

Brics or emerging economics



The emerging economics, the so-called BRICs: Brazil, Russia, India, and China are predicated to be global players in next few decades. In being the world's top global players these countries must realize that in order to become a true global power they will have to take on greater social responsibilities that will deal with ethical concerns. An increasing number of companies are moving production to the BRICs in order to take advantage of generous tax incentives, high productivity rates, and cheap labor.

For example, Wal-Mart and Bharti Enterprises, a leading Indian cell phone operator, plan to open hundreds of Wal-Mart superstores across India by 2010 (International Business Environments and Operations, Applegate, Austin, and Soule 2009 pp. 219). However, with the BRICs emerging as economic powerhouses and the increasing number of foreign countries increasing to do business with them ethical rules must integrate into their business practices for the BRICs to have an impact on the whole world.

Brazil has been an aspiring contender in the up and coming emerging countries but it has been struggling for decades because it has struggled to achieve expectations due to problems in incomeequality, productivity, and education. In order to obtain the status as one of the world's leaders these social responsibilities must be addressed and corrected. The emergence of the BRICs will challenge the well-being and sustainability of the global environment.

China is one of the pillars of the global economy, but controversies surround China's future growth because of the controversy surrounding Chinese labor practices or tainted imports traced back to Chinese suppliers. In addition to

the surrounding labor and tainted imports our Western-centric view of the world and current media restrictions in China the world's largest country remains mysterious in many ways. Because of this, the development of a greater focus on corporate social responsibility in China has gone somewhat unnoticed.

Chinese government has acted with some hesitancy in years past to fully embrace a more updated idea of corporate social responsibility because of fears such as added costs to exporting goods; however the situation has now changed. Not only are there new proposed regulations that foreign companies must submit their own sustainability reports within China, but various sectors within the Chinese economy have embraced both domestic and international standards to help propel Chinese businesses to greater heights around the world. <http://www.chinacsr.com/en/2009/02/23/4572-how-far-can-chinese-companies-take-corporate-social-responsibility/>. Russia is faced with incurring concerns with ethical issues that is attributed to their uncertain weak and corrupt government and the emergence of widespread market activity in Russia. Bribery has become a way of business in Russia. According to several recent surveys and interviews with dozens of ordinary Russians, it has surged in scale and scope in recent years under the presidency of Vladimir Putin.

The prevalence of corruption and crime in business affairs has been generally recognized as a major cause of concern. Speculation about whether the movement toward a legitimate market economy can be sustained without a foundation of supportive institutions has been justifiably raised. The development of a system of ethical business practices in Russia <https://assignbuster.com/brics-or-emerging-economics/>

process is needed to create a civil society along with becoming a global world leader.

India is well aware of their involvement in corporate social responsibility to gain a position as one of the world's strongest leaders. In terms of government rules and regulations, Jagdish Sheth, executive director of the India, China and America Institute and a professor of marketing at Emory University said that in India, " the government acts as a gatekeeper rather than an enabler, with slow approval, a complex bureaucracy and corruption. Enforcement is also lax" (Sheth, 2007).

India has enacted several laws pertaining to child labor laws, environmental, and right to information and corruption laws however there are low levels of government capacity for law enforcement and implementation in India, causing relatively high levels of corruption, but other laws were enacted to give the general public right to government information which was meant to promote transparency and responsibility in the work of all governmental institutions. There is a strong belief in corporate social responsibility in India," Sheth said. He also noted how Indian management style differs from that in the West: Decisions are made by the person at the top, not in a participatory way. And there is what he called a caste system by education.

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