Ethical issues in using pirated software essays example

Business, Company

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Introduction

Pirated software is on the rise. With the introduction of the internet and the

various technological advances, it is even easier for individuals to illegally

copy and use unlicensed software. The Business Software Alliance (BSA)

defines software piracy as an " intentional act of an individual or

organization to obtain software through illegal means" (BSA, 2014). Pirated

software may include copied DVD's, downloaded materials from the internet,

and software installed on multiple computers that was only registered for a

single use. All of these acts constitute piracy because the company has not

received compensation for the additional usage and have ultimately been

robbed of rights to their software.

Description of the Dilemma

Piracy occurs in many different forms. The most popular pirated forms

include softlifting, hard disk loading, and software counterfeiting. According

to Goyal (2010), " softlifting occurs when someone purchases one legitimate

copy of the software, and then loads it onto many different computers"

(Goyal, 2010). This is bad for companies because they do not reap the profits

from the unauthorized use. Gonsalves (2005) claims that the " biggest type

of piracy, occurs within businesses and governments [and that] many

organizations copy and distribute software internally to avoid licensing fees

(Gonsalves, 2005). Companies perform softlifting in order to save money for

their organization by conducting multiple trainings with the pirated software at a discounted rate.

Another piracy method is called Hard Disk Loading. This method is mostly used by dealers who offer special incentives to their customers as perks for purchasing with them. The Hard Disk Loading method uses unauthorized copies of software and places them on the disk drive of a personal computer. The dealer then uses the personal computer to distribute the software on multiple computers as a standard option. Although the software is unlicensed and cannot be updated or registered, it is still considered a benefit by the customer, because they are getting the software program for free.

The last common type of software piracy being addressed is called Software Counterfeiting. This piracy method is self-explanatory, and according to Goyal (2010) it is described as " burning a software disk and selling it to someone" (Goyal, 2010). This may include End-User Piracy where individuals distribute unlicensed copies of pirated software to others. They may do this by using trial software after the subscription period has ended, and downloading software from the internet from illegal streaming sites.

Analysis of the Issue

The issue of software piracy is very prevalent and has affected companies and organizations worldwide. The BSA claims that in 2012 they investigated over 15, 000 piracy reports around the world (BSA, 2014) and Roberts (n. d.) confirms that " due to software piracy, the industry has seen some 12 billion dollars and over 100, 000 jobs lost" (Roberts, n. d.). These numbers are very high and there needs to be an immediate change in controlling piracy. The

BSA (2014) states that piracy " creates unfair competition for legitimate companies and damages brands through distribution of substandard products" (BSA, 2014). These companies who write the software are reduced to seeing their product marketed without the same standards that the company upholds. Customers who are getting pirated software might not be aware that the software is not authentic, which could lead to the customer thinking that the company has poor quality products.

The internet and technology in general has made piracy even easier. Although technology in itself is not a bad thing, the way it is used could be considered a negative aspect. Vargas states that due to the technological advances, " there has been an increasing trend to digitalize tools and information" (Vargas, 2005). Due to the popularity of piracy, individuals have purchased special machines to copy software and then use the internet to upload and share their pirated materials. There are also some unclear issues on copyright laws. Many of the copyright and patent laws were created for physical texts and not for digital copies. Due to the flaw in copyright law, many piracy abusers have avoided detection and continued to thrive in a very busy market.

Complexities of Pirated Software

The issue of piracy is controversial and very complex. There is the issue of ethics and the issue of whether a crime has been committed. When examining the issue of pirated software and its ethical indications, it is important to first examine ethics and how it relates to this topic. Vargas (2005) says when considering ethic, it is important to " consider it in

accordance with accepted principles of right and wrong" (Vargas, 2005). The problem with this argument is that many people do not feel like they are doing anything wrong if they purchase an unlicensed piece of software or download an unregistered computer application. The individual might not feel like they have committed a crime or that they have not harmed anyone.

These liberal attitudes towards piracy have made efforts to curtail it extremely difficult.

The ethical issues of piracy software are many. Piracy is unethical because financial losses occur, software writers do not get paid from these additional copies of their work, and others are make money off of the pirated software. Piracy leads to financial losses for the company and also a loss of jobs for employees as previously stated. According to Vargas (2005) " it was estimated that last year alone, $20 billion was lost to the unauthorized duplication and distribution of various forms of software" (Vargas, 2005). These numbers are appalling and represent the amount of money that was loss in a single year. This is capital that should have been recouped by the software writers and the company distributing the software.

Piracy is also unethical because the writers of the software are actually being deprived of the potential to receive residual income from their work. Take for example an author who has written a best-selling book. If the book is purchased by an individual and the person then makes copies other entire book and sells it for a profit, then they are violating copyright laws. The same principle should be applied for digital media and software. This act is unethical and immoral. The software writers are working to make a living, and Roberts (n. d.) confirms that these writers are " basically taken

advantage of when people use their software without paying for it. Individuals who support piracy might claim that the reason they steal this software is because the prices are too high. That is an invalid argument, and to put things into perspective as Roberts (n. d.) states " someone might think a Rolls-Royce is too expensive but this doesn't give him the right to steal it" (Roberts, n. d.). If that were the case then people would be entitled to take anything they wanted and claim that the reason they did it is because the item was too expensive. Roberts (n. d.) states that the attraction of piracy is due to its anonymity and the ease with which illegal copies of software can be made and distributed (Roberts, n. d.). There is a need for better laws and regulations regarding pirated activities and the ease of distributing the software must be addressed.

Many people may agree that software piracy is illegal but they may not be sure whether it is ethical or unethical. This is based on the argument that the individual has not committed a crime or did anything wrong. Tien (2012) says that " if software piracy was extended to a large scale, it would definitely affect the software company's profits" (Tien, 2012). People would no longer need to purchase software commercially or at the market prices; they would be able to purchase the pirated software for a fraction of the costs.

According to Tien (2012), these software developers have invested millions in their products and have hired some of the best people to work on the software (Tien, 2012), only to have it pirated on the market. This is unacceptable and everyone should be compensated for their products, as with any other business.

Conclusion

Everyone seems to see the money saving potential in pirated software, but there are drawbacks for the users as well. Pirating software costs everyone. It is unethical and is not a victimless crime. The victims are the software companies and the customers. Because the copies are pirated on the market, software manufacturers are forced to increase prices for its customer base. This results in loss of revenue for the manufacturer, higher prices for customers and job loss for employees.

There are also risks for individuals participating in piracy activities. Users would be subject to fines if they are discovered using the stolen software. They also would not be privy to product upgrades, technical support and warranty of the software. Additionally users cannot get the extra features that are included on many authentic software disks. Individuals could experience a feeling of embarrassment if they are use pirated software in social situations, and would be forced to use it only in their homes or private places. Once an individual obtains pirated software they forfeit these benefits and are considered to have participated in an illegal crime.

Recommendations

There needs to be stricter regulations and tougher penalties for pirated software and the

process for obtaining copyrights should be revised. Another way to deter piracy is for companies to implement subscription based services for its users.

The updated piracy regulations must come from a governmental agency and

should be regulated in each state. This action is needed because one of the main reasons piracy is so prevalent is that there are no strong universally recognized laws that regulate this activity. People and companies that participate in intentional piracy activities needs to be held responsible for their actions and made to pay retribution to the software developer. These individuals are stealing from the companies by copying the software and are doing something wrong. They are unethical and not thinking of the problems they cause when they burn a CD or install unlicensed software. They are contributing to financial losses of the company, and also depriving the company of the opportunity to maintain their company's quality standards. Most copyright laws affect big companies, musicians, and song writers and allows for protection of their work and likeness. However, for smaller software companies it may be difficult to prove the ownership of the software. Wilhite (2014) states that unless the company has registered a copyright or submitted a patent it could be difficult to prove that the content, code or product belongs to the company (Wilhite, 2014). This process needs to be changed and it needs to be an easier process for companies to apply for copyrights and to register their software.

Another suggestion is to implement a pay wall for users, where users would subscribe to a service in order to view content or access the software. This could be useful in situations where the user needs to edit documents, download new software or perform upgrades on their current software. The content would be available on one device only, to prevent sharing of the software and piracy activities.

Anticipated Outcomes

The anticipated outcomes of these suggestions would include deterring piracy and making it easier for software developers to protect their products. Software developers would be able to gain credibility, maintain control of their product and ensure that they are financially compensated for their hard work. Individuals would be held accountable according to copyright standards and prosecuted in a civil court for distributing to purchasing pirated software.

Evaluation of Expected Outcomes: Short/Long Term Effects

If the expected outcomes were followed the effects would be felt immediately. If piracy was made to be an enforceable illegal activity in all states, it would send a message to individuals that piracy is a serious crime. Piracy should be prosecuted the same as other civil crimes. Prosecuting these individuals would make people think twice before copying or stealing software programs.

Also updating and revising the copyright laws would greatly improve the ability for companies to get their software registered and maintain ownership rights. Some of the short term effects of these changes would be sites found with unregistered/unlicensed software would be closed and individuals selling or sharing pirated materials would be subject to fines. The long term effects would be a uniformed law that would outline piracy and how individuals would be prosecuted under that law. The ultimate goal is to get piracy down to zero percent, and eliminate this unethical procedure for good.

The pay wall would make it more difficult to users to share data, and would require a sign on authentication process to gain access. Short term effects would include software developers maintaining control over their products and being able to gain profits for their subscription service. Long term effects would be a central site to access software downloads and updates.

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