

Business Ethics
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Lecture - 60
Computer crimes and IPR

Now, we will be discussing in this module about the some common computer crimes that are there and because these are very common crimes, it is required that the business managers are aware of these cybercrime and so that they can take proper measures for it. So, when we talking of cybercrime, cybercrime it consists of the abuse of electronic media where computer can either be a target or a tool of the crime or even incidental to crime. So, here in this section, we will discuss some of the cyber threats where, one such often heard term is that of hacking.

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Area	Act	Date	Description
Copy protection	Digital Millennium Copyright Act (update to 17 USC 101)	1998	Provides specific penalties for removing copyright protection from media
Identity theft	Identity Theft and Assumption Deterrence Act of 1998 (18 USC 1028)	1998	Attempts to mitigate specific penalties for identity theft by identifying the individual who knew their identity as the true victim, not just those commercial and financial trade entities who suffered losses
Banking	Gramm-Leach-Bliley Act of 1999 (GLBA) or the Financial Services Modernization Act	1999	Repeals the restrictions on banks affiliating with insurance and securities firms, has significant impact on the privacy of personal information used by these industries
Forgery	USA PATRIOT Act of 2001 (update to 18 USC 1028)	2001	Defines cyber penalties for production of forged checks
Accountability	Sarbanes-Oxley Act of 2002 (SOX) or Public Company Accounting Reform and Investor Protection Act	2002	Enforces accountability for executives at publicly traded companies, this law is having ripple effects throughout the accounting, IT, and related units of many organizations
Spam	Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM Act (15 USC 2201 et seq.))	2003	Sets the first national standards for regulating the distribution of commercial email, the act includes mobile phone spam as well
Fraud with access device	Fraud and Related Activity in Connection with Access Device (18 USC 1029)	2004	Defines and formalizes law to counter threats from counterfeit access devices (AT cards, credit cards, telecom equipment) or electronic serial numbers of the equipment that creates them

Hacking is the illegal intrusion of a computer system without the authorization of the owner or the user. Second type of crime is the spam. So, spam is flooding the computer of the victim. So, to affect the bandwidth whereby user is unable to access the data and work on the computer. Virus determination is malicious software that attaches itself to other softwares and destroys the programs and data on the victim's computer. So, Trojan horse, time bomb, rabbit etcetera are the common viruses. Software privacy, software

theft through illegal copying of genuine programs for the purpose of selling and distribution, it causes a loss to the lawful owners and vendors of the software.

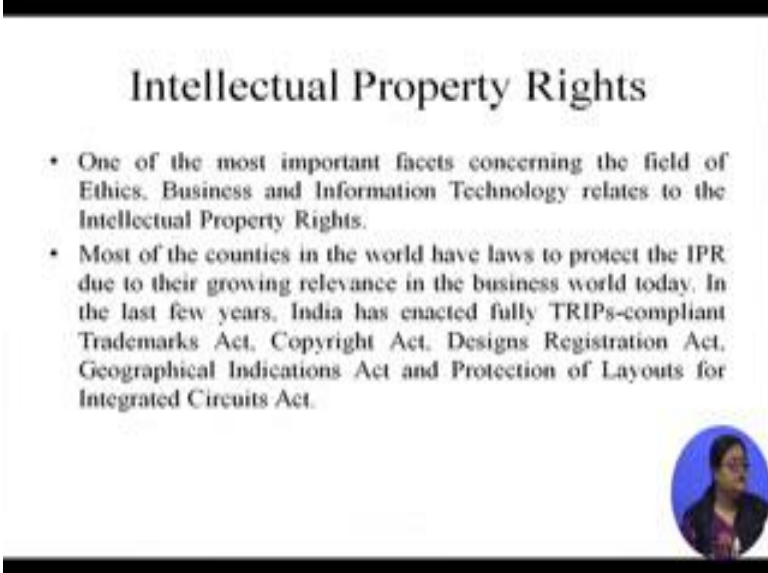
Pornography, exploiting human sexuality, to generate revenue, they also used deceptive marketing strategy such as mouse trapping, publishing and transmitting of such material is illegal under IT Act, 2000. Paedophilia similar to pornography, but involves children as object of sex. Internet relay chat, these social sites are used by criminals for their own aims and they can even stalk their victims by keeping track of them on the net. Very common of course, very common here of course, is another crime which is that of the credit card theft. This may be done through hacking, keeping a surveillance device at ATMs or any such devices as skimmers.

Net extortion where after getting the data there is an illegal threat for a ransom; phishing which hacking and taking out confidential information such as from banks, then even supply counterfeited bank web pages where gullible customers key in their financial details. Spoofing on computer on a network pretending to have the identity of another computer, it is a kind of in personalization in order to get access to other computers. Cyber defamation after obtaining damaging information the criminal disseminates the information to defame you and take revenge on you or cause loss. Threatening, so just as in traditional crimes threats are generally anonymous, hate mail is another form of harassment. Salami attack after getting the required information, so the maybe the financial information from a bank, the criminal may transfer a very insignificant amount such as rupees two from other peoples accounts into his account.

But by transferring this amount from a large number of people accounts, he is transferring actually a very huge amount, but if the victim who has been like may be rupees two has been transformed from his account transferred, he is not may be very much bothering about it. So, these type of crimes may happen. So, cybercrime in many ways it shows the darker side of the community. So, it is where the criminals have switched to a new technique of doing the crime. What is most alarming for these type of crimes is; however, the young generation and the educated have become much involved in these type of crimes which is the very like situation for anxiety for the civil society and the because the future appears to be really worrisome.


So, this when you have discussed crimes with related to computers, these are something which is done intentionally and with aspect to harm others. Now we will describe crime like the moral implications of intellectual property rights.

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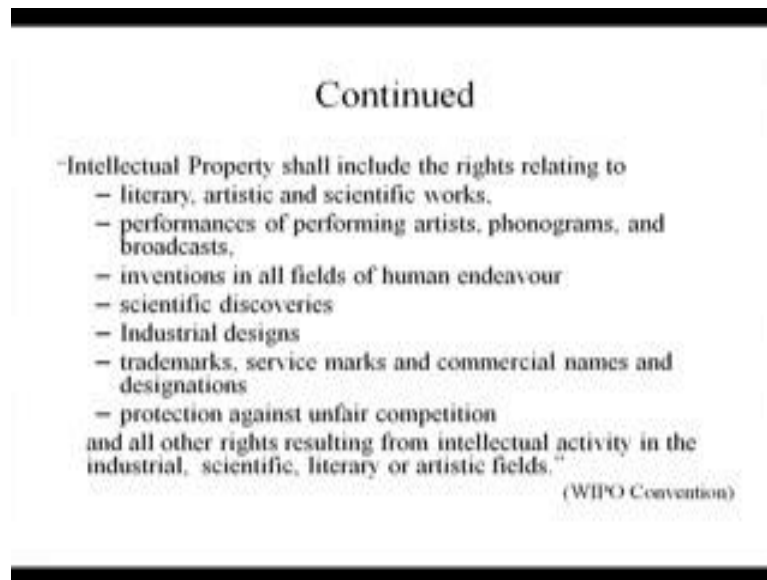
Intellectual Property Rights

- One of the most important facets concerning the field of Ethics, Business and Information Technology relates to the Intellectual Property Rights.
- Most of the countries in the world have laws to protect the IPR due to their growing relevance in the business world today. In the last few years, India has enacted fully TRIPs-compliant Trademarks Act, Copyright Act, Designs Registration Act, Geographical Indications Act and Protection of Layouts for Integrated Circuits Act.



Because some people are aware of it some people or not aware of it, so what constitutes the intellectual property? What are the implications of it? What are the perspectives on intellectual property? These have to be discussed and what is its relevance in the business scenario? And what it can be done to protect the intellectual property? These are essential parts of this discussion.

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So, when we are talking of perspectives of intellectual property. It is the right which is relating to like literary artistic and scientific works, performances of performing artists, phonograms and broadcasts, inventions in all fields of human endeavour, scientific discoveries, industrial designs, trademarks, service marks and commercial names and designations, protection against unfair competitions and all other rights resulting from intellectual activity in the industrial scientific or the literary or artistic fields.

So, there are substantial, ethical economic, and legal issues concerning the issue of intellectual property right because the individual product initially may be is very costly to produce, but once it is done and then it becomes easy maybe to copy it. If not it is well protected and then this the copied material will look as good as the original and then it can be used or misused without the, if it is copied very easily then it becomes easily available also and in that sense the proper, the due, the right that the original producer has for it in the terms of copyright, that may get violated and he or she may not get the due worth for the creation. So, the perspectives of the intellectual property rights are like the moral perspective, economic perspective and the legal perspective. So, the moral perspective is that, it is the inherent perspective of inherent quality of a property is it is to be owned. So, like that we own our own name or our skills, our belongings that we all make for ourselves. So, like when you are writing a book it bears our authorship, so if somebody would make money of it, it is it acts to his own property. So, it is only that person who has right over it and no one else.

So, he may give up that right freely, but it depends on his or her willingness. So, this is a moral point of view. Legal perspective tells like intellectual property right is an issue of right, the justice means that a right needs to be honoured be it in the physical property or the intellectual property. So, then the ownership is really bestowed on the particular person. So, it is the legal point of view.

The business perspective point of view is the, it is the question of IPR needs be understood in terms of business. So, there are words like trademarks, trade secrets and patents which have been developed by highly skilled people specially build environments. These have nothing against the morals or the law. So, but they depend on them for their existence. So, the products of the intellectual skills can call for a very large or complex investment because sometimes people dedicate their life to a particular research. So, when you talking of the intellectual property rights, the intellectual property gives the competitive edge. It helps the in the survival of a particular organization, it helps in the creativity of a particular organization. So, maybe it is same as that of business, you cannot differentiate intellectual property and its protection of the rights from the doing the business in effective way. So, this is the business view.

Now, we will discuss about the implications of the intellectual property. So, when majorly discussed case is that of Napster. Napster when he was just 18 years of age, he developed a program that enabled people to access MP3 music files from each other's computers. So when he posted his program for a free download on the website by the same name, there were 30000 people who took hold in it. It became enviable download of the week. A venture company offered dollar 50 million as a start up for the new company Napster incorporated that has become well known both for its controversy and its earnings. The controversy was that for the mass copying the companies lost business and the music artists were robbed of their earnings. There could be this case can be dealt with both from arguments for preservation of intellectual rights and arguments against intellectual rights.

So, the first we will discuss about the arguments for preservation of intellectual rights. The ethical and the economic issue of this particular case is that if the software copying is ethical and economically legal, the people in the knowledge business would be robbed of their property and their creative skills through which they earned their living. The authors will not get any royalty, the artists and musicians will not have any earnings and

the businesses connected with all electronic programs and software will come to a standstill.

So, eventually everything will come to a standstill the technology, the governance, education, industry, business because all are connected with each other as we discussed in the stake holder theory. Those who argue against this tell like this is limited only to music and just as book are shared and lent to friends. So, also such as software of music an images should not come under the purview of the case as in the case of copy rights, trade secrets and patents. So however, this is countered by the weight of the sheer quantitative argument that the circulation of the book through lending by some of the friends is restricted to very few people. The software copying and that too direct downloading is of global proportions that will and try to hit the music industry. So, it will then once it start with music it will spread to other software based products which will eventually destroy itself. There are arguments against intellectual properties rights, intellectual rights like the company Linux as a software of operating system for computers is freely available and is continuously upgraded.

The people do not have to buy the operating system that can get outdated quickly. So, today many individuals and corporations use these softwares successfully. So, and no one has seen like the businesses of Microsoft or Apple who come with the protected category of IPRs have countdown. So, there are thousands of also other downloadable programs which are freely available on net. So, as a result it is may be shown like the free distribution has been a platform for a bigger and larger business to conduct business in the ever expanding internet market. So, where you face the threat? What is your capability to withstand the threat? And how you do things innovative to counter that? These are important ways of dealing with the threat.

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Laws framed in India in respect of IPR

Act	Ministry/Department
The Copyright Act, 1957	Higher Education
The Patents Act, 1970	Industrial Policy & Promotion
The Designs Act, 2000	Industrial Policy & Promotion
The Trade Marks Act, 1999	Industrial Policy & Promotion
The Geographical Indications of Goods (Registration and Protection) Act, 1999	Industrial Policy & Promotion
The Semiconductor Integrated Circuits Layout-Design Act, 2000	Information Technology
The Protection of Plant Varieties and Farmers' Rights Act, 2001	Agriculture and Cooperation



So, when we are discussing about the intellectual property rights one obvious things which comes to the discussion is that of the laws. And here we find laws; there are a number of laws which are framed in India in the respect of IPR. It is the Copyright Act in 1957, the Patents Act in 1970, the Designs Act in 2000, Trademarks Act, 1999, the Geographical Indications of Goods Act, 1999, Semiconductor Integrated Circuit Layout Design Act, 2000, Protection of Plants Varieties and Farmers Rights Act, 2001. So, different ministries or departments have framed different laws to protect the intellectual properties.

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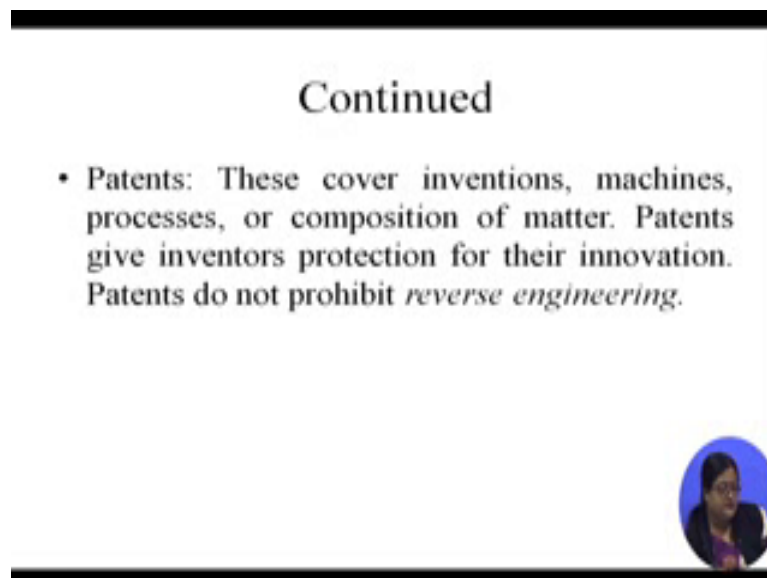
- ### Trademarks, Trade Secrets, Copyrights and Patents
- Trade marks: "a word, name, symbol or device which is used in trade with goods to indicate the source of the goods and to distinguish them from the goods of others."
 - Trademarks do not expire after a certain length of time, and the rights one has continue indefinitely.
 - Trade secrets :In a broad sense, the term trade secrets refers to all knowledge developed by a firm, which it guards as proprietary.
 - Copyrights : These were instituted in order to protect the written expression of ideas.
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So, here we are going to discuss like the trade related aspects of intellectual property rights. So, the agreements regarding the trade related aspects of intellectual property rights has, contributed to the consciousness and expansion of the issues. It obligates the World Trade Organization to establish and enforce minimum levels of copyright, patent and trade mark protection. The countries that do not comply with these provisions are subject to (Refer Time: 24:41) administered, penalties and sanctions.

So, before we understand like what are the preamble of the details of the trade related intellectual property rights, let us understand the meaning of the few terms that we hear trademarks, trade secrets, copyrights and patents. Trademarks or a word name symbol or device which is used in trade with goods to indicate the source of the goods and to distinguish them from the goods of others.

The trademarks do not expire after a certain length of time and the rights one has continue indefinitely. Trade secrets, in the broad sense the term trade secret refers to all knowledge developed by a firm which incurs as it is a proprietary.

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Copyrights, these were instituted in order to protect written expressions of ideas and patents, these cover interventions, machines, processes or composition of matter. Patents give inventors protection for their innovation. Patents do not prohibit reverse engineering, the trade related intellectual property rights the preamble is desiring to reduce distortions and impediments to international trade and taking into a count the

need to promote effective and adequate protection of intellectual property rights and to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade. Recognising to this end, the need for new rules and disciplines, concerning the applicability of the basic principles of GATT; 1994 and the relevant international intellectual property agreements or conventions.

The provision of adequate standard and principles concerning the availability, scope and use of trade related intellectual property rights. The provision of effective and appropriate means for the enforcement of trade related intellectual property rights, taking into account differences in national legal systems. The provision of effective and expeditious procedures for the multilateral prevention and settlement of disputes between the government and transitional arrangements aiming at the fullest participation in the results of negotiation.

Recognising the need for a multilateral framework of principles, rules and disciplines dealing with international trade in counterfeit goods, recognising that intellectual property right is a private right, recognising the underlying public policy objectives of national systems for the protection of the intellectual property including development and technological objectives, recognising also the special needs of the least developed county members in respect of maximum flexibility in the domestic implementation of the laws and regulation in order to enable them to create a sound and liable technological base. Emphasising the importance of reducing tensions by reaching strengthened commitments to resolve disputes of trade related intellectual property issues through multilateral procedures, desiring to establish a mutually supportive relationship between the WTO and the world intellectual property organization as well as, other valiant international organizations.

So, these are the some of the things which are mentioned in the preamble of the trade related intellectual property rights. With this we will move forward to the discussion of the moral imperatives of the intellectual properties and what are our moral imperatives for the intellectual property rights.

Thank you.