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# Ethical Analysis

## Topic: Software Piracy

### Ethical Theories:

- Deontological Ethics
- Virtue Ethics
- Social Contract

### Ethical Principles:

- Theft
- Violation of Intellectual Property Rights
- Security Risks
- Unfair Competition

When considering the ethics of piracy, key ethical theories that come into play include utilitarianism, Kantian ethics, virtue ethics, and social contract theory.

In the current world, a piece of media or software can be accessed anywhere at any time, and a risk of this capability is that copyright becomes much harder to defend. Although the motivations behind piracy vary, the consequences extend far beyond simple legal and ethical considerations. While some argue for piracy as a means of accessibility and preservation, the reality is that piracy undermines organizations, exploits creators, and transfers a culture of arrogance that harms both businesses and consumers.

The act of pirating software generally is classified into four main motivations: to retaliate against a company, to profit from pirated work, to avoid paying for software, and/or to make software easily accessible to others (Links 3-4). Although the last reason may seem framed as unselfish, all forms of piracy share a common purpose: to involve unauthorized access to intellectual property. Regardless of intent, piracy results in financial losses and discourages innovation and investment in new software development. Real-world cases, such as the Florida man who pleaded guilty to software piracy and the six defendants involved in a \$100 million software piracy scheme, illustrate the substantial economic damage piracy can inflict on businesses and individuals (Link 1).

From a moral standpoint, piracy violates intellectual property rights. Some justify piracy by claiming software is too expensive, but this ignores the costs of research, development, and support. A Kantian ethical perspective, discussed in Brilllopedia, argues that piracy is unfair and devalues the effort of creators. Over time, repeated piracy can weaken people's sense of moral responsibility (Link 4).

Piracy has a profound economic impact on businesses and developers. When individuals obtain software illegally, companies lose revenue, often leading to increased costs for legitimate consumers. This, in turn, results in higher prices, stricter licensing restrictions, and the widespread adoption of subscription models and in-app purchases (Link 3). Small developers, who rely on direct sales to sustain their work, are particularly vulnerable as many are forced to abandon projects or exit the industry altogether. As a result, piracy stifles creativity and limits the availability of new and innovative software.

Piracy also creates security risks. Many pirated software versions contain malware or viruses, putting users at risk of data theft and cyberattacks (Link 4). Unlike legitimate software, pirated copies do not receive security updates or customer support. Real-life cases, such as the Chinese nationals charged with software piracy and exporting technology, highlight the broader security threats involved (Link 2).

Some argue that piracy helps preserve old software, but legal alternatives exist. Instead of piracy, people can advocate for re-releasing older software, support open-source projects, or use official archiving efforts.

In the end, software piracy is not harmless. It causes financial harm, raises costs, weakens security, and disrespects intellectual property. Instead of piracy, people should seek legal solutions like fair pricing models and open-source options. Supporting developers and ethical digital access is the best way to encourage innovation and fairness in the digital world.

#### Real life Example(s):

1. <https://www.justice.gov/usao-wdmo/pr/six-defendants-plead-guilty-100-million-software-piracy-scheme>

Six individuals were involved in a large-scale piracy operation that distributed illegal copies of software, causing over \$100 million in damage. This case highlights the massive financial harm piracy can inflict on businesses and the legal consequences for those involved.

2. <https://www.ice.gov/news/releases/chinese-nationals-charged-software-piracy-and-exporting-technology-china>

A group of Chinese nationals was charged with running an illegal software piracy network that stole and resold U.S. technology. This case demonstrates how piracy can also pose national security risks, as stolen software can be used in unauthorized industries or foreign governments.

#### Ethical Analysis:

3. <https://www.production-expert.com/production-expert-1/why-software-piracy-is-wrong-it-costs-someone>

This article from Production Expert explains how piracy directly harms software developers, businesses, and even consumers. It discusses financial losses, job reductions, and how piracy forces companies to adopt strict licensing and higher prices. The argument is based on the idea that piracy is theft and has real-world consequences.

4. <https://www.brillopedia.net/post/piracy-ethical-or-unethical-a-kantian-perspective>

This article analyzes software piracy from a Kantian ethics perspective, which emphasizes moral duty and universal fairness. It argues that piracy is unethical because it violates intellectual property rights and undermines fairness in society. The piece concludes that justifying piracy based on price or accessibility does not hold up under ethical scrutiny.

#### Ethical Theories:

- Utilitarianism
- Just- Consequentialism
- Virtue Ethics

#### Ethical Principles

- Accountability
- Fairness
- Accessibility

In our current time, media and the internet go hand in hand, software, games, art, films, etc... They are all shared in the same collective space where billions of people across the globe can access them. Yet, due to how quickly the ever-evolving internet has become accessible and has changed over the years, software has become more widely available and has along with it brought the emergence of a type of thief... software pirates.

Even though pirating software isn't anything new, the reasons behind pirating software are complex and aren't just guided by the ideas of right and wrong. The thing about software piracy is that it goes beyond the legal and ethical side of the act. Depending on the pirate, there may be some ethical reasons or principles behind the act or none at all.

Pirating software and media, why, how it helps, reasons behind, how people fall into the rabbit hole, how people feel about it,

The pirates in question either share media for 1 of 4 reasons: Either to get back at a company and watch their sales suffer, they wish to profit off of someone else's work, they do not wish to pay for software, or the most prevalent, in order to allow others to access it for free and/or promote it. The first 3 reasons are generally selfish and are rooted in the mentality of "Fairness" for a multitude of reasons (Links 1-3). The final reason is the most unique as unlike the other 3, it is usually selfless and only leads to problems to the one sharing the data.

But why, why do people go through the effort to ensure data is free or accessible? This is why pirating software is important. People ensure that data is accessible and free due to: companies not servicing areas, companies not providing region-based pricing to areas with unstable economies, companies refusing to support/sell/allow for purchasing software/media that they own the exclusive rights to, companies abusing their power to raise prices of their services without needing to (link 4), to preserve software/media, and to generally promote software (link 6). These reasons are all rooted in the theories of Utilitarianism, as these pirates generally want as many people as they can reach to enjoy and benefit from this software, Just-Consequentialism,

as they believe that the consequences of their actions will cause the betterment of the industries as more people can get access to the data and will give the industries the push they need to continue growing, and Virtue Ethics, as these people believe it is their responsibility to ensure that people access this information regardless of the rules. These people also cause companies to keep themselves accountable and ensure that the products they sell should be accessible and not lost to time, otherwise more people will pirate their products.

Even if this moral argument doesn't stand purely based on these reasons alone, majority of people who pirate software cannot afford it and in doing so they actually benefit the companies by giving them free advertisement through discussion and word of mouth as if they couldn't afford the product then there was no money to be made off that individual in the first place (In the phase 2 document I went into more detail about why certain people pirate media so I won't go into as much detail).

In the end, there are bad pirates who abuse their knowledge of technology to take people's works and use them for their own gain but, there are many more dedicated to preserving and sharing information that the companies who own the rights to have either lost/purposely discarded/refused to sell after they deem it no longer profitable. I may not agree with all forms of pirating but if companies kept themselves in check and provided the services they promise, we wouldn't need pirates to keep them on their toes.

1. [Digital piracy and the perception of price fairness: evidence from a field experiment](#)
  - **Psychological reactance theory** suggests that depriving someone of something they want causes negative emotions and illegitimate behaviors. Participants in this study felt entitled to obtain media without having to pay for it because they thought they were overcharged for digital media.
  - **Moral cleansing/licensing theory** suggests that people who do good may later behave selfishly. For study participants who had purchased digital media in the past, obtaining other media illegally was excusable.
  - In the study, 1,257 customers of the largest online e-bookstore in Poland were surveyed, who were frequent readers and purchasers of e-books. According to the respondents, about 24% admitted that they had illegally downloaded e-books or audiobooks in the past three months.
  - Around 15% of people who pirated were rich, 33% of them can afford a lot 47% were moderately poor and 4% of them poor. These statistics might show off how it is not just about how easily one can afford it; they may have other psychological/ethical considerations to look at.
2. [The Theory of Planned Behavior and Marketing Ethics Theory in Predicting Digital Piracy Intentions](#)
  - **Theory of Planned Behavior (TPB)** A person's likelihood of piracy is fasted by their perceptions of the attitude of piracy itself, and the subjective norms of

- piracy/what others believe others think. For example, a person who might pirate will more likely think that piracy is acceptable, not think about their indirect impacts.
- **Marketing Ethics Theory (HV Theory)** It is about the moral obligation one might avoid pirating content as it might harm the entity who created. It weighs the benefit of having free content over harming the creator.
  - Study was conducted over 400 surveys and ask people why they did or did not pirate. The list of reasons from (strongly disagree = 1 to agree strongly = 5) are moral responsibility 3.4 Justice 4.3 perceived benefits 4.0 perceived risk 4.6 regulations of actions perceived 1.8 subjective norms 1.4 bad attitude 3.5 bad habits 4.4 intention to use 4.1.

### 3. ETHICS, NEUTRALIZATION, AND DIGITAL PIRACY

- **Neutralization** is the process of justifying behaviors that are considered unacceptable, unethical, or criminal. The study conducted 1200 surveys on questions on their demographics, ethical and neutralization.
- **Ethical Considerations:** Personal morals play a significant role in the early stages of digital piracy deterrence. However, as individuals engage in piracy more frequently, their reliance on moral constraints diminishes. It is how guilty people may feel about piracy.

It has a negative effect on software song movie e-book piracy.

- **Neutralization Techniques:** Individuals use neutralization to rationalize their piracy behavior. These justifications help them bypass moral, ethical, and legal barriers. Some examples include denial of responsibility, blaming on too expensive, unserious/unharming crime. It has a positive effect on software song movie e-book piracy.
- **Demographic Differences:** Males tend to engage in piracy more than females, and heavy downloaders exhibit higher neutralization and lower ethical concerns compared to light downloaders.
- **Impact of Neutralization and Ethics:** While moral concerns can deter piracy in the early stages, the study found out neutralization techniques are more influential in sustaining piracy behavior, particularly for music and movies.

### 4. Why Streaming Subscription Prices Will Continue to Rise

- Ted Gioia explains why over the past few years, prices have increased for the same product you have been paying for, even though nothing seems to have changed with the product. (Not Ethical but for context)

### 5. Motivations behind Software Piracy: Relevance to Computer Ethics Theories

- A power point linking Ethical Theories to Software Piracy while discussing the motivations behind pirating software.
6. [Software piracy from a small developer's point of view](#)
- A software developer's point of view on their own software being pirated and how they believe it should be handled. (Also, for context but also to express someone's own experience dealing with this issue)