

Corporate Responsibility

Pre-Reading

A. Warm-Up Questions

1. What have you heard about the Exxon Valdez oil spill, the Bhopal disaster, the Love Canal, and Times Beach?
2. How do you think corporations should be held responsible when their actions negatively impact society?
3. Who should be held responsible for a company's mistakes? The owner? The CEO? The government? Someone else? Why?
4. If you were a judge, how much would you handle a case where someone contracted a deadly disease as a result of a corporate disaster? Discuss any factors that would influence your decision.



B. Vocabulary Preview

Match the words on the left with the correct meanings on the right.

- | | |
|-------------------------|--|
| _____ 1. sound | a) a suggestion |
| _____ 2. narrows | b) to disappear |
| _____ 3. recommendation | c) moved from one place to another |
| _____ 4. mortality | d) results |
| _____ 5. contaminated | e) a study |
| _____ 6. dissipate | f) severe |
| _____ 7. severely | g) a water passage connecting two larger bodies of water |
| _____ 8. extensive | h) in good standard |
| _____ 9. displaced | i) infected or damaged |
| _____ 10. harsh | j) related to punishment, disciplinary |
| _____ 11. punitive | k) strongly |
| _____ 12. up to par | l) a thin passage connecting two bodies of water |
| _____ 13. investigation | m) thorough |
| _____ 14. consequences | n) death |

Reading

THE EXXON OIL SPILL

The Case of the Exxon Valdez

1. On March 24, 1989, an oil tanker, the Exxon Valdez, was in the remote Prince William Sound located near the state of Alaska.
2. A pilot guided the ship through the **narrows**. After completing his job, he departed and turned the ship over to the master. After the ship was steered out of the shipping lane so as not to hit any icebergs, the master turned over control of the wheel house to the third mate and instructed the able seaman to remain at the helm until the Valdez returned to the shipping lane at a prearranged point. The ship never made it to a shipping lane and hit Bligh Reef. As a result, over 10 million gallons of oil spilled into the **sound**.
3. What caused this accident? The National Transportation Board determined several contributing factors to the accident. First, the third mate did not steer the ship properly. He could have been too tired from too much work. Second, the master did not navigate. He could have had too much alcohol in his system. Third, the Exxon Shipping Company did not provide proper supervision of its employees or an adequate staff for the ship. Lastly, the US Coast Guard's traffic system was not **up to par**. **Recommendations** were made and included the suggestion that Exxon examine the work patterns of its ship crews.
4. Thousands of animals such as birds, otters, seals, whales, and fish and their eggs were killed. Effects of the deaths are still noticeable today. Populations of wildlife are still not what they used to be. Animal **mortality** rates increased since their food system was **contaminated**. Effects have been projected to last up to 30 years; however, Exxon and other reports disagree. Besides the loss of marine life, many fishermen and others whose jobs were dependent on the natural surroundings of the sound suffered the loss of their jobs and their sole means of support **dissipated**. Additionally, the seafood production industry was hurt **severely**.
5. The first attempt to clean up the spill failed. A company applied a dispersant, a combination of a surfactant and a solvent. Unfortunately, it didn't mix with the oil because the waters were too still. Exxon, albeit slowly, began an expensive and **extensive** cleanup along with Alaskans, Exxon employees, and the US Coast Guard. Some oil was **displaced** by hot water that was subjected to high pressure. This high pressure also hurt the plankton and other small members of the food chain. A quarter of a century later, thousands of gallons of oil still polluted nearby beaches, and crude oil was still buried below the surface of the water. Only about half of the monitored wildlife populations in Prince William Sound had fully recovered.
6. The Exxon Valdez oil spill resulted in the longest running environmental court case in history. In 1994, a jury in Alaska decided that Exxon should pay \$287 million for actual damages and five billion for punitive damages to native fishermen and businesses that suffered hardship. Exxon felt this was too **harsh** and the Court of Appeals ordered the first judge to reduce damages. Damages were reduced to four billion. Exxon appealed again and after several court battles, punitive damages were decreased to two and a half billion. Exxon appealed again. Exxon felt that the damages were not fair because it was an accident and because the company spent two billion dollars cleaning up the oil. In 2007, the Supreme Court ruled that in federal maritime law, punitive damages were limited to the amount of compensatory damages awarded. Exxon Valdez, therefore was expected to pay just 1.25% of its 2007 profits. By December, 2009, Exxon had paid 507.5 million dollars in punitive damages.

Pair Work (Partner A)

A. Reading

Read the short article to the right, but do not show it to your partner. Your partner will ask you questions about your article.

CHEMICAL DISASTERS – A TALE OF TWO CORPORATIONS

In 1984, a chemical disaster of great magnitude took place in Bhopal, India. A pesticide factory, Union Carbide, leaked methyl isocyanate gas that killed thousands of citizens. The tank that was holding the gas overheated and released the poisonous gas through the ground where it brought the transportation system to a halt. Many people were trampled as they tried to escape. Many more were exposed to the gas and thousands still suffer the results of the disaster. Such effects include breathing problems, cancer, birth defects, and blindness. The accident is said to have happened because water leaked into the methyl isocyanate holding tank. The reaction caused the temperatures to rise. The tank emitted the gas to release the intense pressure. An explosion ensued. Reasons for the accident, equipment and safety regulations, and prior warnings have all been examined. Union Carbide defended itself and many legal proceedings followed.

Another company that experienced legal proceedings due to chemical exposure was Pacific Gas & Electric. In that case, which was settled in 1996, the company allegedly contaminated drinking water with hexavalent chromium in Hinkley, California. The Hinkley Compressor Station is part of a natural gas pipeline. The groundwater around the station exceeded the legal levels of the chemical and people were suffering ill effects. Studies have been made to both defend and prosecute Pacific Gas and Electric, but the case was settled for \$333 million. A movie was made that later detailed the woman who was instrumental in the lawsuit, Erin Brockovich.

B. Sharing Information

Work with your partner. Ask the questions to the right about your partner's reading. Write the answers in your notebook.

1. Who used waste contaminated with dioxin?
2. What companies were involved in the two towns?
3. Where were the two towns located?
4. When did President Carter declare a federal emergency?
5. Why did CERCLA come into existence?

Pair Work (Partner B)

A. Reading

Read the short article to the right, but do not show it to your partner. Your partner will ask you questions about your article.

TOXIC WASTE – A TALE OF TWO TOWNS

There was a neighborhood in Niagara Falls, New York that was built on toxic waste that had been buried years before. The neighborhood was called Love Canal because a man named William T. Love thought a canal connecting the Niagara River and Niagara Falls would be a good idea. The land was later sold to the City of Niagara Falls and it used the space for the disposal of toxic waste. Twenty years later, in 1942, Hooker Chemical and Plastics used the site to bury toxic waste. The company sold the site after it had been filled and it was covered with clay. The site was sold with a caveat, but a school was built on the site and people started experiencing health problems. In 1978, President Jimmy Carter declared the area a federal emergency and people were relocated. A majority of the area is empty.

Times Beach was a town in the state of Missouri. This town, too, sits empty since dioxin was discovered and people were evacuated. In the early 1970s, a waste hauler oiled the roads. The man, named Russell Bliss, used waste that contained dioxin from a company called Northeastern Pharmaceutical and Chemical Company. Horses began dying in the area and investigations ensued. The Environmental Protection Agency announced there were dangerous levels of dioxin in Times Beach. These two towns, although they no longer exist, can take much of the credit for the founding of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) which funds the cleanup of other toxic locations.

B. Sharing Information

Work with your partner. Ask the questions to the right about your partner's reading. Write the answers in your notebook.

1. Who did they make a movie about?
2. What companies were discussed in the reading?
3. Where were the companies located?
4. When did the disasters take place?
5. Why did the Bhopal disaster happen?

Vocabulary Review 2

Choose the word closest in meaning to the vocabulary word used in the main reading.

1. allegedly
 - a) certainly
 - b) supposedly
 - c) never
 - d) occasionally
2. prior
 - a) after
 - b) present
 - c) previous
 - d) later
3. toxic
 - a) poisonous
 - b) safe
 - c) careful
 - d) healthy
4. effects
 - a) reasons
 - b) locations
 - c) circumstances
 - d) results
5. emitted
 - a) released
 - b) saved
 - c) helped
 - d) held
6. ensued
 - a) changed
 - b) charged
 - c) preceded
 - d) followed
7. disposal
 - a) collection
 - b) elimination
 - c) contraption
 - d) communication
8. caveat
 - a) story
 - b) law
 - c) warning
 - d) rule
9. majority
 - a) least
 - b) most
 - c) some
 - d) all
10. fund
 - a) save for
 - b) hide from
 - c) pay for
 - d) keep from

Group Work

Work with a partner. Choose two of the disasters discussed in this lesson and compare and contrast them by filling in the Venn diagram.

