

WHISTLEBLOWING IN TODAY'S SOCIETY

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ABSTRACT

Whistleblowing has been taking place in the United States since the American Revolution. Whistleblowing can and does occur in various contexts: government, environment, public health and safety, and accounting. Some of the benefits of whistleblowing are that it can help shape laws and regulations, can improve public safety and can protect investors. This paper discusses several recent instances of whistleblowing and focuses on the SEC Whistleblower Program. Several high dollar amount whistleblower awards are discussed. Results of our analysis indicate that whistleblowing is prevalent in many aspects of today's society. While the United States has some protections for whistleblowers, there is more that could be done in the U.S. and elsewhere to further encourage whistleblowing.

Keywords: Whistleblowing, hotlines, SEC

1. INTRODUCTION:

According to the National Whistleblower Center, America's first whistleblower law was passed unanimously in 1778 during the American Revolution, after ten whistleblowers reported wrongdoing and abuses committed by a superior officer in the Continental Navy (NWC, 2020). While whistleblowing as a concept has garnered much attention since the country's founding, recent events in government, business and the environment highlight its significance and the differing views on the role it should play within our society.

Scandals in government and business often result in new legislation or even impeachment, however, large institutions often rely on it as a means to promote the desired behavior needed to promote individual and company goals. For the country, that may include the behavior of leaders as well as companies and employees to avoid conflicts of interest for a fair and mission based political and economic system, including the rules needed to achieve them.

Examples of whistleblowing in today's society are prevalent. Last year, a U.S. governmental official blew the whistle on the President of the United States for allegedly abusing his office by "soliciting interference" from a foreign country to benefit his own 2020 presidential campaign. This includes pressuring a foreign country to investigate the President's main political opponent. The whistleblower reported an "urgent concern" and noted concerns that there was risk to U.S. national security (CNN, 2019).

A formal impeachment inquiry was launched as a result of the whistleblower report. According to NPR, "There is a patchwork of whistleblower protections under federal law" (NPR, 2019). The alleged whistleblower was publicly identified by numerous figures, including in a retweet by the President himself, prompting outcry and criticism. While federal law does not protect the identity of the whistleblower, workplace retaliation would be a federal crime.

Whistleblowing for environmental issues is becoming more common. Recently, a Russian quit his job with the state environmental agency Rosprirodnadzor to blow the whistle and expose an arctic oil spill in Siberia (Ilyushina, 2020).

A rupture in a fuel tank at Norickel company caused more than twenty thousand tons of diesel to spill into the river, causing what environmentalists are saying is the "worst ecological catastrophe in the polar Arctic." The owner of the plant, officials and media were reporting that the spill was contained, however, Vasily