Objective Ethics for Managing Information Technology

Encyclopedia of Information Ethics and Security

Marian Quigley, Editor

John R. Drake *

Auburn University
Department of Management
415 West Magnolia Avenue, Suite 401
Auburn, Alabama 36849-5247
PH: 334.844.6421
FAX: 334.844.5159
Email: drakejr@auburn.edu

* corresponding author
INTRODUCTION

Businessmen have faced ethical dilemmas throughout history in many varying contexts. Today, Chief Information Officers (CIOs) and information technology (IT) managers, in particular, face many ethical dilemmas from not only traditional business dilemmas, but also in managing IT. Traditional ethical issues of business, such as receiving gifts and promotional items from vendors, affect any manager in charge of purchases. In addition, IT managers must also make decisions with regards to technological issues such as information privacy, security, and accountability. IT facilitates action, both good and bad. This means that individuals can act good with far more efficiency and act bad with more malevolence. Actions that may not have been possible without IT now become issues because people have the means to do them. Managers need to not only adopt a moral code for themselves, but to encourage their employees to adopt a moral code or guard against and appropriately deal with behavior that violates that code.

Identifying and understanding an objective ethical framework is critical for the rapidly changing nature of information technology. Without an appropriate ethical standard to guide choices and actions in ever-more complex and subtle situations, IT managers and professionals will find choosing morally acceptable solutions ever more difficult, leading to dangers in the long-term success of the organization. CIOs need to cut through the haze of conflicting demands to make decisions for the benefit of the organization. CIOs also need to be confident that their employees will act in appropriate, non-arbitrary manners when making decisions. The need to research ethics with regard to IT has been demonstrated numerous times (Davison, 2000; Rose, 2006; Stewart & Segars, 2002), yet none have provided an objective standard for making decisions. While several research efforts have explored normative and applied ethical theories as applied to IT (Davison, 2000; Walsham, 1996; Wood-Harper, Corder, Wood, & Watson, 1996), none have questioned the underlying assumptions nor have they provided a compelling case for a non-
arbitrary, objective moral code. Reviewing existing ethical theories should lead us to a standard that is applicable and beneficial to IT managers.

BACKGROUND

Ethics is the study of morals and moral choices. It is the study of individual purposes and values which guide their life. Ethics examines which values and virtues are necessary versus which are optional and defines the ultimate source of values. In an increasingly complex world, these guiding principles direct how we should live by providing a moral code – “a code of values to guide man’s choices and actions” (Rand, 1964, p. 13). Individuals need a moral code to guide their decisions and actions. This is true for their private lives as well as in social situations, such as in business.

Three branches of ethical theory include meta-ethics, normative ethics, and descriptive ethics. Descriptive ethics does not promote any one theory over any other, but merely tries to explain the observed ethics of others individuals. Normative ethics attempts to define what types of behaviors are acceptable. Meta-ethics takes a more abstract view by asking what “goodness” means and are there any standards for morality.

Research in business ethics usually focuses on normative or descriptive ethics, without consideration to underlying meta-ethical assumptions (Miner & Petocz, 2003). When meta-ethical perspectives are considered, they do not prescribe an ideal, rather they state that there is disagreement between perspectives (Karmasin, 2002). This stance, where all meta-ethical perspectives are equally valid, leaves CIOs and IT managers without an objective standard by which to guide their actions. Because a meta-ethical perspective deals with the foundation of ethics, a flawed foundation leads to flawed conclusions in IT ethical issues.
One general meta-ethical discussion can be found in Tara Smith’s *Viable Values* (2000). In this book, she critiques four dominant ethical perspectives; Intuitionism, Contractarianism, Rationalism, and Intrinsic value. All four of these ethical perspectives fall short of providing an objective and rational basis for morality. A fifth ethical perspective, Objectivism, based on the writings of Ayn Rand, successfully develops and supports an objective standard for ethical decisions. In the next section, we review each of the meta-ethical perspectives, provide examples of IT managers behavior using that perspective, and examine a specific case using the different perspectives.

**Case**

A recent controversy over Sony’s Digital Rights Management (DRM) rootkit provides a case analysis for understanding the meta-ethical perspectives. In this controversy, Sony was installing a DRM program on user computers when purchasers of Sony copyrighted audio CDs copied the songs to their computer. As part of the end users license agreement (EULA), the users acknowledged that a DRM was being installed to prevent illegal copying of songs. As justice requires, users not satisfied with copyright protections are free not to buy the product. However, the controversy over the DRM that Sony installed is that the EULA does not disclose that some of the files are cloaked and the whole program is uninstallable. This creates vulnerabilities on computers where the DRM is installed, violating the respect for property of those customers.

**ETHICAL STANDARDS**

**Intuitionism**

The first school of thought on why be moral comes from the Intuitionists. In this view, obligations are viewed as self-evident (Prichard, 1952). For Intuitionist IT managers, merely looking at a technological issue tells them what is morally right and wrong. Denying the self-
evident is tantamount to denying their senses. No amount of argument will reveal the truth. Smith unravels this theory by asking what exactly is intuition. Is it a thought? Is it an emotion?

Intuitionists’ claim that morality is self-evident disavows any method for determining what is moral and what is not. It becomes impossible to replicate the thought process in discovering morals because they identify no thought process. An example may be an IT manager identifying computer hacking as a bad behavior without being open to discussion or argument about why it is bad. As Smith (2000) notes, “Intuitionists completely fail to explain what distinguishes the claim ‘I know it by intuition’ from the claim ‘I believe it.’ Consequently, Intuitionist’s account of morality … is completely arbitrary” (p. 28). If we are to have any hope in identifying a standard for ethics in IT, use of intuition will not help us.

In the Sony case, it is impossible to know how an intuitionist would judge Sony’s actions. They may claim that copyright violations are obviously wrong, therefore Sony is morally obligated to protect their property by any means necessary. They may alternatively claim that it is self-evident that Sony was malicious and therefore Sony is immoral. Either way, the arbitrary assertions lack a clear standard for determining what is right or wrong.

**Contractarianism**

Contractarianists, on the other hand, believe that moral authority is established through a contract to be moral. IT managers should be moral because they have agreed to be moral. Variations of contractarianism argue such agreement may be explicit or implicit, actual or hypothetical, and even individually or socially oriented. Contractarian philosopher David Gauthier (1986) declares that “Moral principles are introduced as the objects of fully voluntary *ex ante* agreements among rational persons.” (p. 9) People agree to honor contracts because it is in their own self-interest to
do so (Hobbes, 1968). If they do not, their reputation may be destroyed, resulting others eschewing any further involvement with them.

The common-sense, simple approach to contractarianism attracts many proponents, especially among businessmen. However, there are flaws with this approach to morality. First is the relativism of contractarianism. Is any code of ethics valid as long as people agree to it? Is software piracy valid if everyone agrees it is? Relativism is not a fatal flaw, but certainly begs the question as to what exactly is the foundation for this theory.

Contractarianism says that contracts should be honored. Yet, there are no means of identifying why contracts must be honored. If it is merely the promise to do something that creates the obligation, then taking back that promise at any time should relieve you of that obligation. This flaw has led contractarianists to propose that the contract itself is not the foundation for morals but the individual’s self-interest in following it. This also has its problems. If contracts are honored because of self-interest, then what happens when it is no longer in the individual’s self-interest to honor a contract? If an employee knows they can escape detection, it may be in their “self-interest” to secretly steal corporate information and sell it to competitors. As other employees realize that the company lacks information security, they will also abuse the system, resulting in a moral break down.

This free-rider problem stems from a misconception of self-interest promoted by contractarians. As Smith (2000) observes, they do not contend that “only disciplined adherence to a particular code of actions could enhance a person’s well-being” (p. 35). Rather, the defense of contractarianism is that there is a possibility of the contract violations being discovered. Defense of contractarianism without an objective standard collapses into subjectivism. It simply does not provide a satisfactory foundation for ethics.
Again, we find that it would be impossible to predict how a Contractarian would view the Sony case. Is Sony guilty of breaking of an implicit contract when they did not disclose the rootkit in the EULA? On the other hand, does the purchase of a copyright protected CD justify the inclusion of any software installed on the customer computer in order to protect that copyright? Again, the lack of an objective standard prevents a clear valuation from being established.

**Rationalism**

Another basis for morality is provided by Rationalism. Rationalism holds that one should be moral because rationality requires it. One of the preeminent rationalist philosophers, Immanuel Kant, argues that morality is our duty because rationality demands it (Kant, 1990). He argues that our morals are not to serve our life, but rather we live so that we can be moral. Not all rationalists agree with Kant, yet the underlying conception of morality is that something is moral only if it is rational.

Smith (2000) recognizes that Rationalism has appeal because it appears logical, rigorous, all encompassing, and neutral. However, these notions are ultimately based on a false foundation. Rationalists deny that reality is the final source of morals, but rather argue that reason is. They contend that morality is based solely on reason, without reference to ends and that discussion of ends confuses motivation with justification. They would argue that a CIO may be motivated to secure his network, but without a rational justification distinct from motivation, the behavior is without moral significance. This conception however distorts the nature of reason. Reason’s usefulness cannot be divorced from its ends. Ends demand that purposes and goals be based on context of the situation. Motivation and justification, while conceptually different, cannot be divorced from each other. Justification for securing a network requires not just a single reason for doing it, but must be relative to the full context of facts surrounding the action. Without tying
justification of ends to reality, CIOs are left with a subjective ethical theory. This is the fatal flaw in the rationalist’s theory.

A rationalist might say that Sony has a duty to be honest regardless of consequences. Alternatively, they may say that the customer has a duty to accept the rootkit out of obligation to the copyright holder. In either case, the duties carry an authoritative pronouncement that is not supported by the context.

**Intrinsic value**

The fourth attempt at establishing moral authority is with intrinsic value. Ethicists, not content with the various subjectivist theories discussed above, retreated to a theory that places value in the objects themselves, rather than in the subject. In other words, value is intrinsic to the nature of the thing. To defend successfully, proponents of intrinsic value must explain why objects have value in and of themselves. Efforts such as organic unity (Nozick, 1989), favorable disposition (Railton, 1986), and majority consensus (Lemos, 1994), each try to explain this basis. Although it is not always identified, it is usually believed that intrinsic value is self-evident. This appeal to the self-evident nature of value strikes a remarkable resemblance to Intuitionism.

Intuitionism, however, does not say anything about the ultimate source of value other than it is immediately known and not imitative. Intrinsic value proponents state that value is derivate to the object itself. Yet, there is no evidence that intrinsic value actually exists and no standards by which to judge if something has value. “The absence of objective evidence for intrinsic value, alongside the utterly subjective basis on which people assert it, leaves us without grounds to credit its existence.” (Smith, 2000, p. 69) Ultimately, intrinsic value must adopt a subjective foundation, which fails in the same ways that other subjective moral systems fail.
Proponents of intrinsic value might assert that rootkits, by their very nature, are intrinsically evil and that any company that uses them are therefore evil. Other proponents of intrinsic value may argue that the possibility of copyright violations destroys social unity, so any means of preventing those violations is good. In either case, arbitrary assertions become moral commandments, with no clear standard for judging things morally.

**Objectivism**

The case for Objectivism begins with a discussion of the nature of life in relation to value. Life is self-generated, self-sustaining action (Aristotle, 1941). Plants, animals, and humans all have to do something to maintain their existence. Their activities are either good for them or bad for them. They will either promote their life or destroy it. Without values, living things would have no goals for their actions. Values allow life to be sustained. Yet, without life, values would not exist. Since values are only cognizant in relation to the ends to each a being acts, that being must be able to act in order for values to exist. It is the concept of life that makes values possible.

It is this reciprocal relationship between values and life that sustains the foundation for ethics. Life is the ultimate goal, without which no other values would be possible (Rand, 1964). If chosen values conflict with this ultimate goal, then the life of that creature would cease. Humans have specific needs to stay alive. In order to meet those needs, specific values must be pursued. Life becomes the ultimate measure of success. This grounding of values in fundamental human needs for sustaining life is what provides ethics with an objective standard. Life is the ultimate goal and the standard for ethics. For IT managers, actions that promote and enhance their lives, while simultaneously promoting the business and its customers, are good. The ultimate goal of business is to create value for their customers (Drucker, 1954), so decisions in information privacy, security, accountability, and accuracy should be based on the creation of objective values.
The objectivity of values is found with their relation to life. Values and virtues that promote life are objective. Morality, which is a code of values and virtues, must also promote life to retain any objectivity. By tying ethics to these facts of reality and our nature as human beings, Rand (1964) established an objective morality and a rational basis for egoism.

One common effort to discredit Objectivism’s ethical theory starts with optional values, such as the choice of careers or operating system preferences (LeBar, 2001; Spohn, 2004). Critics often point to these values as evidence of latent subjectivism that Rand’s theory does not explain. Optional values vary from person-to-person and even change within the same person over time. Because these values vary by the subject in question, it is argued that the values are subjective in nature. Smith addresses this issue by pointing out that if these optional values still promote the individual’s life, then they still maintain their objective nature. Objectivity applies to the context in which the judgment is made, not to its relation to other people’s values. The fact that individuals live in widely varying contexts, gives rise to widely varying optional values. This diversity does not however lend any support to the notion that values are subjective.

In Objectivism’s view of the Sony case, moral violations stem from the firm’s dishonest, unjust, and irrational behavior, which ultimately damaged the firm’s reputation. This behavior put the long-term survival of the firm and all of its shareholders and employees at risk. While protecting copyrights is critical for Sony’s long-term interests, short-sighted attempts at that protection endangers the corporation with consumer outrage. Their dishonesty in concealing the DRM rootkit is but one manifestation of how they hurt their long-term survival (Hsieh, 2004; Rand, 1964; Smith, 2003). The managers responsible for these decisions should be held morally responsible for the damage done to Sony’s long-term viability.
FUTURE TRENDS
With Objectivism’s approach, IT managers can understand complex issues, evaluate them, and act with certainty. Applying Objectivism’s ethical foundation to normative and applied issues relevant to IT managers and CIOs is greatly needed. Objectivism requires careful thought to untangle the nature of particular issues and to ensure that an objective standard for self-interest is maintained. Researchers in MIS have identified many issues relevant to IT managers, such as security, trust, privacy, accountability, accessibility, property, and accuracy (Davison, 2000; Lu, Marchewka, Lu, & Yu, 2004; Mason, 1986). Analyzing each of these issues through the Objectivist lens will provide researchers and IT managers with an objective standard for action.

CONCLUSION
This article re-examines the ethical frameworks often employed in making ethical decisions. Of the major ethical theories, Objectivism is the only one that provides a usable objective standard for evaluating values and virtues. While a conceptual foundation provides the groundwork, much research needs to be done to fully concretize Objectivism’s importance to and usage of information systems. Until such efforts are followed, managers will only have weak and amorphous ethical concepts to guide them. These deficiencies can jeopardize the long-term organizational survival.

References


**Key Terms**

Ethics – the study of the general nature of morals, moral choices, and moral standards

Morality – a code of values to guide one’s actions

Value – That which one acts to gain and/or keep

Objectivism – An ethical theory that grounds morality in the objective standard of one’s own life

Intuitionism – An ethical theory that grounds morality in the person’s intuition

Contractarianism – An ethical theory that grounds morality in a contract between individuals

Rationalism – An ethical theory that grounds morality in rationality

Intrinsic Value – An ethical theory that grounds morality in the intrinsic nature of objects