

[Home](#) > [Journal of Business Ethics](#) > [Article](#)

# ‘Margin Call’: Using Film to Explore Behavioural Aspects of the Financial Crisis

| Published: 26 June 2013

| Volume 122, pages 643–654, (2014) [Cite this article](#)[Journal of Business Ethics](#)[Aims and scope](#) →[Submit manuscript](#) →[Andrea Werner](#) <sup>1</sup> **2043** Accesses **27** Citations **4** Altmetric [Explore all metrics](#) →

## Abstract

The aim of this article is to show how the critically acclaimed and award winning film *Margin Call* may be used in business ethics teaching. Set in a fictional investment bank at the dawn of the financial crisis, the film zooms in on the motivations and decision-making of people who had much to lose from the crash of the hitherto very profitable mortgage-backed securities market. The film offers rich material for analysis of behaviours that contributed to the crisis. The article will set out topics for classroom discussion, including the impact of incentives and power structures, contextual factors that distance people from the consequences of their actions, and considerations of how the banking industry may be transformed.



## Access this article

Log in via an institution →

## Subscribe and save

✓ Springer+

from €37.37 /Month

- Starting from 10 chapters or articles per month
- Access and download chapters and articles from more than 300k books and 2,500 journals
- Cancel anytime

View plans →

## Buy Now

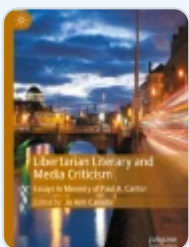
Buy article PDF 39,95 €

Price includes VAT (Poland)

Instant access to the full article PDF.

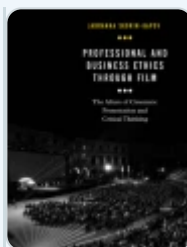
[Institutional subscriptions](#) →

## Similar content being viewed by others



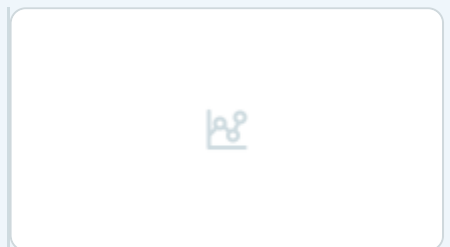
**The Big Screen Takes on the Financial Crisis: An Exploration of Four Films (2011–2015)**

Chapter | © 2025



**Financial Machinations and Ethical Perspectives**

Chapter | © 2019



**Moral Responsibility for Systemic Financial Risk**

Article | 28 September 2019

## Explore related subjects

Discover the latest articles, books and news in related subjects, suggested using machine learning.

[Business Ethics](#)

[Film Studies](#)

[Sociology of Film](#)

[Religion and Ethics](#)

[Sociology of the Financial Market](#)

## Notes

1. A slightly different view regarding the film's merits is provided by MacDonald ([2010b](#)) and Shaw ([2012](#)), who argue that Gordon Gekko's 'greed is good' speech at an AGM is a useful focus for discussions around effective corporate governance (MacDonald [2010b](#)) and the shareholder versus the stakeholder view of the corporation (Shaw [2012](#)).
2. A script of the film (<http://www.ropeofsilicon.com/Images/web/template/awards/2012/scripts/margincall.pdf> (Chandor [2010](#))) is available on the internet. Even though in the actual film parts of the dialogue are worded slightly differently and some of the scenes have been deleted or are shown in a slightly different order, the script may be helpful for students to study the film more in-depth.
3. The following techniques of neutralisations are used by the characters in the film (adapted from Heath [2008](#)):
  - Denial of responsibility—the perpetrator thinks that what happened was outside their control, that they had no choice and so on
  - Denial of injury—the perpetrator denies that any harm was done by their actions
  - Denial of the victim—the perpetrator considers those harmed by their actions to be unworthy of concern

- Appeal to higher loyalty—the perpetrator claims that their act was done out of a sense of moral obligation
- Everyone else is doing it—the perpetrator assumes that it is unreasonable to expect legal/ethical behaviour because others are engaging in this practice, too
- Claim to entitlement—referring to a moral obligation or a misdeed perpetrated by the victim that entitles the perpetrator to act in a particular way

4. In July 2007, Chuck Prince, the then Citigroup Chief Executive, famously said ‘As long as the music is playing, you’ve got to get up and dance’, referring to the continuing availability of cheap credit that enabled his bank to pursue profitable opportunities in the leveraged finance market (Nakamoto and Wighton [2007](#)).
5. Students might note that Sam Rogers, in his final speech to the traders (01:10:22-01:12:40), makes reference to the traders having contributed to a ‘greater good’. However, in view of the ensuing financial crisis, his assertions sound somewhat hollow and might be a rather desperate attempt to convince the traders and himself that the fire sale is legitimate.
6. I owe this insight to a scene in *Inside Job* (2010).
7. For the purposes of classroom discussion, the following definition of ‘social contract’ taken from an article by Hasnas ([1998](#)) may be used: ‘Social contract theory asserts that all businesses are ethically obligated to enhance the welfare of society by satisfying consumer and employee interests without violating any of the general canons of justice... Social contract theory posits an implicit contract between the members of society and businesses in which the members of society grant businesses the right to exist in return for certain specified benefits.’

8. The following article on the public purpose of banking, issued by the Roosevelt Institute, could be used as a teaching resource here:  
<http://www.rooseveltinstitute.org/new-roosevelt/attention-lloyd-blankfein-public-purpose-banking>.

## References

---

Aebi, V., Sabato, G., & Schmid, M. (2012). Risk management, corporate governance, and bank performance in the financial crisis. *Journal of Banking and Finance*, 36, 3213–3226.

[Article](#) [Google Scholar](#)

Ahuvia, A. (2008). If money doesn't make us happy, why do we act as if it does? *Journal of Economic Psychology*, 29, 491–507.

[Article](#) [Google Scholar](#)

Aknin, L. B., Norton, M. I., & Dunn, E. W. (2009). From wealth to well-being? Money matters, but less than people think. *The Journal of Positive Psychology*, 4, 523–527.

[Article](#) [Google Scholar](#)

Anand, V., Ashforth, B. E., & Joshi, M. (2004). Business as usual: The acceptance and perpetuation of corruption in organizations. *Academy of Management Executive*, 18, 39–53.

[Article](#) [Google Scholar](#)

Augar, P. (2009). *Reckless: The rise and fall of the city*. London: Vintage.

[Google Scholar](#)

Barth, J. (2009). *The rise and fall of the US mortgage and credit markets*. Hoboken, NJ: Wiley.

[Google Scholar](#)

Berger, J., & Pratt, C. (1998). Teaching business communication ethics with controversial films. *Journal of Business Ethics*, 17, 1817-1823.

[Article](#) [Google Scholar](#)

Biktimirov, E., & Cyr, D. (2012). Using Inside Job to teach business ethics. *Journal of Business Ethics*,. doi:[10.1007/s10551-012-1516-y](https://doi.org/10.1007/s10551-012-1516-y).

[Google Scholar](#)

Brewis, J. (1998). What is wrong with this picture? Sex and gender relations in Disclosure. In J. S. Hassard & R. Holliday (Eds.), *Organization-representation: Work and organization in popular culture* (pp. 83-99). London: Sage.

[Google Scholar](#)

Carson, T. L. (2003). Self-interest and business ethics: Some lessons of the recent corporate scandals. *Journal of Business Ethics*, 43, 389-394.

[Article](#) [Google Scholar](#)

Champoux, J. E. (2006). At the cinema: Aspiring to a higher ethical standard. *Academy of Management Learning and Education*, 5, 386-390.

[Article](#) [Google Scholar](#)

Chan, K. C., Weber, M., & Johnson, M. (1995). Using other people's money in the classroom. *Financial Practice and Education*, 5, 123-127.

[Google Scholar](#)

Chandor, J. C. (2010). *Margin Call*. Retrieved April 2012 from <http://www.ropeofsilicon.com/Images/web/template/awards/2012/scripts/marginall.pdf>.

Cox, P. L., Friedman, B. A., & Edwards, A. (2009). Enron: The smartest guys in the room—Using the Enron film to examine student attitudes towards business ethics. *Journal of Behavioral and Applied Management*, 10, 263–290.

[Google Scholar](#)

Crane, A., & Matten, D. (2010). *Business ethics: Managing corporate citizenship and sustainability in the age of globalization* (3rd ed.). Oxford: OUP.

[Google Scholar](#)

Croft, J. (2009). MPs told HBOS was warned of ‘serious risk to financial stability’. *Financial Times*, 11 February 2009, p. 3.

[Google Scholar](#)

Denzin, N. (1991). *Images of postmodern society: Social theory and contemporary cinema*. London: Sage.

[Google Scholar](#)

Donaldson, T. (2000). Are business managers “professionals”? *Business Ethics Quarterly*, 10, 83–94.

[Article](#) [Google Scholar](#)

Donaldson, T. (2012). Three ethical roots of the economic crisis. *Journal of Business Ethics*, 106, 5–8.

[Article](#) [Google Scholar](#)

Dunn, E. W., Gilbert, D. T., & Wilson, T. D. (2011). If money doesn't make you happy, then you probably aren't spending it right. *Journal of Consumer Psychology*, 21, 115-125.

[Article](#) [Google Scholar](#)

Hasnas, J. (1998). The normative theories of business ethics: A guide for the perplexed. *Business Ethics Quarterly*, 8, 19-42.

[Article](#) [Google Scholar](#)

Hassard, J. S., & Buchanan, D. A. (2009). From modern times to Syriana: Feature films as research data. In D. A. Buchanan & A. Bryman (Eds.), *The Sage handbook of organizational research methods* (pp. 620-635). London: Sage.

[Google Scholar](#)

Hassard, J. S., & Holliday, R. (1998). Introduction. In J. S. Hassard & R. Holliday (Eds.), *Organization-representation: Work and organization in popular culture* (pp. 1-15). London: Sage.

[Google Scholar](#)

Heath, J. (2008). Business ethics and moral motivation: A criminological perspective. *Journal of Business Ethics*, 83, 595-614.

[Article](#) [Google Scholar](#)

Huczynski, A., & Buchanan, D. (2004). Theory from fiction: A narrative process perspective on the pedagogical use of feature film. *Journal of Management Education*, 28, 707-726.

[Article](#) [Google Scholar](#)

Internet Movie Database. (2013). *Margin Call*. Retrieved April 2013 from



<http://www.imdb.com/title/tt1615147/>.

Jackall, R. (1988). *Moral mazes: The world of corporate managers*. Oxford: Oxford University Press.

[Google Scholar](#)

James, H. S., Jr. (2000). Reinforcing ethical decision making through organizational structure. *Journal of Business Ethics*, 28, 43–58.

[Article](#) [Google Scholar](#)

Jarvis, J. (2012). *The crisis of credit*. Retrieved November 2012 from <http://crisisofcredit.com/>.

Johnson, G., Whittington, R., Scholes, K., & Pyle, S. (2011). *Exploring strategy: Text & cases* (9th ed.). Harlow: Financial Times Prentice Hall.

[Google Scholar](#)

MacDonald, C. (2010a). *MBA ethics education: Avoiding excuses*. Retrieved April 2013 from <http://businessethicsblog.com/2010/11/16/mba-ethics-education-avoiding-excuses/>.

MacDonald, C. (2010b). *Wall Street (1987)—“Greed is good”*. Retrieved April 2013 from <http://businessethicsblog.com/2010/10/12/wall-street-1987-greed-is-good/>.

Mason, P. (2009). *Meltdown: The end of the age of greed*. London: Verso.

[Google Scholar](#)

Nakamoto, M., & Wighton, D. (2007). Bullish Citigroup is ‘still dancing’ to the

beat of the buy-out boom. *Financial Times*, 10 July 2007, p. 1.

[Google Scholar](#)

Roberts, J. (2001a). Corporate governance and the ethics of Narcissus. *Business Ethics Quarterly*, 11, 109–127.

[Article](#) [Google Scholar](#)

Roberts, J. (2001b). Trust and control in Anglo-American systems of corporate governance: The individualizing and socializing effects of processes of accountability. *Human Relations*, 54, 1547–1572.

[Article](#) [Google Scholar](#)

Roberts, J., & Jones, M. (2009). Accounting for self interest in the credit crisis. *Accounting, Organizations and Society*, 34, 856–867.

[Article](#) [Google Scholar](#)

Roosevelt Institute. (N.N.). *Attention Lloyd Blankfein: The public purpose of banking*. Retrieved April 2013 from <http://www.rooseveltinstitute.org/new-roosevelt/attention-lloyd-blankfein-public-purpose-banking>.

Ryan, M. K., & Haslam, S. (2004). *Introducing... the glass cliff*. Retrieved April 2013 from <http://news.bbc.co.uk/1/hi/magazine/3755031.stm>.

Ryan, M. K., & Haslam, S. (2007). The glass cliff: Exploring the dynamics surrounding the appointment of women to precarious leadership positions. *Academy of Management Review*, 32, 549–572.

[Article](#) [Google Scholar](#)

Shaw, B. B. (2004). Hollywood ethics: Developing ethical issues... Hollywood

style. *Journal of Business Ethics*, 49, 167-177.

[Article](#) [Google Scholar](#)

Shaw, D. (2012). *Morality and the movies: Reading ethics through film*. London: Continuum.

[Google Scholar](#)

Sibley, C. G., & Duckitt, J. (2010). The ideological legitimization of the status quo: Longitudinal tests of a social dominance model. *Political Psychology*, 31, 109-137.

[Article](#) [Google Scholar](#)

Stiglitz, J. (2010). *Freefall: Free markets and the sinking of the global economy*. London: Penguin.

[Google Scholar](#)

Ten Bos, R. (1997). Essai: Business ethics and Bauman ethics. *Organization Studies*, 18, 997-1014.

[Article](#) [Google Scholar](#)

Times Topics. (N.N.). Glass-Steagall Act (1933). *The New York Times*. Retrieved April 2013 from [http://topics.nytimes.com/topics/reference/timestopics/subjects/g/glass\\_steagall\\_act\\_1933/index.html](http://topics.nytimes.com/topics/reference/timestopics/subjects/g/glass_steagall_act_1933/index.html).

Turan, K. (2011). 'Margin Call' pays off in big dividends. *Los Angeles Times*, 21 October 2011. Retrieved April 2013 from <http://articles.latimes.com/2011/oct/21/entertainment/la-et-margin-call-20111021>.

van Es, R. (2003). Inside and outside The Insider: A film workshop in practical

ethics. *Journal of Business Ethics*, 48, 89-97.

[Article](#) [Google Scholar](#)

Vredenburg, D., & Brender, Y. (1998). The hierarchical abuse of power in work organizations. *Journal of Business Ethics*, 17, 1337-1347.

[Article](#) [Google Scholar](#)

Werhane, P. (1999). *Moral imagination and management decision-making*. New York: Oxford University Press.

[Google Scholar](#)

Wikipedia. (N.N.). *Techniques of neutralization*. Retrieved April 2013 from [http://en.wikipedia.org/wiki/Techniques\\_of\\_neutralization](http://en.wikipedia.org/wiki/Techniques_of_neutralization).

Wilson, T. C. (2013). Risk management lessons learned from the financial crisis: One CRO's view. *Journal of Risk Management in Financial Institutions*, 6, 167-177.

[Google Scholar](#)

Wisman, J. D., & Smith, J. F. (2011). Legitimizing inequality: Fooling most of the people all of the time. *American Journal of Economics and Sociology*, 70, 974-1013.

[Article](#) [Google Scholar](#)

## Acknowledgments

---

The author would like to thank the three anonymous reviewers for their helpful comments and feedback.

# Author information

---

## Authors and Affiliations

**Middlesex University Business School, The Burroughs, London, NW4 4BT, UK**

Andrea Werner

## Corresponding author

Correspondence to [Andrea Werner](#).

## Rights and permissions

---

[Reprints and permissions](#)

## About this article

---

### Cite this article

Werner, A. 'Margin Call': Using Film to Explore Behavioural Aspects of the Financial Crisis. *J Bus Ethics* **122**, 643–654 (2014). <https://doi.org/10.1007/s10551-013-1781-4>

Received

22 November 2012

Accepted

17 June 2013

Published

26 June 2013

Issue date

July 2014

DOI

<https://doi.org/10.1007/s10551-013-1781-4>

## Keywords

[Financial crisis](#)

[Film](#)

[Teaching](#)

[Descriptive business ethics](#)

[Rationalisations](#)

# Search

Search by keyword or author



## Navigation

Find a journal

Publish with us

Track your research

