

Ethics in the Movies

“Life comes down to individual moments,” says Charlie Sheen in the movie *Wall Street*. Sheen plays Bud Fox, an up and coming stock broker who, after months of trying, pushes his way into the office of one of Wall Street’s biggest players, Gordon Gecko (played by Michael Douglas).

“Tell me something I don’t know,” says Gecko. What Bud knows will get him into the big time, but it will also get him into big trouble. A local airline is about to be cleared of wrongdoing by the FAA in a plane crash investigation. When the news hits the streets it’s bound to send the stock soaring. The problem is that the news is “inside information”; which means it’s not known to the general public and will likely affect the stock price when it is released. Using inside information to buy a stock is illegal and in Bud’s case, because he is a stockbroker, could cost him his license. It’s the moment of truth. What will Bud do?

Hollywood movies are filled with “moments of truth”, moments where individuals make high stakes choices between right and wrong. In the movies, and in real life, we often run into trouble when, in that moment of truth, we don’t see the long-term consequences of the choices we make.

In *Wall Street*’s moment of truth, Bud gives up the information (if he didn’t the movie would be over after the first 20 minutes). This starts a series of events that gets Bud deeper and deeper into the world of inside information and illegal trading. He eventually loses everything and ends up in jail.

Bud gets into trouble because he uses information not available to the general public to profit from stock trading. Trading on “inside information” is not confined to professional traders. Anyone who trades stocks based upon inside information is guilty of insider trading and can face severe penalties.

In the movie *Civil Action* a series of “moments” build to a catastrophic crisis. John Travolta plays a lawyer representing families who suspect that contaminated drinking water has caused

deaths and birth defects among the children in the community. The culprit seems to be a local plant where animal hides are processed into leather using carcinogenic chemicals. As the story unfolds, we learn of the many decisions that caused the contaminated drinking water.

The plant owner, seeking to save money, decides to dump the chemicals in a pit behind the plant. A small group of workers, wanting to keep their jobs, carry out the task. Other workers, not wanting to finger their co-workers (who are also their neighbors), say nothing.



All along the chain, individuals make short-term choices that contribute to catastrophic long-term consequences for everyone involved. Dozens of individuals

had the power to stop the dumping. No one did.

It’s the same story in the movie *Erin Brockovich*. Drinking water, contaminated by a local energy plant, is causing rampant disease and illness in a California community. Management knows that dangerous chemicals from the plant are seeping into the groundwater. In an attempt to avoid liability, they try to hide the information from the community. Misinformation is spread. Records are destroyed. And the whole time, residents continue to swim in their backyard pools, bathe their children, and drink the water.

Who’s responsible? Management? But who is Management? Management is made up of people, people who made short-term choices without considering the long-term effects of their decision. And what about the employees who knew there was a problem and also chose to do nothing. Aren’t they just as responsible?

As ES³ employees each of us is responsible for taking action when we see something that isn’t right. “I was just doing my job” or “I have to protect the company” is not an excuse. We may not think it’s a big deal at the time, but sometimes it’s the brief, seemingly insignificant moments in life that are the most important of all.

Q&A

Q: In the movie “*Psycho*”, Marion makes a short-term choice that eventually lands her at the Bates Motel. What choice does she make?

A: *Marion decides to pocket \$40,000 of her employer’s money. She has to hightail it out of town and ends up at the Bates Motel. (You’d think she could afford a better place to stay!)*

Q: In the movie “*Tin Men*”, Danny Devito and Richard Dreyfus lose their sales licenses because they engage in fraudulent sales practices. What industry are they in? What is their sales scam?

A: *They sell aluminum siding during the 1950’s. One of the Tin Men’s favorite scams is to appear on someone’s front lawn with a camera and tripod. When the housewife comes out, they explain that they are doing a photo spread about aluminum siding for Life magazine. “It’s a before and after presentation, showing how much better a house looks after it has aluminum siding”, they explain. “Your house is going to be the before picture”. The housewife can’t believe it, “Are you crazy! We have Life magazine on our coffee table, can’t we be the after picture”. The hook is set. The Tin Men then start to reel in the catch. “You’d have to work out an arrangement with an aluminum siding company . . . what time will your husband be home tonight?”*

Q: In “*Class Action*”, Gene Hackman plays an attorney bringing a lawsuit against a car company. Why?

A: *They manufactured a car that blows up when it is hit from behind while the left-hand turn signal is on. Early in the design process tests showed that the car was dangerous but the car company chose to bury the reports. The choice ends up costing the car company millions of dollars in damages.*