

Business Ethics Case Studies:

The Polluter's Dilemma

Jonica Gunson is the environmental compliance manager for a small plastics manufacturing company. She is currently faced with the decision whether or not to spend money on new technology that will reduce the level of a particular toxin in the wastewater that flows out the back of the factory and into a lake.

The factory's emission levels are already within legal limits. However, Jonica knows that environmental regulations for this particular toxin are lagging behind scientific evidence. In fact, a scientist from the university had been quoted in the newspaper recently, saying that if emission levels stayed at this level, the fish in the lakes and rivers in the area might soon have to be declared unsafe for human consumption.

Further, if companies in the region don't engage in some self-regulation on this issue, there is reason to fear that the government — backed by public opinion — may force companies to begin using the new technology, and may also begin requiring monthly emission level reports (which would be both expensive and time consuming).

But the company's environmental compliance budget is tight. Asking for this new technology to be installed would put Jonica's department over-budget, and could jeopardize the company's ability to show a profit this year.

Questions for Discussion:

What motives would the company have to install the new technology?

What motives would the company have to delay installing the new technology?

Why might the companies in this region prefer for the government to impose new regulations?

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