

Mitsloan management

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In the end the CEO of the Pegasus Inc. found easier to pay a local agent in China to obtain this license and pass it for the Pegasus Inc. so that they can start trading in the local areas in China. The example case of bribery above is of great occurrences in the business world, which can be difficult for laws and international institutions to oversee those practices. In the proposed sample of corruption above, one of the solutions to the problem would have been to contacting the companies that operate wirelessly in China and propose the benefits for allowing Pegasus Inc. operating in the country. Pegasus would ethically be providing a much faster link of communication without the need of cabling, would improve the services in B2B and will also open job vacancies with higher pay than the local service providers. The opportunity for Pegasus Inc. will also arise as a form merging to the local service providers and by stating the benefits if doing so.

Ethics and morality follow two different concepts. Ethics regards the individual character including what is meant to be a 'good person' and is the social rules that governs and limit our conduct, especially the ultimate rules concerning right and wrong, which is called morality, (Shaw & Barry, 2001). Even though the word ethics is used mainly in academic circumstances, both words - ethics and morality have been used interchangeably in many occasions. Organisation cultures may find normal the practice of accepting gifts from suppliers, or any other business. It is of the responsibility of the leader of the organisations as to identify what is reasonably acceptable and create official rule to limit the number of cases, which can be interpreted as bribes or corruption.

A realistic example of bribery was confirmed by Exxon when paid politicians to introduce their business objective in Italy. The amount was a staggering \$59 million. (Shaw & Barry, 2001). A second case of corruption was found only after the suicide of a United Brands chairman which revealed that bribes amounting to \$1.25 million was paid to a Honduran official so that export taxes were reduced.

Participating on the sharing of any unregistered income as part of bribery practices are usually not discussed in organisations. Managing directors and CEOs would (for the sake of stability) not mention such practices in their meetings of any kind. These practices occur without being noticed by the top management. However, no matter how sad it may sound, business practices overseas that may sound impossible to go well, in fact do succeed are because they are likely to have been integrated in any sort of bribery.

This is when laws that supervise the international trade must examine carefully the transactions. A good deal between two major companies from different countries or region upon the acceptance of bribery will definitely promote system of monopolies between favourable companies and subsequently the creation of Cartel. In conclusions the conduction of bribes in foreign corporations could put out of business firms, which have laws stopping them from accepting bribes (ethics ignored). The non- participation in bribes can lead companies in a position being left out in the international trade which can result the loss of billions a year in income. However, the money made through the system of corruption are normally never taxed

and therefore, not accounted as an indicative of a nation's wealth by the end of a financial year.

The 1977 Foreign Corrupt Practices Act FCPA invigilates the US for any practices considered as form of bribes. In the history of the U. S. trading, companies used to pay off foreign officials for business favours. Since then the practice became a crime. An average of \$300 million were paid to officials and the money were may have certainly be invested overseas, (Shaw ; Barry, 2001)..

In short, the main issue for accepting unregistered cash is that a country loses out with financial contributions that never are reinvested in the country where the money came from. International institutions must act in a way to enforce the authentication of transactions through the supervision of reliable entities. Business ethnics can only be achieved if each individual regulates common sense, not because it is said to be right to pursue the decision but because the solution will promote a reasonable good effect in everyone.

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