

# Ethics and corporate responsibility in the workplace and the world critical think...

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Within the PharmaCARE scenario outlined in this situation, several different stakeholders can be found. The key characteristics of a stakeholder primarily involve having some sort of vested interest in the company's success and future; their financial success and/or livelihood must depend on the company doing well and succeeding. Stakeholders are typically very aware of the actual actions of an organization, and so organizations must work hard to ensure that they are happy in order to maintain their own success and legitimacy. In order to understand the full consequences of an organizational change or scenario, the stakeholders must be identified.

Within this particular scenario, some of the chief stakeholders involve the low-income consumers to which the company offers affordable consumer products. The management and officers of the company are also stakeholders, as they are primarily affected by the company's success, as are the employees. The recipients of the healthcare education programs and scholarships would also be affected by any dramatic changes, as well as the American and Colberian environmental organizations who attempt to hold PharmaCARE accountable to environmental protection laws (even if they fail due to PACs and lobbying).

Perhaps the most important stakeholders in this situation are the "healers" who are asked to perform dangerous heavy lifting and product consultation for low pay and the maintenance of poor working and living conditions.

These are the individuals most profoundly affected by the company's behavior, as they are being forced to work backbreaking conditions for the workers, who are living in luxury while destroying their habitat and paying them a pittance. Any changes that occur in the organization to address this

issue will impact them the most, arguably.

Looking closely at PharmaCARE's treatment of the Colberia's indigenous population as opposed to that of its executives, a number of human rights violations can be found. First of all, the " healers" are being paid very little compared to the value they are providing the PharmaCARE executives by offering information about indigenous cures, and the workers who are willing to carry fifty pounds of plants five miles through the jungle at a time, presumably several times a day. All of these workers are paid \$1 a day, and the healers are said to share their information without any compensation. To that end, it is safe to say that these workers are officially being exploited by the PharmaCARE corporation, particularly as they do not provide them with any access to better conditions within the Colberian manufacturing facility. In addition to the exploitation, the PharmaCARE execs are actively putting the workers in danger by offering poor living conditions and working conditions that involve literally back-breaking work. The level to which they are being paid is not commensurate with the level of work they are performing, simply allowing the PharmaCARE workers to reap a higher profit margin and avoid having to do any hard work.

The executives' effect on the environment is also something to deeply consider. Habitats are said to be on the verge of destruction, and native species are being endangered. This has a tremendous effect on the human workers as well, as PharmaCARE is directly harming their living space and environment for the sake of their own profit. In essence, PharmaCARE has set up a situation in which they can abuse the environment with abandon and destroy a viable living habitat for the sake of harvesting products for

their own gain.

In light of this horrifying and abusive scenario, there are three major changes that PharmaCARE can make to improve their ethical standing moving forward. First of all, they can provide the workers and healers with better wages to compensate them for the work that they do. \$1 a day is dramatically low, and likely does not compensate them sufficiently given the hazardous and highly valuable work they do for their company. To that end, workers should be paid much more equitably, at least around the level of an American minimum wage. This pay should also be extended to the healers, who should be compensated as well for their efforts. Doing this will go a long way towards treating their workers more ethically.

Secondly, they can work to become more environmentally-friendly, harvesting the plants and existing as a manufacturing facility in ways that do not damage the environment as much. Steps must be taken to limit the environmental impact of their activities on the local wildlife and environment, such as reducing deforestation, controlling and reducing waste presumably being dumped into the local environment, and reducing instances of habitat destruction. Conditions at the facility must meet international standards for environmental impact, with regular inspection and maintenance to ensure these conditions are met.

Thirdly, they can provide the workers and healers with greater access to better living and working conditions, with equipment to help lift heavy products, and shared access to their compound. Currently, the workers live with no running water or electricity; providing those services and upgrades to their village is the least that PharmaCARE can do to ensure that their

workers live in comfortable conditions. Providing some equipment or other assistance to help address the huge loads of product manually picked and transported daily will also improve conditions for the workers.

Given the environmental initiative of PharmaCARE, “ We CARE about YOUR world,” against the company’s history of lobbying against environmental groups and legislation, as well as the unethical and wasteful activities within their Colberian operation, PharmaCARE’s environmental initiative is an unmitigated failure. As it stands, the initiative involves basic local recycling increases, changes to packaging to make them more environmentally friendly and less wasteful, and more. While these may provide a measure of help by reducing the carbon footprint of PharmaCARE’s operations, these changes likely only extend to their America-based outfits. It is extremely likely that the damage their facility in Colberia is doing far outweighs any potential gains in environmental friendliness the initiative provides. By destroying major habitats and endangering species in Colberia, PharmaCARE is doing active harm in a comparatively unregulated environment where they cannot be punished.

One central problem is PharmaCARE’s incredibly powerful lobby, pouring substantial money in from PACs to influence legislation and defeat environmental laws and regulations - an incredibly unethical thing to do. By overturning CERCLA’s Superfund Act, the company literally prevents the government from having the resources to clean up its own messes (the goal of the Superfund Act is to provide a federal fund that helps the EPA clean up hazardous waste sites. Not only is this unethical, it actively keeps the environment poor by keeping other entities from cleaning up messes that

PharmaCARE will fail to act on. This type of behavior is egregious, and speaks almost to a spitefulness about the environment, as PharmaCARE even prevents other organizations from acting on environmental pollution. For these reasons and more, PharmaCARE cannot legitimately be said to be a force for good in the world in terms of environmental protection.

Looking at PharmaCARE's actions in Colberia under the lens of several ethical theories, we can get many different conclusions about how to perceive their activities there. With utilitarianism, the overall purpose is to perform actions that does the greatest amount of good to the most number of people (Mill, 1998). In utilitarianism, positive effects are maximized while human suffering is minimized; to that end, PharmaCARE's actions would likely be seen as unethical. While these actions may bring happiness to the employees, executives and shareholders of PharmaCARE (through increased profit margins), the general public and the indigenous population of Colberia, as well as environmental groups and the like, would have very negative perceptions of what PharmaCARE is doing. This makes it ill-suited for serving the greatest number of people, so PharmaCARE's utilitarian perspective makes this unethical.

Deontology is much more rules-based, as actions are moral based on how much it adheres to a set of codified rules. In this case, the ethics are fluid; in an American context, the actions are illegal because they violate environmental law, but it is possible that Colberia has no such regulation against the operation of companies in this way in their country. In deontology, if there is no law that expressly prohibits what they are doing, they are doing nothing wrong. Therefore, PharmaCARE is performing

ethically within the confines of the law, from a deontological perspective. Virtue ethics involves the virtues of someone's character in order to determine whether or not they are behaving ethically; to that end, PharmaCARE is a resounding failure. The executives and workers of PharmaCARE are expressly selfish in their behavior, throwing caution to the wind and exploiting local workers and environments for the sake of their own profit margins. Throwing money at lobbyists to prevent legislation that makes their profiteering harder is expressly unethical, right down to preventing others from cleaning up their own messes with the rejection of the Superfund Act extension. These actions are downright evil based on the principles of virtue ethics, as PharmaCARE executives have very little character and morality on a personal, individual level. Individuals who can live and work in a luxury compound with a swimming pool as they force natives to work for pennies (if anything) and destroy their environment cannot have many personal scruples about what they do.

The ethics of care also provides a great deal of admonition to PharmaCARE for their actions. The ethics of care involves understanding the interdependence and relations between individuals, regardless of their location or cultural distance; also, those who are more vulnerable to a person's choices and the consequences therein should be considered more carefully than others. To that end, PharmaCARE is extremely unethical, as they explicitly ignore the poor living conditions and dangerous work conditions of the Colberians, for the sake of enhancing their own profits and taking care of themselves. Context is irrelevant to the PharmaCARE people, as they are not responsive or competent enough to address the rampant

issues with their treatment of the Colberians.

Even in the context of my own personal ethics and morality, PharmaCARE fails on nearly every respect. It is readily apparent that PharmaCARE is an extremely selfish, all-too-powerful company that exploits the weak and impoverished to save as much money as possible in the making of their product, while living in the lap of luxury in spite of destroying the environment. It is the activeness with which they choose to destroy the environment that is especially galling to me; the use of secret PAC money and lobbying to shoot down environmental legislation that only cleans up their messes is extremely appalling, and I cannot in good conscience support or endorse it.

PharmaCARE's lack of consideration for their own culpability in cases like these reminds me of the infamous BP oil spill in 2010. The largest offshore oil spill in American history, BP's Deepwater Horizon drill broke in spectacular fashion due to negligent safety regulations and a lack of oversight, spilling hundreds of millions of gallons of oil into the Gulf of Mexico, killing 11 men and damaging the environment irreparably (Muskal, 2012). The ethics violations present in that particular event are not dissimilar to PharmaCARE's - both cases involve a distinct lack of care for the potential consequences of their actions on the environment (BP's inability to shore up safety regulations, in their case). Both companies' issues have led (or could lead) to the potential loss of life, and they both put their environments in danger through the industrial activities and habitat destruction they facilitate. There is one substantial difference between PharmaCARE and BP's disaster, however, which may end up leaving circumstances in PharmaCARE's favor:



the incident is not occurring in America. Because of this, there are no actual laws or regulations being broken, as far as we know, and any potential laws were likely struck down by PharmaCARE's enormously powerful lobby. The reason the lobby exists is to ensure that PharmaCARE's actions could be considered legal and not be legislated or regulated overseas - unlike BP, in which they broke safety regulations by not checking the equipment and servicing it appropriately. To that end, PharmaCARE would likely not face governmental regulation or prosecution for what they are doing, unlike the fines that were placed on BP in the wake of the oil spill. BP had to plead guilty to misconduct; as unethical as PharmaCARE is, there is likely no domestic misconduct occurring.

## References

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