

World's Whistleblower

1-Which of Kohlberg's six stages of moral standards of moral development would you say that Cynthia Cooper had reached? Explain.

Cynthia Cooper, the perfectionist head of WorldCom's internal audit department, used the second level in Kohlberg's levels of moral development which are conventional stages, stage two, law and order orientation because she noticed something was wrong in the firm. Cooper as soon as possible met with the audit committee told them what had been going on. because she believed that the law and norms of her society like loyalty and honesty should be followed so the society will continue to function.

What are the ethical issues involved in the case? And which ethical issue type is it?

Since fraud happened because of Sullivan and Anderson. By this, they misused their power and responsibilities which harm them in the end. On the other hand, a large number of workers lost their careers, and that means because Sullivan and Anderson's weak desires affected other lives. Sullivan and Anderson for sure they did illegal behavior and offense to the whole company for years. We can category their behavior as a corporate ethical issue since they affect the corporation and its policies, culture, impact, and actions.

Write your opinions about this issue?

No doubt that we consider this case an illegal issue, and it causes many harassment and violation of other workers. When empowered employees misuse their power and be a cheater to the organization with fraud, they should get punishment as consequences to their action. In addition, the company now has to pay for their receivables that Anderson and Sullivan have been ignoring them for years, which means they offended the reputation of the company which will take the managers years to recover this problem. Summary of the speech, (Scott Sullivan) and who helped him (Arthur Anderson). As they were morally responsible for damages, they have to be punished and arrested.

Suggest solutions for this issue?

We suggest punishing (Scott Sullivan) and (Arthur Anderson) since they lost their loyalty to their firm for years and they caused real damages to the company. Fair solutions are many, we suggest them to provide help to the company to recover damages, to find new jobs for unemployed workers (who lost their jobs because of them). The most important to thank Cynthia for her appreciation and real loyalty to her company. She is a good example of a loyal ethical employee that believes and values are always important.

Write your recommendations?

We recommend making Sullivan and Anderson help the organization to recover the damages. To participate in corporate social responsibility programs to indemnify the culture, and to help workers who got fired to have new jobs and give them all sources of help. Confess what they did previously and what the consequences and punishments just to be as a reminder for all employees that values and ethics are the most important after all.

Selling Personalized Genetics

Evaluate the ethics of selling gene tests directly to consumers like these companies are doing. What would each of the three theories of a business's duties to consumers say about what the companies are doing? Under what conditions do you think selling the tests would be ethically legitimate?

The behavior the companies are doing is kind of harassment especially on the psychological side when the result of the genes shows about diseases connected with certain genes when it is actually in fact and scientific studies show that there is a weak connection and we cannot depend on such tests. Since the contract view assumes that the relationship between a business firm and its customers is essentially a contractual relationship, and the firm's moral duties to the consumer are those created by this contractual relationship. It means that there should be a contract based on the contractual theory terms which are; Duty to comply with express and implied claims of reliability, service life, Maintainability, and product safety, and Duty of disclosure: both parties know what they are doing and freely choose to do it. Duty doesn't misrepresent and duty not coerce. Based on the second view- which is Due Care Theory, it assumes because manufacturers are in a more advantaged position and consumers must rely on them, they have to take special care to ensure that consumers' interests are not harmed by the

products that they offer them. That means the companies operating these tests should provide special care to consumer's interests. It is based on the idea that consumers and sellers do not meet as equals, and that the consumer's interests are particularly vulnerable to being harmed by the manufacturer who has a piece of knowledge and expertise that the consumers lack. The responsibilities do the duty assumes about a producer are caring in; designing a product, production, and marketing. Last view (Social Costs View) indicates that a manufacturer should pay the costs of any injuries caused by defects in the product, even if the manufacturer exercised all due care in designing, making, and marketing it, and the injury could not have been foreseen. Product injuries are external costs that should be internalized as a cost of bringing the product to market, this maximizes utility and distributes costs more fairly. This means if any of the consumers had a negative impact because of the test, the firm should pay the costs.

Check out the video of GAO interviews and evaluate the selling practices shown on the video.

We can consider all the selling practices involved in that video under illegal practices and more. Each of the practices was full of dangerous marketing practices, misleading information, very bad health consequences because of absolute lies about a piece of health advice. Which we also consider it as crimes because the psychological and physical harassment could happen to consumers. Companies operating these practices should pay the costs of injuries to customers and get legal trials and punishments.

What are the ethical issues involved in the case? And which ethical issue type is it?

We could consider it as an individual ethical issue since it is ethical questions about a particular behavior. It's involved cheating, misleading information and no responsibility behaviors.

Write your opinions about this issue?

It's obvious for everyone that it's a case full of negative consequences since it contains misleading information about health, which considered as intrinsic goods. Health is the most valuable thing that has no costs for compensation.

Suggest solutions for this issue?

Prevent operating such companies, put high fines for every company misleading consumers about health information, and charge them for any practices seems similar to cheating and lying about health. There should be regulations prevent publishing information related to human health without official permission from the government agency that responsible for health and drugs, For example; (FDA).

Write your recommendations?

We recommend to get all these companies in legal trials and punish them under legal conditions. Pay costs to all consumers who got injuries because of samples. The suspension is a must for all these kinds of organizations since it is misleading information about health and lives.

On the Edge Beyonce's Gym Clothes

In your judgment, are the wages paid to the young women who make Beyonce's lines of clothing just wages? Explain why they are or are not fair wages.

To judge from a fair perspective, we have to take a look at the average wages in Sri Lanka. Sri Lankan's minimum wage is \$92 per month. So, on the legal side, there are no issues about their wages because they pay them above the minimum. Inhumanity real-life perspective is not fair to pay very low wages since the company is kind of successful and rich. In addition, they let workers operate long hours and even on weekends for little extra payments is also not fair. Workers have no free time for their private and personal lives, all they do is just work for long hours and days to have a little more extra pay which against humanity. In my judgments, this case has two sides. From the legal side is fair since they pay them above the minimum, and from humanity side, it is not fair to have young people spending their time working for very little wages and have no time to study, living personal life, and to catch opportunities to develop themselves.

Suppose that what the National Review article suggests is correct. Would that show that the wages of the young women are just? Explain.

If we consider the National Review suggestion is correct. That will give us mixed ideas and impressions. The first idea will pop up that since they arguing that the factory provides them a safe place to work and pay them above the minimum Sri Lankan wages. It's not fair to take advantage to attack the company since they appear in legally right. In addition, they claimed that "high salaries mean high quality of life" which is the globally true economic situation, so no way to critics in this case. The second idea, if we dig deep in such a case it will appear that there is oppression for young women that low wages they get, besides the large work pressures and unfairness.

What are the ethical issues involved in the case? And which ethical issue type is it?

It's a systematic issue since it's connected with low wages and working conditions. Which all falls under legal and economic systems within which organizations operate.

Write your opinions about this issue?

In my perspective, It's a kind of unfair situation for those young women. They lost their opportunity to study and learn, to work for their own dream just for too little wages that don't satisfy most of their basic needs.

Suggest solutions for this issue?

Since it is a successful firm with good earnings. If we look from a positive side, rising wages will encourage workers physically and psychologically, which will improve productivity and increase satisfaction and loyalty for the company.

Write your recommendations?

We recommend reducing the working hours of those young women, at least they will have some time for their personal lives. Or, rising wages at least to be worth time spending and satisfy personal basic needs, which is on the other hand, rise wages could be a factor for these poor young women as an incentive to improve productivity and working hard for their self-actualization.