

What is meant by international business ethics

Business



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While business ethics emerged as a field in the 1970s, international business ethics did not emerge until the late 1990s, looking back on the international developments of that decade. Many new practical issues arose out of the international context of business. Theoretical issues such as cultural relativity of ethical values receive more emphasis in this field. Other, older issues can be grouped here as well. Issues and subfields include: The search for universal values as a basis for international commercial behavior.

Comparison of business ethical traditions in different countries.

Also on the basis of their respective GDP and [Corruption rankings].

Comparison of business ethical traditions from various religious perspectives.

Ethical issues arising out of international business transactions; e. g.

bioprospecting and biopiracy in the pharmaceutical industry; the fair trade movement; transfer pricing. Issues such as globalization and

cultural imperialism. Varying global standards - e. g. the use of child labor.

The way in which multinationals take advantage of international differences, such as outsourcing production (e. g. clothes) and services (e. . call centers)

to low-wage countries. The permissibility of international commerce with

pariah states. Foreign countries often use dumping as a competitive threat, selling products at prices lower than their normal value. This can lead to

problems in domestic markets. It becomes difficult for these markets to

compete with the pricing set by foreign markets. In 2009, the International

Trade Commission has been researching anti-dumping laws. Dumping is

often seen as an ethical issue, as larger companies are taking advantage of other less economically advanced companies.

A business has moral duties that extend well beyond serving the interests of its owners or stockholders, and that these duties consist of more than simply obeying the law. A business has moral responsibilities to so-called stakeholders, people who have an interest in the conduct of the business, which might include employees, customers, vendors, the local community, or even society as a whole. Stakeholders can also be broken down into primary and secondary stakeholders. Primary stakeholders are people that are affected directly such as stockholders, where secondary stakeholders are people who are not affected directly such as the government.

They would say that stakeholders have certain rights with regard to how the business operates, and some would suggest that this includes even rights of governance. Local culture affects ethical issues greatly because this entails managing two cultures, looking at the fact that a French organization moving production to Nigeria will encounter cultural and language barrier. In Nigeria been a multilingual society, civil service employment is done on quota system, as such positions created may be filled by unqualified candidates were as more qualified personnel may be left out.

This is contrary to a French culture where the best hands get the job. Another ethical issue involves the standard of conducting business in multinational corporations. The US congress and the Securities and Exchange Commission consider it unethical for corporations to make payments to government officials of other countries to promote trade. However, in many countries, for an organization to effectively operate, you need to pay government official usually called kick back. For example the case of Halliburton raised by US congress about their activities in Nigeria.

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