In September of 2017, Equifax, a consumer credit reporting agency based out of Atlanta, announced a data breach that exposed the personal information of 147 million people. Soon after this, many consumers who had used Equifax's services in the past reported significant concern regarding their safety and financial security as a result of Equifax's failure to ensure the protection of their data. As time went on, it was found by investigators that Equifax had been not only highly negligent in securing customer data, but also had taken a significant amount of time to react to this data breach, and before informing customers, their executives had even sold their shares within the company. Equifax's actions had resulted in criminal elements having the immediate ability to defraud and steal from their customers, and soon found themselves faced with a very threatening lawsuit from their customers. In this Case Analysis I will argue that Consequentialist Ethics shows us that the Equifax breach harmed their former customers by exposing their personal identities and financial information, and that this was morally bad.

Milton Friedman's essay, *"The Social Responsibility of Business Is to Increase Its Profits,"* directly states a total lack of belief in the idea that a Business should ensure public welfare within its own doctrine. Freidman states that placing an expectation of "providing employment, eliminating discrimination, avoiding pollution and whatever else" upon a business is an expectation of "pure and unadulterated socialism." Although analysts may argue that Freidman's mentioning of these expectations is not, by definition, a socialist belief system, Friedman most likely meant, within his own definition of the term, that such aforementioned expectations are inherently counter-conducive to the purpose of the economic system that the business operates within. Indeed, he states within his own book, *Capitalism and Freedom,* that such expectations are a "fundamentally subversive doctrine," and that "there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits."

However, Friedman's essay amends that although a business has no social responsibility beyond its profits and ensuring a consistent profit for its investors, and notes that "it may well be in the long-run interest of a corporation that is a … to… lessen losses from pilferage and sabotage." Milton argues that although this may seem like a violation of his aforementioned doctrine of total disregard for requiring a social obligation from a business, implicit or explicit, it is in reality a "necessary good" for continuance of business operations. Milton likens this to the act of shareholders using a corporation to make charitable donations to a cause they favor with the intention of reducing their corporate tax payments per annum. Similarly, although Equifax's executives may have been incentivized to have behaved in an amoral manner that negatively affected their customers, greater incentive should exist for behaving in a morally and responsible manner, that incentive being avoidance of damage to Equifax's business.

Consequentialist ethics holds that the correct action to take is always the one that has the greatest amount of positive consequences on the largest portion of the population. Although this balance may be subjective in some novel cases, it can be somewhat unanimously agreed by consequentialists that they would end one human life if it were to ensure the preservation of several others from an imminent and immediate threat. Within the scope of Milton Friedman's ideas of the "social responsibilities of a business," consequentialist ethics finds a level of difficulty in making a decision. This is because consequentialism is based on an almost totally neutral assumption of the value of human suffering, regardless of status or relationship to the individual making the decision, whereas Friedman's essay and accompanying book directly states that a business must simply favor itself and its investors, shareholders, and other affiliates. However, consequentialism is not paralyzed by Friedman's view. Rather, by viewing the available actions through the inherent lens of consequentialism (that is, by focusing entirely on the consequences of the decided action), the choice that Equifax had taken in 2017 was morally and ethically unsound and a directly harmful action. Not only were the consequences of the data breach, as well as the subsequent business practices and possible insider-trading, damaging to the customer, but also damaging to the company itself. As mentioned, the company was faced with a class-action lawsuit and will likely be avoided by prospective investors and customers for the coming years.

Melvin Anshen's essay, *"Changing the Social Contract: A Role for Business,"* opposes Friedman's own ideas and ideology regarding social obligations required of businesses. Anshen posits, rather than businesses being only obligated to maximize profits, that corporations exist within the scope and lens of a society built upon a western philosophy of "social contracts." Somewhat similar to Friedman's beliefs, Anshen states that historically, the social contract of western economies stipulated that "private business had no responsibility for the general conditions of life or the specific conditions in local communities." However, Ashen argues that the changing of civilizations through the evolution of technology alters the implicit social contract that exists within the economy and society that these corporations and private businesses exist within. Ashen states that within his own contemporary view, that being the business sector as it existed within the early 1970s, he notes that "evidence is accumulating that the public expects private business to contribute brains and resources to the amelioration and resolution of [the complex cluster of socioeconomic problems associated with urbanization, population shifts and the needs of disadvantaged minorities]." He further states that "history suggests that such expectations will be transformed into demands."

Melvin Anshen continues within his essay, stating that numerous corporations and their leading executives within the contemporary period of his era had noted such expectations. He also notes that the social strain of issues of the period had also created a level of pressure upon corporate interests, out of concern for the potential damage that may be done to the continued functioning of the societies within which such corporations existed and operated. Anshen notes that these corporations had begun to make arguably charitable contributions to society to alleviate, and indeed, ameliorate and resolve these issues. However, Anshen notes that although some, like Friedman, may argue that the actions these corporations take are little more than actions taken to ensure the "social responsibility of a business to engage in activities designed to increase its profits" is fulfilled, these actions had been undertaken following the rise of the issues that they seek to alleviate, and in too little capacity and magnitude to totally resolve these issues. Anshen argues that, because of this, these actions are a "quasi-philanthropic" venture to "relieve intolerable distress" within the society these corporations exist within, all for the purpose of preserving the "relatively peaceful environment for the private enterprise system." Ashen concludes that in time, these corporations that undertake these "quasi-philanthropic" ventures will continue to do so, but will in time be required to do so, either by incentive or through legislative force. Ashen offers that incentive is preferable, and posits that legislative force may offer too great a danger to the functioning of these corporations, and therefore their contribution to the economy.

Consequentialism is somewhat difficult to place within the lens of Melvin Anshen's ideals and ideology regarding his aforementioned belief in the social contract theory, and how it may be incentivized to change within the contemporary view of both his period, and ours. Anshen's perspective offers, within a Consequentialist view, that quasi-philanthropy provides a more peaceful and suitable environment for continuity of business operations. From a Consequentialist perspective, this creates a positive change that can be considered a moral and ethically sound option. Similarly, Equifax exists within a societal lens of social expectations from the public to have operated in a manner that safeguarded their personal and financial information, and this expectation itself had created an incentive to undertake similar philanthropic ventures to safeguard that information, inform customers of that disclosure of information sooner, or to have even acted in a charitable manner toward the injured groups, or their affiliates. However, Equifax not only failed this, injuring their customers, but also injured the economy and industry as a whole through their failures by creating a turbulent disturbance within their sector and industry. From a Consequentialist perspective, this gestalt of the damage that they had done injures far more than just the customer, or the company, but almost everyone who could even be remotely affected or indirectly affiliated with Equifax, which itself is unarguably a total moral lapse.

As this author sees it, Equifax's actions are, through the lens of Consequentialist Ethics, unapologetically and indisputably amoral and unethical. Equifax not only caused damage to their own business operations and profits with their failings in securing customer data, but also to their immediate holdings, due to court costs and the inevitable settlement and payment that they will be forced to provide to immediately injured parties. Furthermore, their actions also caused far more widespread damage to their sector of activity, as well as to related businesses and affiliated executives. Equifax's actions, as well as their inaction, have invariably and undeniably rendered their name tarnished, and by an extension, have likely created a level of animosity and hesitance within their own customer-base towards other companies within the consumer credit reporting industry. Some critics and authors may hold a level of disagreement with this point, holding that Equifax may have been acting in a manner that they felt was the least damaging to their customers by withholding information regarding the data-breach, or that their data-breach was a result of an unexpected attack surface that any other company could likely have left open prior to this incident. Indeed, Equifax is a massive, multinational conglomerate corporation. These organizations are a highly complex system of individuals all working together for a number of difficult goals, and inevitably, some requirements may be lost in the chain of communication. Lapses may occur, and issues may arise, but Equifax could potentially still have been making a credible and meaningful effort to properly prevent and respond to their data-breach in September of 2017. Although these arguments may hold water and show a level of credibility, Equifax's actions are still incredibly damaging to their own profits, as well as to their customers. Through the lens of consequentialism, it can be argued that Equifax should have undertaken activities to prevent such aforementioned lapses in communication, for the sake of preventing such failures as those that led to the events of 2017. In conclusion, as this author has analyzed, Equifax's actions, and again, their inactions, undeniably morally bad.