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For Apple, a Search for a Moral High Ground in a Heated Debate

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What does it mean to be a good corporate citizen?

That's one of the questions being tested as Apple and the federal government battle over whether Apple should help the Federal Bureau of Investigation unlock an iPhone to gain access to encrypted data that officials say is necessary for their investigation of the San Bernardino, Calif., shootings that killed 14 people.

Apple initially assisted the F.B.I., but is now fighting a government subpoena directing it to create a new piece of software to open the phone, contending that its position is meant to protect the privacy of its customers.

Aside from the thicket of legal issues raised by the case, does Apple have a moral obligation to help the government learn more about the attack? Or does it have a moral obligation to protect its customers' privacy? Or how about its shareholders? And which of these should take precedence?

Timothy D. Cook, Apple's chief executive, has long spoken about running his company based on certain values. He has used his position to advocate gay rights, for example, and pushed the company to be more "green," once going so far as to tell a shareholder who questioned the return on investment of taking such stances, "If you want me to do things only for R.O.I. reasons, you should get out of this stock."

During a graduation speech last year at George Washington University, Mr. Cook said, "We believe that a company that has values and acts on them can really change the world." He added, "There is opportunity to do work that is infused with moral purpose."

Mr. Cook has argued that complying with the court order would threaten "everyone's civil liberties" and make customers more vulnerable to digital crime. And Mr. Cook is not alone. Chiefs at several technology companies have supported his position. "We're sympathetic with Apple on this one," Mark Zuckerberg, Facebook's C.E.O., said on stage Monday at the Mobile World Congress in Barcelona.

Apple has come under sharp criticism from law enforcement officials. "There was once such a thing called corporate responsibility," William J. Bratton, the police commissioner of New York City, said of Apple. "Now, it's corporate irresponsibility."

The debate over Apple's stance is just the latest in a series of questions about corporate patriotism. In recent years, questions have been directed at companies that renounce their United States citizenship to move to a country with a lower tax rate. Others, including Apple, have faced questions about tax strategies to shelter income abroad. And companies' social responsibility programs, say for clean energy or water efficiency, have been scrutinized.

Behind Mr. Cook's worry is a separate, perhaps even more immediate threat: the possibility that if Apple were to comply with the court's order, other governments might follow suit and require Apple to give them access for their own investigative purposes. If Apple refused the request of, say, the Chinese

government, it would risk being barred from doing business in China, its second-largest market after the United States.

And then there's the possibility that if Apple were to build special software for the F.B.I., it could fall into the wrong hands, leading to even greater privacy and safety concerns.

All of which leads back to the same question: At what point is there a moral obligation for a company to help law enforcement, regardless of the business or privacy risk, in the event of a terrorist attack, or any crime?

"What are we really doing here? We're protecting a terrorist," Michael Ramos, the San Bernardino County district attorney, told Bloomberg News, referring to Apple's position. "There's no way around that."

As principled as Mr. Cook's position may be, it still has the effect of hindering (or at least not helping) a criminal investigation that his company is uniquely situated to assist. (It is worth noting that the government already has most of the material on the phone from a previous backup.)

Some business economists like Milton Friedman would most likely argue that Apple has no moral obligation to the government that isn't in the interest of maximizing its profits.

"What does it mean to say that 'business' has responsibilities?" Mr. Friedman wrote in The New York Times Magazine in 1970. Citing his book "Capitalism and Freedom," he wrote, "There is one and only one social responsibility of business — to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud."

The Justice Department has suggested Apple's position "appears to be based on its concern for its business model and public brand marketing strategy."

James Comey, the director of the F.B.I., says that this lawsuit presents a narrow legal issue, and that what the government seeks is limited to this particular case.

"The San Bernardino litigation isn't about trying to set a precedent or send any kind of message," Mr. Comey said. "We don't want to break anyone's encryption or set a master key loose on the land."

Yet other law enforcement officials suggest that the conflict with Apple extends far beyond the San Bernardino case.

"This has become, ladies and gentlemen, the Wild West of technology," the Manhattan district attorney, Cyrus R. Vance Jr., said last Thursday, citing at least 175 iPhones that his office cannot gain access to, and arguing that it should be able to do so. "Apple and Google are their own sheriffs. There are no rules."

Ultimately, it appears that both sides have left little room for compromise. "Tim Cook and lawyer Ted Olson have draped their argument in one of moral absolutism — but there is a hierarchy of moral reasoning they miss," said Jeffrey Sonnenfeld, a senior associate dean for leadership studies at the Yale School of Management, referring to Apple's outside lawyer, Mr. Olson.

But if this broader controversy is ever going to be solved for the long term, there has to be an opportunity to reach a consensus in the middle.

Maybe that means Apple should work with law enforcement to train officials so they have a better ability to rapidly retrieve information legally? (After all, law enforcement had a chance to gain access to the iPhone in question had they taken certain steps early on.) Or maybe the president should create a commission to study the issue, bringing together people from Silicon Valley and law enforcement to create agreed-upon rules of the road. Or, perhaps new legislation is required.

Mr. Comey, in a statement issued Sunday night, suggested as much, citing the need to resolve the "tension between two values we all treasure — privacy and safety."

“That tension should not be resolved by corporations that sell stuff for a living,” he said. “It also should not be resolved by the F.B.I., which investigates for a living. It should be resolved by the American people deciding how we want to govern ourselves in a world we have never seen before.”

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