

Directions:

- Media:

Your essay must be in plain ASCII text (or on paper). Mail to nsmatloff@ucdavis.edu AND to normmatloff@gmail.com for safety.

You are not allowed to access the Web, e-mail, etc. during the exam. The Davis honor code (UCD Student Judicial Affairs Code of Academic Conduct) applies.

- Content of your essay:

Same rules as before, making good use of our readings/class discussions, bringing in both arguments and counterarguments (but explaining why you disagree with the counters) etc.

- We will take the ACM Code of Ethics as “representative” of Western ethical sensibilities, even for nontechnical matters.

Question 1:

This question concerns the CRASH section of our readings list.

- (a) There were a number of instances in our readings in which the players had major conflicts of interest or other sources of lack of impartiality. State what these instances were, and explain how they would violate the ACM Code.
- (b) Our POWER unit concerned abuse of corporate power. Choose an example from that unit that you believe is rather analogous to what you cite in part (a) above, and explain your answer.
- (c) Two people who spoke out during the CRASH juggernaut were women, Brooksley Born, chairperson of the Commodity Futures Trading Commission in the late 1990s and Sheila Bair, head of the FDIC. They were recognized as prescient heroes later on, but were largely disregarded at the time they warned that disaster was coming.

Here is an excerpt from a 2009 article:

A little more than a decade ago, Born foresaw a financial cataclysm, accurately predicting that exotic investments known as over-the-counter derivatives could play a crucial role in a crisis much like the one now convulsing America. Her efforts to stop that from happening ran afoul of some of the most influential men in Washington, men with names like Greenspan and Levitt and Rubin and Summers – the same Larry Summers who is now a key economic adviser to President Obama.

She was the head of a tiny government agency who wanted to regulate the derivatives. They were the men who stopped her.

And here is material from a 2011 article:

...Bair began sounding the alarm about the dangers posed by the explosive growth of subprime mortgages...Bair insisted that she and her agency have a seat at the table, where she worked – and fought – with Henry Paulson, then the treasury secretary, and Timothy Geithner, the president of the New York Federal Reserve...

The rap on her was always that she was difficult and not a team player...Bair was invariably portrayed as the problem

Speculate — the above material is quite minimal, and anyway we can't know what happened behind closed doors, let alone in people's minds — whether sexism may have played a role in the Born and Bair cases. Would the men have treated other men like that? Would men have been better able to counterattack than Born and Bair were?

Question 2:

This question concerns the H-1B section of our readings list.

- (a) Consider the *Ft. Worth Star-Telegram* article in our readings. Explain how the quoted attorney was apparently being dishonest.
- (b) As a manager, you hire a foreign worker at the legal prevailing wage, but less than the market wage, and sponsor him for a green card. The worker is happy, as he is getting a highly valuable form of nonmonetary compensation (the green card). You're happy, because you are saving money, and because you are getting a worker who in essence can't leave you for another firm. Is there any evidence that some employers hire foreign workers for that latter reason (“can't leave you”)? And are there any ethical problems with your actions here (below-market wage, immobility)?
- (c) In sponsoring that worker for a green card, your firm must certify to the government that you tried but failed to find a qualified, willing U.S. citizen or permanent resident. So, you place an ad for the job, listing as job requirements a dozen skills that your favored foreign worker happens to possess, and which to varying degrees are related to the job. Any ethical issues here?