

International business

Business



International Business Most of the countries have decided to enter into anti-bribery legislation, OECD (Organization for Economic Co-operation and Development) and FCPA (Foreign Corrupt Practices Act) something that is very important in the international business. Most of the countries like the Soviet Union which failed to enact this legislation faced massive corruption cases which affected their international business relationships with other countries. In the early 2000's Germany was also affected with such cases of bribery. It was concluded that corruption was holding back some of this country's economic development. FCPA has played a major role in discouraging corruption in international business.

Transparency International index also reveals countries that have been involved in corrupt international deals. Scandinavian countries have been listed as the countries which are mostly corrupt in terms of international business. US is listed 19th in that list from the data released in 2013.

However, this does not mean that American Companies do not engage in this malpractice. Currently WalMart is under investigation for bribing Mexican officials with over \$ 30 million to open their stores in that country. It is no wonder WalMart has gained roots in Mexico. Wal-Mart has extended its operations to Mexico therefore posing so much threat to Comercial a Mexican retail chain shop. Wal-Mart has been a strong competitor especially since NAFTA's lifted its tariffs which were posing a significant threat to WalMart operations. Mexico joined GATT which has liberalized the trade space allowing free entry and exit of businesses. FCPA aims at training and employing more officials in order to avert this malpractice. This will only be possible if the FCPA works together with the department of justice.

Works Cited

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