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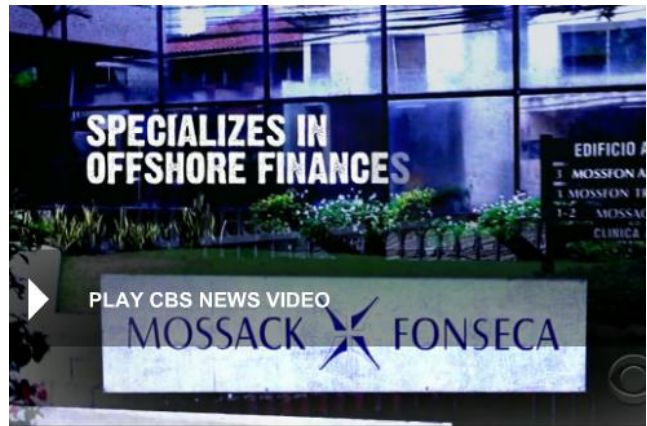
The Rich get Richer: Fairness and Responsibility

All the major news outlets have broadcast the breaking story of the data breach at Mossack Fonseca the Panamanian law firm. This story has revealed the participation of many wealthy individuals and international leaders in “shell companies” that can hide financial assets from the owners’ home country.

Not all of the work of Mossack Fonseca should be defined as supporting illegal activity, but the suspicion is that many of the companies formed are simply a method to offer tax shelters for the continued investment for people of great wealth. This allows wealthy people the ability to multiply their net worth without contributing to the tax base of their nation. Most average citizens do not know how or cannot afford to take advantage of international lawyers and banks.

Whether laws are broken or not in this case, is there a conflict between the ethical values of fairness (to society) and responsibility (to self)? Students might consider and discuss, if they were wealthy and could take advantage of moving money aboard to avoid state and national taxes should they use that strategy? If the law provides legal loopholes for them to invest in foreign tax havens, is it still ethical? If their nation provided them the business climate to become rich, do they have an ethical responsibility (to others) to pay their fair share of taxes?

A follow-up question—What kind of laws should be in place to address this issue?



Link to CBS Video- <http://bit.ly/panamapapersvideo>

Link to CBS story: <http://www.cbsnews.com/videos/panama-papers-show-how-rich-and-powerful-hide-their-money/>

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