

# Whistle-Blowing

**1. The Duty to the Firm:** It seems that Friedman (Shareholder Theory) was probably right when he argued that employees DO have SOME obligations to their employers. If you work for someone, they have almost certainly hired you for a specific purpose: Namely, to help out that business, and serve their interests. In short, when you are hired by an employer, you enter into some form of **contract** with that employer; to the effect that you agree to work toward the interests of the business, and in return they will compensate you accordingly.

Consider it this way: The government provides us all with certain goods and services (public safety, national security, education, road system, currency, clean water, the judicial system, parks, firefighters, creating and enforcing regulations against things like carcinogenic baby pajamas, and providing social services such as welfare and medicare, etc.). In exchange, we owe them some amount of loyalty. This is why we have certain obligations to the government (such as to obey their laws and to pay their taxes).

But, now ask: What if the government begins murdering innocent civilians? Or what if the government commands its people to kill one another? Surely we are NOT obligated to remain loyal in THAT case? Most agree that, while we DO PRESENTLY have an obligation to remain loyal to our government, that obligation would no longer extend to the government if it became morally corrupt, or if it began abusing its authority.

Just as we are to some extent obligated to the government under which we live, we might say the same thing of businesses at which we are employed. So, it seems true that an employee is obligated to show SOME degree of loyalty to their employer. Therefore, we DO have an obligation to help our employers profit, to some extent (as Friedman suggested). But Friedman was probably WRONG when he claimed that the ONLY obligation employees have is toward profit, and toward 100% unquestioning, BLIND loyalty to their employers. For instance, if our employer asks us to do something immoral, our obligation of loyalty probably no longer applies.

So, given that there ARE some possible circumstances under which we are no longer obligated to our employers, the question then becomes: "Under what SORTS of circumstances are we no longer obligated to obey our employers?" The answer to that question is the topic of this lesson.

**2. Conflicting Obligations:** First, the sorts of situations where our obligation to our employer will be overridden by other concerns will be the sorts of situations where we have conflicting obligations to OTHERS BESIDES our employers.

For instance, during the section of the course where we discussed objections to Utilitarianism (e.g., the Burning Building case), we concluded that **we have moral obligations to our loved ones** (i.e., our friends and family). Second, during our study of Stakeholder Theory (as well as the objections we raised to Shareholder Theory), we saw that **we have moral obligations to other members of society** as well. Even if someone is a complete stranger, it should be obvious that we AT LEAST have some minimal duty to them (e.g., duties not to harm them, or deceive them, and duties to keep them out of harm's way if we can easily do so without endangering ourselves).

So, while it is true that, by accepting a job at a business we take on certain obligations to that business, we do have OTHER obligations as well. And sometimes these various obligations conflict with one another.

The question, then, is this: What do we do when the interests of our employer directly oppose our obligations to others? For instance, consider the example in the introduction of your textbook: George Betancourt became aware that several nuclear power plants were not following several safety regulations. When he brought it up, his employers told him to drop the issue. What should he do? He could (1) Serve the interests of his employer and keep quiet, or (2) Serve the interests of all of those people in society who could potentially be seriously harmed—for instance, if the power plant had a meltdown due to unsafe procedures, and harmed the people living nearby—and expose the unsafe procedures to the public.

If George chooses (1), he serves his employer. If he chooses (2), he serves other members of society. But, he cannot choose BOTH. George's duty to his employer here is in DIRECT CONFLICT with his duty to others. So, here is a case where one potentially is NOT obligated to obey their employer.

*What would YOU choose in this situation? How would you come to this decision?*

**3. A Moral Decision-Making Procedure:** Here are some recommended steps that one should go through in order to determine the right course of action in cases where our obligations conflict with one another:

- (1) Determine what your **options** are. The first step is to lay out what your available alternatives are.
- (2) Consider which **moral duties** correspond to each alternative. Ask: Do any of the alternatives require you to lie or deceive? Do any require you to harm someone, or contribute to harming someone? Do any of the alternatives require you to allow SOMEONE ELSE to harm someone? And so on... It seems clear that we do have moral obligations to be honest, to not harm, to prevent others from harming whenever possible, and so on—and when these duties conflict, we must weigh them against one another.
- (3) Consider the **consequences** of each alternative. How much harm can we reasonably expect to result from each option? To ourselves? To others?

*Note: When our moral duties conflict with one another, it is often helpful to consider the consequences of each course of action. Remember that Utilitarians are not the only ones who think that the consequences of one's actions are morally important. Recall the "Crazed Murderer" case. There, we had conflicting duties; the choice was between either telling the truth, or helping to save a life. On the one hand, the consequence of telling the truth was someone's death. On the other hand, the consequence of saving a life (by lying) was merely that a crazy murderer was deceived. The fact that the death of an innocent person is by far the worse of the two consequences led most of us to conclude that saving a life by lying was morally obligatory in that case.*

- (4) It may also help to:
  - a) **Discuss the issue** with someone else. Gaining someone else's perspective and insight often helps to see the angles of the issue that we might have missed. And often, simply communicating your dilemma out loud to someone else helps you to solidify the issue in your own mind so that you can understand your own options more clearly.
  - b) Imagine an article will be written about your actions. The article will appear in tomorrow's newspaper, and everyone you know will read about what you did. **Would you be proud of your decision, or ashamed of it?** Often, viewing ourselves from the imagined perspective of others helps us to consider our options and decisions more clearly.

**4. Whistle-Blowing:** Let's return to the issue of conflicting obligations. When your employer is specifically doing something WRONG, we are put in the awkward position of whether or not to "blow the whistle" on them.

- **Whistle-Blowing:** The act of releasing information (as a form of moral protest) about the illegal and/or unethical conduct of a business or organization that you are (or were) a member of.

But, how can we know whether or not we should "blow the whistle" on someone? The above decision-making procedure is a general recommendation for ANY case where one has conflicting obligations. Let's now examine some more specific decision-making recommendations for whistle-blowing in particular.

Here are some conditions which might serve as a starting point to being able to tell whether or not an act of whistle-blowing is justified. The proposal is that whistle-blowing is justified only if each of the following conditions is met:

- (1) **A legitimate claim:** Before making any accusations, the whistle-blower must make SURE that their claim is legitimate. Is it REALLY the case that the company (or some individual there) is engaging in immoral or illegal conduct? Do you have concrete, convincing EVIDENCE of this? Making sure of these things is important, since the consequences of false accusations, breaches of confidence, and invasions of privacy (all of which whistle-blowing often involve) can be very serious.
- (2) **The right motive:** Sometimes, we might feel motivated to get others into trouble because we don't like them. Or, sometimes, we might just want to cause trouble for our employers because we're dissatisfied. Perhaps we even stand to potentially PROFIT (e.g., in a lawsuit) by blowing the whistle on someone. None of these are good motivations for whistle-blowing. The goal of whistle-blowing should always be to simply *put an end to actions which harm others*; i.e., our motive should always be merely to prevent immoral and/or illegal activities.
- (3) **Other alternatives have been exhausted:** Whistle-blowing is a very serious thing—it involves exposing the immoral conduct of a business (or individuals who work there) to the public, or to their superiors. As such, one should first attempt to settle the matter internally. Have you spoken to the offender(s) directly? Have you sought the advice of a superior, or the human resources department (if there is one)?

(4) **??Small personal sacrifice??**: Whistle-blowing can have terrible consequences for the whistle-blower. Whistle-blowers are often demoted, re-located, ridiculed, or even fired or sued by their employers for their betrayal. But, are we obligated to notify others of wrongdoing when doing so will have negative consequences for ourselves? What if the consequences would be VERY bad, while the misconduct you are thinking about reporting is only a SOMEWHAT wrong? There is much debate about this topic. Some think that whistle-blowing is ALWAYS obligatory—even when it will require great personal sacrifice. Others think that whistle-blowing is NEVER justified—or at least, it is certainly not justified if it requires anything more than a very small personal sacrifice. (See the discussion suggestion #2 for more on this question).

**5. Re-Visiting Employee Loyalty:** Here, we have assumed that employees have at least SOME duty to remain loyal to or look after the interests of their employer. There are, however, those which claim we do NOT have ANY obligations to our employers—not even *prima facie* ones (i.e., ones which can be overridden when they conflict with other obligations; you may recall this term from our discussion of moderate deontology). This is Ronald Duska's position, for instance.

But, why would someone think that we have NO duty to remain loyal to our employers? The answer goes back to the debate about whether or not businesses are entities *over and above* the collection of people who work there. Duska points out that if we are loyal to something/someone, there must exist something or someone *whom we are loyal TO*. But, he then argues, since businesses are NOT anything over and above the individual people who work there—i.e., because there is not really a such thing as a “business”; rather, businesses are merely fictional entities—no business can be the object of our loyalty. In short, it is impossible to be loyal TO a business, because there are no such entities as “businesses” to be loyal to. Businesses are nothing more than collections of individual PEOPLE.

Objection: But, surely one can be loyal to their family? Or to their sports team? To their government, or country? We even have a NAME for being disloyal to one's country. It's called “treason”. But, then, it DOES seem possible to be loyal to a group. So, Duska must be mistaken.

In reply, Duska actually AGREES here. He admits that these sorts of group entities DO exist as something over and above their constituents, and therefore we CAN in fact be loyal to such things as families, teams, and countries.

But, how can he say this? Is it even coherent to claim that one CAN be loyal one's country, but one CANNOT be loyal to the business that one is employed by? What is the difference? It appears that Duska is being inconsistent here.

Duska does not believe he is being inconsistent. He has a ready answer to this accusation: Businesses differ in one important way from all of the other sorts of groups that were just cited. For, businesses do not have the appropriate "ties that bind" to be considered entities to whom we can be loyal. Things like families, teams, and countries are the sorts of things that people compose (are parts of, or join) for the purpose of "mutual fulfillment and support". Businesses, on the other hand, are things that we join (or become parts of) for the purpose of personal **profit**. Of companies, Duska writes, "I work for it because it pays me. ... I am in a company to get paid." (158)

Problem #1: Does the difference pointed out here REALLY prove Duska's conclusion? That is, is it true that we DO have an obligation to be loyal to groups that foster mutual fulfillment and support, and that we do NOT have an obligation to be loyal to groups which do NOT foster these things?

Problem #2: Is it really true that businesses do NOT foster mutual fulfillment and support? Is the SOLE purpose of a business, and the SOLE purpose of all its employees, simply to profit?

Problem #3: Imagine a family which the people in it stay united to only because they are waiting for their grandparents to die (so that they might gain an inheritance)—and the grandparents will ONLY will their money to their family if their family appears to be lovingly united (otherwise, they'll will it to charity). In this case, the family members are—like the employees of a business—MERELY united for the sake of profit. How would Duska handle a case like this? Are the family members obligated to remain loyal to their family in this case?

Problem #4: Duska's reason for thinking that we have NO obligations to be loyal to the business at which we are employed is that businesses DO NOT EXIST. But, this may be problematic, because if businesses aren't THINGS, then they aren't MORAL AGENTS. As such, Duska might be forced to conclude that businesses have no moral obligations (since they are not moral agents), and that they therefore cannot be held morally responsible for their actions. In fact, it almost seems as if Duska ENDORSES this conclusion (that businesses have no moral obligations), since he points out that their sole purpose is to profit. But, this sounds like shareholder theory—a theory which we studied in unit 2 and raised many objections against.

**Topic Suggestion: Whistle-Blowing #1:** Consider some of the examples of conflicting obligations listed in your textbook on page 402. (e.g., a co-worker regularly sipping whiskey on the job, your boss continually telling you to lie for him to his wife so that he can cover up the affair he is having; a chef serving 4-day-old re-heated food and telling the customers that it is fresh; noticing a defect in some item just before you sell it to someone; etc.). Pick one of the topics listed on that page and briefly say what you think one ought to do in that situation. Say a bit about why/how you came to this conclusion.

**Topic Suggestion: Whistle-Blowing #2:** Consider the case on the bottom of page 409 of your textbook (where a young woman finally lands a job after months of unemployment, but where her manager tells her to dishonestly ring up phony receipts for truckers when the truckers ask for them—which the truckers use to receive a dishonestly large reimbursement from their employers. If she refuses to engage in this dishonest activity for the truckers, she will be fired).

Clearly, the woman has a **MORAL** obligation to not be dishonest. On the other hand, she has a **PRUDENTIAL** (i.e., personal, self-interested) reason to do as her boss and the truckers ask (and help them to cheat their employers), because her job is at stake, and it could take her months of being jobless before she can find employment again. These two sorts of reasons are in direct conflict here.

Now, consider two claim: (1) By definition, our moral reasons ALWAYS outweigh our prudential reasons. According to this claim, it would be WRONG of the woman to refuse to be dishonest. (2) Others say that, when you stand to lose something very substantial, you are not obligated to make huge sacrifices to right very small wrongs. According to this claim, it would be PERMISSIBLE for the woman to “go along with” the dishonest activity, because the alternative is for her to make a huge personal sacrifice.

Question: Which of these two opposing claims is true? (1) or (2)? Briefly explain why you think this.

**Topic Suggestion: Whistle-Blowing #3:** Review Duska’s claim that we do not have ANY duty to remain loyal to the business at which we are employed, because businesses are not the sorts of entities to whom one can even BE loyal. Do you agree with his claim? Do we have ANY obligation of loyalty to our employers? Why or why not?

*Note: Please complete “Reading Quiz for Week 9” at this time if you have not already done so.*