honors the posted price and corrects the sign right away. Shoppers see that the store is fair, so they are more likely to return. Competing stores have a reason to give clear prices too.

Accept responses that identify a fair or honest choice and accurately explain at least two effects on trust, customers, or competition. Students may use a business or customer example not found in the passage.