Conference Paper

An Empirical View of Business Ethics on Press Freedom: A Case Study

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Abstract

Press freedom in Malaysia is bound under several regulations and restrictions ever since Malaysia granted independence in 1957. Due to this, a few media and press laws were also inadvertently inherited from the draconian colonial law or introduced in controlling any extremist actions during emergency periods and also used in silencing any political rivals. Based on the report compiled by Reporters without Borders (RSF), Malaysia jumped 22 places to 123rd of the World Press Freedom Index in 2019, better than all of our South East Asian neighboring countries. The success of Malaysia press freedom movement triggered by the reformation of a few media institutions, laws, and practices throughout the year. The enhancement of Malaysia press freedom assisted in the development of the country and led the nation in becoming more progressive and transparent alongside other developing nations worldwide. In this research, a case study conducted at one of a privately-owned media organization headquarters in Kuala Lumpur, Malaysia is aimed to analyze the ethical issues regarding business ethics involving informal interviewing methods performed towards internal staff. The case recorded will then be categorized into four different setups. Each case from each category analyzed will discuss, in detail, the business ethic concept and ethical principles. In this study, the discussion aims to strengthen moral values and business ethics that has supposedly implemented in the media industry sector in Malaysia.

Keywords: business ethics, press freedom, media, ethical principle.

1. Introduction: Company Background

The media organization chosen for the research is a public listed media organization located in Kuala Lumpur, Malaysia. The studied media organization owned television stations, newspapers, out-home advertising, radio stations, content creation, content provider, and digital media companies. For the 2019 revenue target, the media organization targeted to achieve 40% of market share from all televisions products, reflected the 9.6 million viewers across the country. As the main media provider in the country, the media organization relies on the advertisement and sponsorship to survive in the
challenging globalization. From the view of competition, this media company always need to be reliable, transparent, and accountability with their report, publishing, broadcasting, etc. as appraising the press freedom practice in the country. More than that, the media organization also need to become an influential organization to complement and compete with the new media like social media in providing competence and accurate news to the public. The media organization also committed to delivering quality products through digital and was awarded for the mobile content choice in the previous year. Moving forward, the media organization will strengthen the digital platform and commerce strategies as the income generator and contributed to the group up to 20% from the previous year by multiple digital platforms relating to the media group.

2. Case Study

2.1. Case One (1)

The first case is referred to morally right/good and legally right and explaining about the financial scandal case in Malaysia related to few of government high ranking officers and was mentioned by the United States Department of Justice (DoJ) previously. The media report should be based on the facts from the Malaysia court statement, police report, evidence, etc. which legally receives from the reliable resources before publishing it to the public. In ethics, morality, and value, the media also need to be fair and equally treat the accuser in their reporting to the public.

2.2. Case Two (2)

The second case is discussed morally legal but is wrong/bad action by referring to the news or stories published for the public. Few media has publicly shared the stories based on the facts and legally get the documents from authorities for the publication. However, for the issues relates to ethics, morality, and value, few presses starting to play a role in headlining the issues with few articles titles that lead to misconception or pre-judgment from public. For example, the merger and acquisition (M & A) of the two most essential telecommunication companies discussion is excellent publicity to the company in public coverage of their merger discussion and the merging issues also publicized at all major media in the country. However, few presses were also highlighting the potential doom or downfall of their competitors if the merger becomes into reality.
2.3. Case Three (3)

The third case is about actions made are morally right/good but is illegal. This case was explained by the exposure of other media organizations in the leaking of the secret document relates to the graft and abuse of public fund to the public. However, the basis and genuine of facts of the materials is not recognized by the authority during that time. More than that, the authority through prosecutor office also drop all the accusation made by the media organizations about the involvement of higher-ranking officer. The media organization studied is reluctant to publish the report as stated in the other media organization but condemning the efforts by informing on leaking will lead to the national security issues.

2.4. Case Four (4)

The fourth case is discussed about the actions made are morally wrong/bad and also illegal. The fourth case studies are from the business view, which the situation referred based on the advertising sides. To sustain as the free based media group, the company is relying on advertising as the primary income for the company. The media is promoting the uncertified product through their media tools. For examples, there have few companies is selling the health product or cosmetic, which not certifies and legally recognize by an authority like the Ministry of Health (MoH) and publicly promote into several media channel. Make it worst, few products also been claimed as the alternatives and replacement of the medical medication certified by the authorities. More than that, the exaggerate marketing of the product like becoming the remedy for specific health disease and issue without clinical proven can giving adverse effects to the public.

3. Literature Review

3.1. Right or Wrong

Fisher and Lovell (2012) have provided a guidelines grid formulated from the two of the continua. The first dimension mentioned by Fisher et al. (2012) focused on the difference between ethics and morality. The other dimension introduced by Fisher et al. is referring to the covering of the “right and wrong,” which also related to the action made. The perspective covered into illegal or illegal activity and right or wrong of ethical action. As mentioned in the second dimension and introducing grid, Fisher et al. recognize
the positions of four actions on this continuum, the action as specified are: The actions made are morally right/good and legal, (even not the legal commitment), The actions made are morally wrong/bad and also illegal, The actions made are morally legal but is wrong/bad and The actions made are morally right/good but is illegal. Referring to the second dimension grid developed by Fisher et al. (2012), the cases will be examining through the legalizations and rules views, and also highlighting to the ethical, moral and value dimension.

3.2. Media Freedom Ethics

Based on the McQuail (2005) concluded the doctrines of the media freedom ethics by identify the recognition of media to accomplish of the social responsibility, benchmarking for the higher standard of professionalism in requiring or accessibility to information, transparency, factual, accountability, fair and shall be objective. McQuail also identifies that media supposedly become an independent organization and regulated based on the legal or codes framework, also preventing from giving any invasive content that causes to the bad influence or action to the public. Lastly, McQuail reminded media to have become the medium for respecting other views and ideology which in return give the society diversification and make the media organization is accessible to the public even different in their views and opinions, lead to the exchange of idea and maturing the society.

3.3. Ethical Principles in Business

Business Ethics, as defined by Crane and Matten in 2016 is the study about business activities, decision, and situation in the several issues of right and wrong raised and address. They also stated that the understanding of bad and good is different between organization to another like government body or private institution. Sivadas, Kellaris, Kleiser, and Dahlstrom (2003) found that there few factors relating in determining of the business ethics which are the situation of the individual, culture, age, marital status, gender, etc. In the view of the company, Juscius and Snieska (2008) stated about the company that aims to save all the globally received of ethical standards, may expect the positive attitude including the support from the society.
3.4. Utilitarian Principles

The utilitarian principle basis introduced by Jeremy Bentham (1748-1832) and John Stuart Mills. The concept of Utilitarian considered as the policies that concern and evaluate the benefits and cost that will inflict to the people. The ethics as view by Bentham are placed human into two plan, which is pleasure and pain. The idea of pleasure and bad distinguish between on the aspect of good or bad. The view of good shall give the pleasure or, supposedly contributed to pleasure or pain prevention. Equally, the view or bad shall give the pain or contributing to pain or pain prevention. From the perspective of Bentham, the ethics or the sight of right and wrong will be significant if the application of the Utilitarian principle adapted to any idea of ethics. In another term, any action that will improve the additional pleasure is a right act and anything that contributed to the decreasing of pleasure considerably wrong. (Solomon, 1993). There are also few critics regarding on the utilitarian principles and based on Sen (1970) called the “welfarism” doctrine that only relies on the utilities, and no consider about other values that relate to social welfare. More than that, the utilities can be the basis of social welfare, which can be considered as misleading information.

3.5. Kantian Principles

The theories by Kant principles as introduced by Immanuel Kant (1972-1804) that mentioned about actions related to needs, or requirement considers as restricted act and should not treat as free. Otherwise, the lucid action only can be treated as a free action but shall be based according to the law (Legge, 1997). Other than that, the appropriateness of any actions only based and depends on benefits with any regulation regardless of any outcome and consequences. Kant also emphasizes on the principles of respecting other people with dignity and treat others equally to achieve their interest while the moral rights at the human being will specifying and identify the benefit of individual specifically because human is entitled freely to meet their interest.

3.6. Egalitarianism

Brennan and Lo in 2016 mentioned that egalitarianism should treat all the living creature equal and free based on their functions and benefits, among others. The concept is adaption from the idea of Naes (1973) emphasized on the importance of the living creature or even organism because of the dependence tendency between each other.
Naes also mentioned that the social functions are to create the concept of dependent between each other in ensuring a better relationship. Based on the idea of equality, Velasques (2014) justified that there has two equality can practices which political equality or economy equality and any equality should be given even it good or bad. Valesquez (2014) and Feinberg (1998) also found the critics on the idea equalitarianism by stated the equality should define by merit and efforts, not giving equality for everyone.

### 3.7. Libertarianism

Based on the Nozick (1974) and Velasques (2014) defines libertarianism as the appropriate or relevant decision made by the individuals to achieve fair treatment and deliberately based on their free choice. In the context of media, Christian, John, and Mark (1993), the press should cherish on the concept of libertarianism and individualism that have been implemented previously by the liberalist in the history like Kant, John Stuart Mill, etc. Christian and Clifford (2010) also stated on the function of media to any social responsibility primarily when related to the broadcasting policy for the public. From other libertarian views, the press should become the ombudsman for the public (Curran, 2000). In term of the sustainability of media freedom and the organization, the media shall maintain themselves as the medium for a healthy democracy and political liberty (Craft, 2010).

### 3.8. Justice as Fairness

Based on John Rawls (1971) in Theory of Justice have listed several items of human need as a necessity, including many useful and also political freedoms. More than that, Rawls also stated that people are needs more space of speech to ensure that they can get the necessity required. The Rawls is almost similar to the approach by the idea and concept of utilitarianism but more space provided in allowing on the human need into the arguments and speech. More than that, Rawls also based on the principles that every human should have an equal right for basic necessity and liberty and the inequalities for any distribution is to give benefits for all. In the media sides, Rawls in 1993 mentioned that as the media, the biggest challenge is to be fair for the editorial write-up or called as “reflective equilibrium” in journalism because of the ideology and perception.
3.9. Virtue Theory

Gomez (2002) mentioned that Aristotle found the moral action done by people is inclusively relating to coherent choice and consideration. Moreover, Gomez (2002) also found on the critical virtue states by Aristotle create a human relationship to cooperate smoothly and the right way by practicing people in bravery, liberality, impressiveness, serenity, etc. Any involuntary act should not be liable for the people responsible because of many factors like ignorance, outside coercion or avoidance for the more significant harm (Swift, 2012). The excellence of the human being is based on the principles and believes in what they stand for (Rest, 2002).

3.10. Findings

Based on Case One (1) scenario, the findings mostly focused on credibility and transparency. Malaysia has jumped 22 places to the place 123rd on the Press Freedom index on 2019. The press freedom indicators are to show how the media is credible and can reporting freely to satisfying the public or civilians. Civilian seems interested in the cases related to and the abuse of people money. As the media practitioner, the media shall report the facts from the official court statement, police report, evidence, etc. which legally receives from the reliable sources before publishing it to the public. In Malaysia, few regulations need to be abiding by the media practitioners, especially when dealing with the reporting public interest issues like Printing Presses and Publications Act 1984, Communication and Multimedia Act 1998, Penal Code, Evidence Act 1950 and Defamation Act 1957. Any documents published to the public also need review and endorse by several parties before releasing to the public like Bank and Financial Institution Act (BAFIA) 1989 that relates to people personal bank account that needs the related people consent or several legal advice. The government will revoke any organization that breach of this law, the operating license in the media company. The media organization should be a concern on the matter relates to the regulations or legal issue before any publication made. In ethics, morality and value, the media also need to be fair in their reporting and not been influenced of surrounding people, and the trial even feels irritated because of the evidence or truth prevail during the process. The excellent report to the public will create a good perception along the process, and the mass media report that brings no emotion or sympathy value will help the process to went smoothly without any judgment and discussion created from the public made that caused to the sub judice of trial. Referring to the presumption by the canonical jurist.
and cardinal, C. Jean Lemoine in the phrase of "item quilbet presumitur innocens nisi probetur nocens" defines that a person is recognized innocent until they are proven guilty.

Referring to Case 2, the public listed companies that involve in the merger have informed the Bursa Malaysia in details about the merger. The details of the merger already get the approval from Bursa Malaysia to be announced at one of the press conferences. The data obtained by media is factually based on the report from the companies and in the right consequence order of authority to avoid any manipulation or the market speculation of the company shared. The press conference also can inform the discussion or company future planning to the shareholder as well. However, based on the news of the merger, the media become a manipulative instrument in playing the issues to raise or lower the company share price values. From the business view sides, the press also may lead to the bad or good review from the shareholders or potential shareholder to the specific business or interest that they already have intention into it. The media also write the article relates to the competitors may lead to an increase of shares between merger companies, which lead to the rise of the value of the stock. For the particular circumstances, few Media also get benefits by increasing of the advertisement from the related company after the story been write-up and published. The monopoly of the issues also been played around by consumer association and been raised to the authority like Malaysia Communication and Multimedia Commission (MCMC) and Malaysia Competition Commission (MyCC). The authorities influenced the merger will avoid both companies from the issues of monopoly in the future.

More than that, refer to Case 3, to acknowledge the public into scandal matter, two of the other media company aggressively publish the report based on the confidential document by the whistle-blower to the leak of the scandal. In 2015, the whistle-blower arrested for blackmail charges of his previous employees after finding billion of people money stolen for the scandal between 2009 and 2011. After the leakage of the documents, the media organization that involves into the publishing of stories like the web portal have blocked by the government and media organization that owned two newspaper also unlawful suspended for three months over their report in the scandal in the basis of Printing Presses and Publications Act 1984. However, both media companies that leak the document have shown the credibility and transparency of the media organization. As an established organization in reporting of the fair and transparent stories to the public, one of the media organization that deals with the business, market and share stories found their credibility in reporting to the public and business leader as well. By practicing the transparency and fair publication, the private-owned group
company can be sustainable and reliable as for their independent reporting in the future too. As the media organization that not reporting and condemning the effort from other media shown the loss of the revenue of last year and the credibility also been questioned by the public which low trust of reporting have given for the company. For the previous year, the media organization has also been influenced and owned-shared by the, which lead to the reporting decision of the company. However, early this year, the media freed from any form of the political party money into the media organization because of the shared selling from the political party to the media organization shareholders.

Lastly, based on the Case 4, the media organization that practicing of advertisement to related health and beauty product should abide by Medicines (Advertisement & Sale) Act 1956, which governed by the Ministry of Health (MoH). In 2017, one of the founders of the health product has claimed the product benefits that can cure the disease or any health problem without any consultation or approval by MoH. The founder found guilty after been charged in court. The media organization also have been warned by several authorities like Malaysia Communication and Multimedia Commission (MCMC) and the Ministry of Health (MoH) for not repeating the same mistake when related to the public health. Based on the report MoH, they are also increasing the health problem associated with the use of an unregistered and unqualified product like diabetic, cancer, high blood pressure, heart attack, etc. This product mostly not tested or clinical proven by the authority and sell to the public by an appointed agent or stockist which not under authorized of the MoH. The target to sell the product are focusing on the television viewer like the older generation and also for those who do not have not much of medical, health or scientific knowledge.

4. Discussion

4.1. Case 1

As referred by McQuail (2005) about the doctrines of media freedom ethics by identify the recognition of media to accomplish of the social responsibility, benchmarking for the higher standard of professionalism in requiring or accessibility to information, transparency, factual, accountability, fair and shall be objective. The media is practicing the doctrine of McQuail (2015) to ensure the company accomplishes media freedom. In the view of the business ethics, Juscius and Snieska (2008) stated about the company that aims to save all the globally received of ethical standards, may expect the positive attitude including the support from the society which applied to the company in reporting
of the stories for their business sustainable which also build the credibility and trust to the public. The utilitarianism principles can be shown through the case study when the press practiced fair, truth, and factual reporting based on the trial report that following the principle rule of law. For the long term, the readers, public and the accuser will found that the media is credible and accountability on the reporting without getting the evidence from hearsay or public opinion. The report at the other level will become intuitive to the needs of the readers and not breach any law related to the facts. Moreover, based on the Kant moral principles, we can found that the press is conducting the fair and factual report by left equally of the individuals to pursue their interest without pressure with any internal and external pressure that lead harm or damages of the reporting. The Kant moral principles also can be related to the Kant’s categorical imperative (Second Version) on the ideas that humans have a dignity that makes them from the small objects. Since the accuser is not found guilty with the judgment of the court, the accuser should be treated fairly by media that implemented the theory of Brennan and Lo in 2016 that mentioned on egalitarianism on treat all the living creature equal and free based on their functions and benefits among other creatures.

4.2. Case 2

The utilitarianism principles can be shown through the case study when the press practiced fair, truth, and factual reporting based on the trial report that following the principle based on Bursa Malaysia. For the long term, the readers, public and the accuser will found that the media is credible and accountability on the reporting without getting the evidence from hearsay or public opinion. The report at the other level will intuitive to the needs of the readers. However, the utilitarian concept in the study found when the company more focus to increase the advertisement, and business even needs to report about the merger implication, which is not wrong from in the term of media freedom. The theories by Kant principles emphasize on the principles of respecting other people with dignity and treat others equally in order to achieve their interest while the moral rights at the human being will specifying and identify the interest of individual specifically because human are entitled freely to achieve their interest should be implemented in the media write-up to the company that will be effected to the merger.
4.3. Case 3

Based on the McQuail (2005) that media supposedly become an independent organization and regulated based on the legal or codes framework and preventing from giving any invasive content that causes to the bad influence or action to the public. The two media organization that involves document leaking is not related to any political party and move freely in their reporting to make better Malaysia, in contrast with the company that condemns the other company effort since they have the political relationship. McQuail reminded media to become the medium in respecting other views and ideology, which in return to give the society diversification and make the media organization is accessible to the public even different in their views and opinions, and lead to the exchange of idea and build the civilized society. During the information leak, the two media that involves in the leaking of the controversial scandal is aggressively discussed about these issues in their publication. Juscius and Snieska (2008) stated about the company that aims to save all the globally received of ethical standards, may expect the positive attitude, including the support from the society. Both media organization involves in leaking shown the credibility and integrity and respected by the public. The utilitarian principle is not applied to this cases because, during the leaking, the company is facing the bad reception and criticizes by the government until few actions are taken to the both of media organization lead to the previous action taken to the company. More than that, from other libertarian views, the media should become the ombudsman for the public (Curran, 2000), which have been done successfully by both companies to inform the public. In term of the sustainability of the media freedom and the organization, media shall maintain themselves as the medium for healthy democracy and political liberty (Craft, 2010) and the media organization that relates to any political party is more focus on protecting their stakeholder rather than public as proof in the media organization that we are studied. Lastly, the media company implement the virtue theory to ensure the public is protected and not abused by the government which found the moral action done by people is inclusively relating to the coherent choice and consideration Gomez (2002). Both organization also found on the first virtue states by Aristotle create a human relationship to cooperate smoothly and the good way by practicing people in bravery, liberality, impressiveness, equanimity, etc. (Gomez, 2002). The excellence of the human being is based on the principles and believes in what they stand for (Rest, 2002) and practiced by both organization and not the other media organization in Malaysia.
4.4. Case 4

The media organization can consider the theory by McQuail (2005) that concluded the doctrines of the media freedom ethics by identifying the recognition of media to accomplish the social responsibility as the media. McQuail (2015) also identifies that media supposedly regulated based on the legal or codes framework, also preventing from giving any invasive content that causes to the bad influence or action to the public. In the view of the company or media organization that advertised on illegal and morally wrong content, Juscius and Snieska (2008) stated about the company that aims to save all the globally received of ethical standards, may expect the positive attitude including the support from the society. The utilitarian principle that implements in the advertisement or marketing to the product evaluate the benefits and cost that will inflict to the media organization without consider about other values that relate to social welfare by advertised the harmful product which considered as misleading information. By implementing the wrongful and illegal act, the media organization is denying the Kant principles of respecting other people with dignity and treat others equally to achieve their interest. On the libertarian view, as mentioned by Christian and Clifford (2010) stated on the function of media to any social responsibility and not harm the public.

5. Conclusion and Implication

The media organization shall practice the transparency, fair, and fair reporting to sustain in the business without any influence of the political interest. The media shall free to make any decision on the write-up and the organization direction without neglect of the rules and regulations of the country. Media organization should give the people the right to express their view, ideology and condemn but need on a legal basis. The media conduct council act that will be drafted and tabled in parliament soon will help the media organization to remain free even after any new government or political party appointed, and the media will remain free without any influenced of the government that wins the election. Despite to get the revenue by write-up or reporting, the company not supposedly play the role as the medium to help the practices of monopoly or condemning other products. The media organization should give fair treatment even need to express the concern or idea to the public. The harm occurs to the company that will create suffers to the organization in the future like loss and reduction. The media organization is also responsible for educating the people and becoming credible.
since the alternatives media like social media (Facebook, Twitter, etc.) loss the sense of credibility. The integration of the moral values, code of ethics, and legalization should be synchronized to create good media freedom practiced in this country.

5.1. Limitation of the research

1. There is a need a proper and in-depth study regarding media freedom with research design and appropriate statistical analysis.
2. The research should be based on the perspective on the media practitioner and the management to better understanding.
3. The relationship between media association and ethical media conduct.
4. There is no implication of the particular legal statue influenced to practice the media freedom in the country and effect on the reporting.

5.2. Further research

1. There are proper design and in-depth study regarding media freedom with research design and appropriate statistical analysis.
2. The effect of media conduct council act that established to the media practitioner and the relation to the ethics.
3. Any code of ethics relates to the media organization on it effected to the business or organization.
4. The implication of the legislation imposed to press in practice of media freedom.

References


