

- ✓ Finally, one can follow the statements in the professional code of ethics. Some of the ethics codes have given clear statements to identify whether the given situation is a conflict of interests or not.

## 5.10 OCCUPATIONAL CRIMES

### 5.10.1. What Are Occupational Crimes?



- ✓ Occupational crimes are illegal acts committed through a person's lawful employment.
- ✓ It is the secretive violation of laws regarding work activities.
- ✓ When professionals or office workers commit the occupational crimes, it is referred as 'white collar crime'.
- ✓ Most of the occupational crimes are special instances of conflicts of interest. These crimes are motivated by personal greed, corporate ambition, misguided company loyalty, and many other motives.
- ✓ Even crimes that are aimed at promoting the interests of one's employer rather than oneself are also considered as occupational crimes.
- ✓ Occupational crimes impinge on various aspects such as professionalism, loyalty, conflicts of interest, and confidentiality.

### 5.10.2. Examples of Occupational Crimes

Three cases of occupational crimes that are commonly observed are:

1. Price fixing.
2. Endangering lives, and
3. Industrial espionage\* i.e. industrial spying.

#### 1. Occupational Crime Of Price Fixing

- ✓ While fixing a price for any commodity/product/service, sometimes all competitors come together and jointly set the prices to be charged. These are called as *Pricing cartels*.
- ✓ The above price fixation is unfair and unethical practice. This leads to restraint the free trade and open competition. Thus the above kind of price fixing is an example of occupational crime.
- ✓ **Case Illustration:** In 1983, in American state of Washington, six large electrical contractors along with eight company presidents and vice presidents were indicted on charges of fixing bids (contracts) for building public power plants. This is evident instance of occupational crime.

\* Espionage means spying i.e., secret gathering of information in order to influence relationships between two entities.

*"For the credit of virtue it must be admitted that the greatest evils which befall mankind are caused by their crimes." - Rochefoucauld*

- ✓ In order to avoid the above kind of occupational crimes, the laws are enforced which forbids companies from jointly fixing prices.

## 2. Endangering Lives

- ✓ Endangering the lives of employees is another kind of occupational crime.
- ✓ Some companies employ workers without disclosing them the harmful health effects and safety hazards about the working environment and the product to be manufactured. In due course of time, workers are exposed to very serious health problems. In this case, the employers are guilty of involved in an occupational crime.
- ✓ **Case Illustration:** Manville Corporation, the largest producer of asbestos in U.S., knew that asbestos dust was harmful for their employees' health. It could cause a lung disease named 'asbestosis' and an incurable cancer named 'mesothelioma'. The company kept this information secret from the employees and the public. During 1940-1979, over 27 million workers were exposed to asbestos and more than 1,00,000 workers have died. Many victims and their families have successfully filed civil suits to claim damages.
- ✓ The above shocking case study is the typical illustration of an occupational crime committed by the Manville Corporation.

## 3. Industrial Espionage

- ✓ Industrial espionage means industrial spying. *Espionage refers secret gathering of information in order to influence relationships between two entities.*
- ✓ Keeping information secret is a right. But acquisition of others' secret to one's advantage is espionage. The espionage is one of the most unethical and lawless activities.
- ✓ The vital information are secretly gathered/theft through espionage agents (also called spies).
- ✓ Industrial or corporate espionage is the theft of trade secrets for economic gains. The trade secret may be any of the intellectual properties such as designs, prototypes, formulas, software codes, passwords, manufacturing processes, marketing plans, supplier/ contractor details, etc.
- ✓ From the above discussion, it is clear that the industrial espionage is also a typical occupational crime existing in our society.

## REVIEW QUESTIONS

### Collegiality and Loyalty

1. Describe about the internal and external responsibilities of engineers.