

# Case study on the moral and ethical dilemmas of data brokers

[Business](#), [Company](#)



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## **Ethical dilemmas of data brokers.**

Data brokers face ethical challenges. They share information that may be used wrongly. This damages the reputation of the public and causes privacy issues. There is information that if it landed in the wrong hands would cause even financial fraud in the public's bank accounts. The data brokers have to ensure data is protected and the company has an efficient information security system. There are now laws to control the dissemination of the people's information. On the other hand the public data can be used in the country to solve social problems for example improving safety or combating poverty in certain areas (Makedon, 2004).

The recent regulations have affected the sharing of data in several areas. In the medical profession information sharing has been restricted among medical researchers and professionals. Sometimes there may be an emergency situation on whether to conduct an operation or not and this is not considered. In the provision of social services such as alleviation of

poverty, alcoholism and child abuse data sharing laws prove to be restrictive (Laudon & Laudon, 2010). The data on psychological observations and performance tests for individuals is restricted. However sharing of the information would improve health care by reducing costs in research and the money used to fund further research. The e-government services have been able to offer transparency, up-to date information twenty four hours a day. The laws on privacy and data security have hampered the efficiency of this system. The agencies are now limited in sharing and analyzing the data. In matters of international security data sharing is very important. The world is becoming more populated, complex and interconnected increasing threats of terrorism. International security firms need to work together to gather information on security threats. A company working alone will find it hard to overcome cultural barriers and get the information it needs. Now with the laws cooperation between the companies has been reduced.

## **Problems of proliferation by data brokers**

### **Management, organization and technology of data brokers.**

There are several factors that have contributed to these problems. First of all the management is focused on the sales of the information and not concerned with ethical or moral issues. The privacy of individuals is disrespected. Though the information may be used in social projects the use of client information is not a priority issue. The company does not have audit trail on which person accessed the information of which person. Furthermore the public is kept in the dark on which third parties are given information and the extent of information shared. The data brokers do not have sufficient

information technology tools for monitoring and protecting the customer information.

### **Disadvantages and advantages of government regulation.**

The US government of America needs to regulate these companies. The data brokers having the view of profit cannot be sober in the issues of privacy. Clearly self-regulation does not work. There should be strict privacy controls for the people. Information should be revealed with consent of the public. The companies should have monitoring tools to check who has accessed information on the web. Government regulation brings in transparency. There are people who argue that government intrusion is not required in the fragile internet sector. There are schools of thought for co-regulation and self-regulation. Data brokers argue that rules and policies would impose high costs on internet companies. Data brokers argue for self-regulation as they know their systems and can choose the most effective ways of promoting customer privacy. This would raise internet access costs and suppress digital innovation (Laudon & Laudon, 2010). There is also a fear that the rules imposed may not be up-to-date with the technological changes becoming outdated. These will only work towards delays in the internet businesses. The costs may also interfere with the competitiveness of the internet companies. The data sharing also assists companies or the economy and this will also be drastically affected. It is argued the data brokers will be competitive by responding to customer requests on privacy. This is faulty though as most computer users do not understand data collection of information and how the information is used.

## **USA Data Website**

It is a website used by various companies sourcing for customers. The businesses order customer mailing lists according to aspects such as demography, personal interests or geographical location. The customer information is highly detailed such that it may have information on the salary levels of customers so that the businesses know who can afford to buy their products. There are no restrictions on the businesses that can access the mailing lists. It is easy to purchase a list a consultant assists in the purchase process. There is a danger of information may be used maliciously by a company purchasing the lists. Detailed physical address may be information I would wish to keep private and not to be told to every company.

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