Counterfeiting: Education Influences Ethical Decision Making

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**Abstract**
The purpose of this article is to address the relationship between the purchase of counterfeit apparel goods by college students and their knowledge and concern of counterfeiting. Additionally, students' beliefs regarding the legality of manufacturing, distributing, and purchasing counterfeit goods are examined. This topic is important because family and consumer sciences (FCS) educators continue to focus on ethics as a fundamental component of the goals and objectives in curricula as a means of developing ethically-minded students.

**Disciplines**
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Counterfeiting: Education Influences Ethical Decision Making

Joy M. Kozar
Sara B. Marcketti

Educating students to be ethical members of society is a guiding principle for educators in family and consumer sciences (FCS) (Norquist, 2005). As stated in Couch (2005), de Russy (2003) asserted in the Chronicle of Higher Education that “professional ethics begin on the college campus” (p. B20). The Partnership for 21st Century Skills (www.21stcenturyskills.org), a leading advocacy organization for infusing 21st century skills into education, has found nationwide agreement that ethics and social responsibility should be a focus in schools.

The practice of counterfeiting apparel products is a pervasive ethical dilemma plaguing the United States. Recent figures estimate the loss in terms of millions of dollars in tax revenue and tens of thousands of domestic jobs (International AntiCounterfeiting Coalition [IACC], 2006). Furthermore, counterfeiting of apparel goods is illegal and has been linked to organized crime, unfair competition to legitimate businesses, and defrauding of customers (IACC, 2005). The U.S. Department of Commerce estimates that American companies, as a result of counterfeiting, lose approximately $20–$24 billion annually (Fishman, 2005).

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A total of 741 undergraduate and graduate students at two universities in the Midwest participated in the study. Approximately 76% of participants were female; over half of them (50.2%) were between the ages of 18–20.

A positive, significant relationship between participants’ knowledge and concern regarding counterfeiting and the legality of manufacturing, distributing, and purchasing counterfeit goods was found. This suggests that participants who reported being more knowledgeable and concerned about the negative implications of counterfeiting were more likely to believe that the practice of making, selling, and buying counterfeit goods is associated with committing a crime. Moreover, those who viewed counterfeiting as an illegal act were less likely to knowingly purchase counterfeit apparel goods or to know someone who previously

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purchased counterfeit apparel goods. These results are promising, indicating a positive relationship between students' knowledge and concern with their purchasing behavior. FCS classes provide an excellent opportunity to make students more aware of ethical decisions and dilemmas they will encounter, including the availability of counterfeit apparel goods. There are varied methods to motivate students' learning as to the detrimental and illegal acts of counterfeiting, such as case studies, documentaries, and discussions of popular press and scholarly readings. It is evident from this study that education has a significant impact on college students' ethical decision making.

References

Identity Theft: New AAFCS Resolution, Suggested Strategies for Consumer Education

At the AAFCS Annual Senate Meeting in June, 2008, an Identity Theft Resolution was passed, which serves as the Association's position on issues related to this costly (in terms of time, money, and emotional duress) experience that far too many people are having. Readers are encouraged to take action and provide education as part of AAFCS Affiliate conferences, classroom activities, and adult education.

"Be it resolved, that AAFCS support local, statewide, and national educational programs and policies 1) that are designed to help individuals and families in Identity Theft prevention and recovery and 2) that encourage expansion of security measures to protect personal information" (www.aafcs.org/policy/resolutions.html)

The resolution's impact statement suggests that consumer education can help reduce the incidence and costs of identity theft. Effective proactive behaviors include checking credit reports annually, monitoring credit cards, and using caution in sharing personal information. Though we usually equate identity theft with credit cards, it can involve any financial accounts and personal information. A student shared that it was her debit card number that was breached recently—from three different countries for thousands of dollars. Suggested strategies included:

- Provide consumer education for various ages—high school, higher education, and community programming—consider having those who have experienced identity theft share their stories and awareness of prevention
- Create a system of support for victims of identity theft—most of us know family, friends, or students who need assurance and assistance
- Engage financial institutions to become more vigilant in information security procedures—ask financial institutions what triggers their notification of you when they may notice suspicious activity in your accounts—is it sufficient, timely?
- Support local, state, and federal advocacy to fight against identity theft—how do local law enforcement personnel handle theft incidents?
- Monitor legislation to inform members—does existing and proposed legislation address consumer concerns?