IMPACT OF INTERNATIONAL BUSINESS ETHICS, ECONOMIC SYSTEMS AND INTELLECTUAL PROPERTY RIGHTS IN BUSINESS AND MANAGEMENT

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Abstract

The discussions on ethical issues that may arise in the employment relationship, including the ethics of discrimination, and employees' rights and duties are commonly seen in the business ethics texts. While some argue that there are certain inalienable rights of workplace such as a right to work, a right to privacy, a right to be paid in accordance with comparable worth, a right not to be the victim of discrimination, others claim that these rights are negotiable. Ethical discourse in HRM often reduced the ethical behaviour of firms as if they were charity from the firms rather than rights of employees. Except in the occupations, where market conditions overwhelmingly favour employees, employees are treated disposable and expendable and thus they are defencelessly cornered to extreme vulnerability The expendability of employees, however, is justified in the texts of 'business morality' on the ground the ethical position against such an expendability should be sacrificed for 'greater merit in a free market system' (Machan, p. 68). Further, it is argued since because 'both employees and employers do in fact possess economic power' in the free market, it would be unethical if governments or labour unions 'impose employment terms on the labor relationship' (Machan, p. 67). There are discussions of ethics in employment management individual practices, issues like policies and practices of human resource management, the roles of human resource (HR) practitioners, the decline of trade unionism, and issues of globalizing the labour etc., in the recent HRM literature, though they do not occupy the central stage in the HR academics. It is observed that with the decline of labour unions world over, employees are potentially more vulnerable to opportunistic and unethical behaviour. It is criticized that HRM has become a strategic arm of shareholder profiteering through making workers into 'willing slaves'.A well cited article points out that there are 'soft' and a 'hard' versions of HRMs, where in the soft-approach regard employees as a source of creative energy and participants in workplace decision making and hard version is more explicitly focused on organizational rationality, control, and profitability. In response, it is argued that the stereotypes of hard and soft HRM are both inimical to ethics because they

instrumentally attend to the profit motive without giving enough consideration to other morally relevant concerns such as social justice and human wellbeing. However, there are studies indicating, long term sustainable success of organizations can be ensured only with humanely treated satisfied workforce. Market, obviously, is not inherently ethical institution that could be led by the mythical 'invisible hand' alone; neither, it can be alluded that market is inherently unethical.

Key words: *employment relationship- ethics- soft HRM- Market- explicitly-vulnerabilit*

Introduction

Business ethics also known as corporate ethics is a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individuals and business organizations as a whole. Applied ethics is a field of ethics that deals with ethical questions in many fields such as medical, technical, legal and business ethics. Business ethics can be both a normative and a descriptive discipline. As a corporate practice and a career specialization, the field is primarily normative. In academia descriptive approaches are also taken. The range and quantity of business ethical issues reflects the degree to which business is perceived to be at odds with non-economic social values. Historically, interest in business ethics accelerated dramatically during the 1980s and 1990s, both within major corporations and within academia. For example, today most major corporate websites lay emphasis on commitment to promoting non-economic social values under a variety of headings such as ethics codes and social responsibility charters. In some cases, corporations have redefined their core values in the light of business ethical considerations, for example, BP's "beyond petroleum" environmental tilt.

Why Business Ethics?

Discussion on ethics in business is necessary because business can become unethical, and there are plenty of evidences today on unethical corporate practices. Even Adam Smith opined that "People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices." Firms and corporations operate in the social and natural environment. By virtue of existing in such environments, business is duty bound to be accountable to the natural and social environment in which it survives. Irrespective of the demands and pressures upon it, business by virtue of its existence is bound to be ethical,[1] for at least two reasons: one, because whatever the business does affects its stakeholders and two, because every juncture of action has trajectories of ethical as well as unethical paths, wherein the existence of the business is justified by ethical alternatives it responsibly chooses. One of the conditions that brought business ethics to the forefront is the demise of small scale, high trust and face-to-face enterprises, and emergence of huge multinational corporate structures capable of drastically affecting everyday lives of the masses.

Individual Ethical Decision-Making Styles

Stanley Krolick identifies four individual ethical decision-making styles. The first is the individualist and this decision maker is driven by natural reason, personal survival, and preservation. The self is the only criteria involved in decisions for this style while ignoring other stakeholders. The second style is altruists who are primarily concerned for others. This approach is almost opposite to that of the individualist. Altruists will disregard their own personal security for the benefit of others. The primary mission of altruists is to generate the greatest amount of good for the largest number of people. The third style is pragmatists, who are concerned with current situations and not with the self or others. It is facts and the current situation that guide this decision maker's decision. The fourth and final style is the idealist who is driven by principles and rules. It is values and rules of conduct that determine the behaviors exhibited by idealists. Idealists display high moral standards and tend to be rigid in their approach to ethical situations.

Overview of Ethics In Business

Business ethics, being part of the larger social ethics, has always been affected by the ethics of the epoch. At different epochs of the world, people, especially the elites of the world, were blind to ethics and morality which were obviously unethical to the succeeding epoch. History of business, thus, is tainted by and through the history of slavery, history of colonialism, and later by the history of the cold war. The current discourse of business ethics is the ethical discourse of the post-colonialism and post-world wars. The need for business ethics in the current epoch began gaining attention since the 1970s. Historically, firms started highlighting their ethical stature since the late 1980s and early 1990s, as the world witnessed serious economic and natural disasters because of unethical business practices. The Bhopal disaster and the fall of Enron are instances of major disasters triggered by bad corporate ethics. It should be noted that the idea of business ethics caught the attention of academics, media and business firms by the end of the overt Cold War. Cold wars, seen through pages of history, were fought through and fought for American business firms abroad. Ideologically, promotion of firms owned by American nationals were presented as if they represented freedom, and local resistance against the excess of American firms were labeled as communist upraising sponsored by the Soviet Block. Further, even legitimate criticism against unethical practice of firms was presented as if it were infringement into the "freedom" of the entrepreneurs by activists backed by communist totalitarians This scuttled the discourse of business ethics both in media and academia. Overt violence by business firms has decreased to a great extent in the democratic and media affluent world of the day, though it has not ceased to exist. The war in Iraq is one recent examples of overt violence by corporations.

Issues in Business Ethics:

General Business Ethics

This part of business ethics overlaps with the philosophy of business, one of the aims of which is to determine the fundamental purposes of a company. If a company's main purpose is to

maximize the returns to its shareholders, then it should be seen as unethical for a company to consider the interests and rights of anyone else. Corporate social responsibility or CSR: an umbrella term under which the ethical rights and duties existing between companies and society is debated. Issues regarding the moral rights and duties between a company and its shareholders: fiduciary responsibility, stakeholder concept v. shareholder concept. Ethical issues concerning relations between different companies include issues such as such as hostile take-over and industrial espionage; leadership issues such as corporate governance; Corporate Social Entrepreneurship; political contributions made by corporations; law reform, such as the ethical debate over introducing a crime of corporate manslaughter; and the misuse of corporate ethics policies as marketing instruments.

Ethics of Finance

Fundamentally, finance is a social science discipline. The discipline shares its border with behavioral science, sociology, economics, accounting and management. It is concerned with technical issues such as the optimal mix of debt and equity financing, dividend policy, and the evaluation of alternative investment projects, and more recently the valuation of options, futures, swaps, and other derivative securities, portfolio diversification and so on. It is often mistaken to be a discipline free from ethical burdens. However, frequent economic meltdowns that could not be explained by theories of business cycles alone have brought ethics of finance to the forefront. Finance ethics is overlooked for another reason–issue in finance are often addressed as matters of law rather than ethics. Looking closer into literature concerning finance ethics, one can be convinced that as the case with other operational areas of business, the ethics in finance too is being called into question.

Ethics of the Finance Paradigm

Conventionally, economics is seen as a moral science and philosophy directed at a shared "good life", which Adam Smith characterized in terms of a set of external material goods and internal intellectual and moral excellences of character. Smith in his Wealth of the Nations commented, "All for us, and nothing for other people, seems, in every age of the world, to have been the vile maxim of the masters of mankind." However, a section of economists influenced by the ideology of neoliberalism, interpreted the objective of economics to be maximization of financial growth through accelerated consumption and production of goods and services. Under the influence of the neoliberal ideology, business finance which was a component of economics is promoted to constitute the core of the neoliberal economics. Proponents of the ideology hold that financial flow, if redeemed from the shackles of "financial repressions", it can be put into service of impoverished nations. It is held that the liberation financial systems would ensure economic growth through competitive capital market system ensuring promotion of high levels of savings, investment, employment, productivity, foreign capital inflows and thereby welfare, along with containing corruption. In other words, it was recommended that governments of impoverished nations should open up their financial systems to the global market with the least regulation over the flow of capital. The recommendations however, met with serious criticisms from various schools of ethical philosophy. For the pragmatically oriented ethicists, blind submission to the a priori claims, such as the claim of an "invisible hand" which are merely ideological, could be ethically counterproductive. The welfare claim of the laissez-faire finance is disputed because;

welfare would be overridden given a conflict with liberty. Further, history of finance does not suggest that firms always maintain principles of honesty and fairness under unregulated environments. The prudence and ethics of recommendations to the countries which were impoverished by the ravages of centuries of colonial exploitation, subsequent cold wars and subjection to imperial hegemony to unconditionally open up their economies to transnational finance corporations is fiercely contested by ethicists from various quarters. Further, the claim that deregulation and the opening up of economies would bring down corruption too is contested. The firm, within the finance paradigm, is seen as a complex network of contractual relations, mostly implicit, between various interest groups. "Within this finance paradigm," Dobson observes, "a rational agent is simply one who pursues personal material advantage ad infinitum. In essence, to be rational in finance is to be individualistic, materialistic, and competitive. Business is a game played by individuals, as with all games the object is to win, and winning is measured in terms solely of material wealth. Within the discipline this rationality concept is never questioned, and has indeed become the theory-of-the-firm's sine qua non". Ethics of finance is narrowly reduced to the mathematical function of shareholder wealth maximization. Such simplifying assumptions are necessary in the field of finance for the construction of mathematically robust models. Such a mathematical chimera, it is observed, lets the experts in the field of finance into the vice of greed justification. However, the signaling theory and agency theory within the domain of finance reveal clearly the normative undesirability of wealth maximization. Ethics seen from the stakeholder perspective is the privilege of the immediate and remote stakeholders as much as it is the obligation of the firms towards them.

Operational Areas of Financial Ethics

In the sections devoted to 'Financial Ethics' in 'Business Ethics' text books ethics of financial markets, financial services and financial management are discussed. Fairness in trading practices, trading conditions, financial contracting, sales practices, consultancy services, tax payments, internal audit, external audit are discussed in them.

i. Creative accounting, earnings management, misleading financial analysis.
ii. Insider trading, securities fraud, bucket shops, forex scams: concerns (criminal) manipulation of the financial markets.
iii. Executive compensation: concerns excessive payments made to corporate CEO's and top management.
iv. Bribery, kickbacks, and facilitation payments: while these may be in the (short-term) interests of the company and its shareholders, these practices may be anti-competitive or offend against the values of society.

Ethics of Human Resource Management

'Human resource management' occupies the sphere of activity of recruitment selection, orientation, performance appraisal, training and development, industrial relations and health and safety issues where ethics really matters. The field since operate surrounded by market interests that commodity and instrumentalist everything for the sake of profit claimed in the name of shareholders, it should be predictable that there will be contesting claims of HR ethics. Predictably, ethics of human resource management is a contested terrain like other sub-fields of

business ethics. Business Ethicists differ in their orientation towards labour ethics. One group of ethicists influenced by the logic of neoliberalism proposes that there can be no ethics beyond utilizing human resources towards earning higher profits for the shareholders. The neoliberal orientation is challenged by the argument that labour well being is not second to the goal of shareholder profiteering. Some others look at human resources management ethics as a discourse towards egalitarian workplace and dignity of labour.

The discussions on ethical issues that may arise in the employment relationship, including the ethics of discrimination, and employees' rights and duties are commonly seen in the business ethics texts. While some argue that there are certain inalienable rights of workplace such as a right to work, a right to privacy, a right to be paid in accordance with comparable worth, a right not to be the victim of discrimination, others claim that these rights are negotiable. Ethical discourse in HRM often reduced the ethical behaviour of firms as if they were charity from the firms rather than rights of employees. Except in the occupations, where market conditions overwhelmingly favour employees, employees are treated disposable and expendable and thus they are defencelessly cornered to extreme vulnerability The expendability of employees, however, is justified in the texts of 'business morality' on the ground the ethical position against such an expendability should be sacrificed for 'greater merit in a free market system' (Machan, p. 68). Further, it is argued since because 'both employees and employers do in fact possess economic power' in the free market, it would be unethical if governments or labour unions 'impose employment terms on the labor relationship' (Machan, p. 67). There are discussions of ethics in employment management individual practices, issues like policies and practices of human resource management, the roles of human resource (HR) practitioners, the decline of trade unionism, and issues of globalizing the labour etc., in the recent HRM literature, though they do not occupy the central stage in the HR academics. It is observed that with the decline of labour unions world over, employees are potentially more vulnerable to opportunistic and unethical behaviour. It is criticized that HRM has become a strategic arm of shareholder profiteering through making workers into 'willing slaves'.A well cited article points out that there are 'soft' and a 'hard' versions of HRMs, where in the soft-approach regard employees as a source of creative energy and participants in workplace decision making and hard version is more explicitly focused on organizational rationality, control, and profitability. In response, it is argued that the stereotypes of hard and soft HRM are both inimical to ethics because they instrumentally attend to the profit motive without giving enough consideration to other morally relevant concerns such as social justice and human wellbeing. However, there are studies indicating, long term sustainable success of organizations can be ensured only with humanely treated satisfied workforce. Market, obviously, is not inherently ethical institution that could be led by the mythical 'invisible hand' alone; neither, it can be alluded that market is inherently unethical. Also, ethics is not something that could be achieved through establishment of procedures, drawing codes of ethics, or enactment of law or any other heteronymous means, though their necessity could remain unquestioned. However, though market need not be the cause of moral or ethical hazards it may serve an occasion for such hazards. The moral hazards of HRM would be on increase so much as human relations and the resources embedded within humans are treated merely as commodities.

i. Discrimination issues include discrimination on the bases of age (ageism), gender, race, religion, disabilities, weight and attractiveness.
ii. Issues arising from the traditional view of relationships between employers and

employees, also known as At-will employment.

iii. Issues surrounding the representation of employees and the democratization of the workplace: union busting, strike breaking.

iv. Issues affecting the privacy of the employee: workplace surveillance, drug testing..

v. Issues affecting the privacy of the employer: whistle-blowing.

vi. Issues relating to the fairness of the employment contract and the balance of power between employer and employee: slavery, indentured servitude, employment law.

vii. Occupational safety and health.

The entire above are also related to the hiring and firing of employees. In many developed nations, an employee or future employee usually can not be hired or fired based on race, age, gender, religion, or any other discriminatory act.

Ethics of Sales And Marketing

Marketing Ethics is a subset of business ethics. Ethics in marketing deals with the principles, values and/or ideals by which marketers (and marketing institutions) ought to act Marketing ethics too, like its parent discipline, is a contested terrain. Discussions of marketing ethics are focused around two major concerns: one is the concern from political philosophy and the other is from the transaction-focused business practice. On the one side, following ideologists like Milton Friedman and Ayn Rand, it is argued that the only ethics in marketing is maximizing profit for the shareholder. On the other side it is argued that market is responsible to the consumers and other proximate as well as remote stakeholders as much as, if not less, it is responsible to its shareholders. The ethical prudence of targeting vulnerable sections for consumption of redundant or dangerous products/services, being transparent about the source of labour (child labour, sweatshop labour, fair labour remuneration), declaration regarding fair treatment and fair pay to the employees, being fair and transparent about the environmental risks, the ethical issues of product or service transparency (being transparent about the ingredients used in the product/service – use of genetically modified organisms, content, 'source code' in the case of software),[121][122] appropriate labeling, the ethics of declaration of the risks in using the product/service (health risks, financial risks, security risks, etc.), product/service safety and liability, respect for stakeholder privacy and autonomy, the issues of outsmarting rival business through unethical business tactics etc., advertising truthfulness and honesty, fairness in pricing & distribution, and forthrightness in selling, etc., are few among the issues debated among people concerned about ethics of marketing practice. Ethical discussion in marketing is still in its nascent stage. Marketing Ethics came of age only as late as 1990s. As it is the case with business ethics in general, marketing ethics too is approached from ethical perspectives of virtue, deontology, consequentially, pragmatism and also from relativist positions. However, there are extremely few articles published from the perspective of 20th or 21st century philosophy of ethics. One impediment in defining marketing ethics is the difficulty of pointing out the agency responsible for the practice of ethics. Competition, rivalry among the firms, lack of autonomy of the persons at different levels of marketing hierarchy, nature of the products marketed, nature of the persons to whom products are marketed, the profit margin claimed, and everything relating the marketing field does make the agency of a marketing person just a cog in the wheel. Deprived of agency, the hierarchy of marketing hardly lets one with an opportunity to

autonomously decide to be ethical. Without one having agency, one is deprived of the ethical choices.

Marketing ethics is not restricted to the field of marketing alone, rather its influence spread across all fields of life and most importantly construction of 'socially salient identities for people' and "affect some people's morally significant perceptions of and interactions with other people, and if they can contribute to those perceptions or interactions going seriously wrong, these activities have bearing on fundamental ethical questions".Marketing, especially its visual communication, it is observed, serve as an instrument of epistemic closure, restricting worldviews within stereotypes of gender class and race relationships.

i. **Pricing:** price fixing, price discrimination, price skimming.

ii. **Anti-competitive practices:** these include but go beyond pricing tactics to cover issues such as manipulation of loyalty and supply chains. See: anti-competitive practices, antitrust law.

iii. **Specific marketing strategies:** green wash, bait and switch, shill, viral marketing, spam (electronic), pyramid scheme, planned obsolescence.

iv. **Content of advertisements:** attack ads, subliminal messages, sex in advertising, products regarded as immoral or harmful

v. **Children and marketing:** marketing in schools.

vi. Black markets, grey markets.

Ethics of Production

This area of business ethics usually deals with the duties of a company to ensure that products and production processes do not cause harm. Some of the more acute dilemmas in this area arise out of the fact that there is usually a degree of danger in any product or production process and it is difficult to define a degree of permissibility, or the degree of permissibility may depend on the changing state of preventative technologies or changing social perceptions of acceptable risk.

i. Defective, addictive and inherently dangerous products and services (e.g. tobacco,
ii. alcohol, weapons, motor vehicles, chemical manufacturing, bungee jumping).
iii. Ethical relations between the company and the environment: pollution, environmental ethics, carbon emissions trading
iv. Ethical problems arising out of new technologies: genetically modified food, mobile phone radiation and health.
v. Product testing ethics: animal rights and animal testing, use of economically disadvantaged groups (such as students) as test objects.

Ethics of Property, Property Rights and Intellectual Property Rights

The ethics of property, property rights and intellectual property rights are assiduously contested throughout the history of the concept. Discourse on property gained its momentum by the turn of

17th century within the theological discussion of that time. For instance, Locke justified property right from theological point of view that God has given Land 'and all inferior creatures' 'to men in common'. The idea of property is intrigued with the notion of self as individual. Property ownership is said to enhance individual liberty by extending the line of non-interference by the state or others around the person. Seen from this perspective, property right is absolute and property has special and distinctive character that precedes its legal protection. However, The isolated, self-contained and often competitive and materialistic individual, responsible essentially for his/her own existence is a cultural construct molded by the unique historical matrix certain cultures went under rather than the truth about human condition. At this era, immersed deep into the cultural construct of atomous individuals, the idea of property right was conceptualized as "sole and despotic dominion which one man claims and exercises over the external things of the world, in total exclusion of the right of any other individual in the universe". It is during the same time, as the number of black slaves grew, American legislatures enacted comprehensive slave codes that defined the legal status of slaves as a form of property Moreover, it is the time in which the natives of America were dispossessed of millions of acres of land. Ironically, the native Indians were dispossessed of their property of about 200,000 square miles (520,000 km^2) of land under the leadership of Thomas Jefferson, who is a champion of property rights.

The notion of property has its etymological root in 'proprius' which refers to 'nature', 'quality', 'one's own', 'special characteristic', 'proper', 'intrinsic', 'inherent', 'regular', 'normal', 'genuine', 'thorough, complete, perfect' etc. The word property is value loaded and associated with the personal qualities of propriety and respectability, also implies questions relating to ownership. The 'proper' person is the one who owns and is true to herself or himself, and is thus genuine, perfect, pure. Combined with theological justification, property is taken to be essentially natural ordained by God. Property, which later gained meaning as ownership and appeared natural to Locke, Jefferson and to many of the 18th and 19th century intellectuals as land, labour or idea and property right over slaves had the same theological and essentialized justification [152][153][154][155][156][157] It was even held that the property in slaves was a sacred right till recently as aptly pointed out by a historian, "slavery was more clearly and explicitly established under the Constitution as it had been under the Articles" Accordingly, American Supreme Court Chief Justice Roger B. Taney in his 1857 judgment stated, "The right of property in a slave is distinctly and expressly affirmed in the Constitution". Similarly, neoliberal ideologists too often hold that private property right is "sacred" and thus non-negotiable natural right. Those who contest the ideology argue that "property is no different from other legal categories in that it is simply a consequence of the significance attached by law to the relationships between legal persons." The sacred natural right view is contested with the argument that property rights are mediated by historically situated negotiable. Scholars point out that property right is more of a politically negotiated and legally regulated right than a natural or sacred right endowed to individuals and firms. Jeremy Bentam succinctly put this, "property and law are born together and die together" "'Property it is observed "is only an effect, a construction, of relationships between people, meaning that its objective character is contestable. Persons and things, are 'constituted' or 'fabricated' by legal and other normative techniques.". In fact, private property cannot exist without regulation. After centuries of battles of scholarship, common law theory generally tend to favour the view that "property is not essentially a 'right to a thing', but rather a separable bundle of rights subsisting between persons which may vary according to the context and the implying a group of rights such as occupancy, use and enjoyment, and the right to sell, devise, give, or lease all or part of these rights, often obscure the responsibility associated with such a

right: custodians of property have obligations as well as rights. Property claims, it is observed, is fragile and cannot exist without trust of others. Property, it is observed, 'is an illusion' – 'normative phantasm,' however not a meaningless figment of the imagination, but rather an object of desire through which we are 'seduced into believing that we have found an objective reality which embodies our intuitions and needs'

In the neoliberal literature, property is seen in the public/private dichotomy and private property rights are presented as a counterweight to state power. The private/public dichotomy of the neoliberal ideologists too is contested on the ground that "any space may be subject to plural meanings or appropriations which do not necessarily come into conflict". Often, what is claimed as property right later could originally be a forced appropriation rather than negotiation passed on to the heirs of the appropriators. However, the rights paradigm tends to stabilize the current distribution of property holdings by securing extant property holdings on the assumption that they are lawfully acquired, socially important and politically and morally legitimate". Property does not exist in isolation and so property rights too. Property rights describe relations among people and not just relations between people and things for the fundamental truth about human condition is its plurality Some scholars argue that the idea that owners have no legal obligations to others wrongly supposes that property rights hardly ever conflict with other legally protected interests. Further, it is argued, rights impose duties on others and that liberties impose vulnerabilities on those affected by the exercise of those liberties. Ethics of property rights begins with recognizing the vacuous nature of the notion of property. Intellectual property right is a special kind of monopoly property right. The phrase 'intellectual property rights' [IPR] indicate treating ideas, thoughts, codes and information as monopoly. Michele Boldrin and David K. Levine argue that "[t]he government does not ordinarily enforce monopolies for producers of other goods. This is because it is widely recognized that monopoly creates many social costs. Intellectual monopoly is no different in this respect. The question we address is whether it also creates social benefits commensurate with these social costs." The standards of Intellectual Property Rights are enforced through Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) globally.

Neoliberal ideologists justify the monopoly intellectual property right on the ground that such a monopoly is an 'incentive to invent and develop goods'. The neoliberal claim of 'innovative monopoly' is seen as oxymoron by some scholars. Further they comment, 'intellectual property' "is not like ordinary property at all, but constitutes a government grant of a costly and dangerous private monopoly over ideas. We show through theory and example that intellectual monopoly is not necessary for innovation and as a practical matter is damaging to growth, prosperity, and liberty" In defence of intellectual property right it is said that life saving drugs were invented on the hope of profits drawn out of monopoly right over the idea for a stipulated period of time. However, the same case is quoted by those who challenge the patent monopoly. The stiff opposition and court cases from 39 multinational pharmaceutical industry giants against the Medicines and Related Substances Control Amendment Act, 1997 of the Government of South Africa which intended to provide affordable medicine support to individuals with AIDS is often cited as the instance of bad ethics of patent monopoly.

The ethics of monopoly intellectual property rights is questioned from various points of views. A basic contention against IPRs in the context of natural rights and moral rationales is that inventions are mostly a social creation of collective, cumulative, path dependent, and interrelated

work to which we all contribute, and, therefore, no one person or firm should be able to claim the property. It is argued that innovations happen in a matrix of historically emergent social arrangement letting individuals in the matrix hitting with the new idea and hence rewarding the lucky individuals with monopoly rights is contested. Further, it is not the individual hit with the new idea, but mostly the corporate firm appropriated the idea is awarded with monopoly rights Roderick Long, a libertarian philosopher, observes, "Ethically, property rights of any kind have to be justified as extensions of the right of individuals to control their own lives. Thus any alleged property rights that conflict with this moral basis—like the "right" to own slaves—are invalidated. In my judgment, intellectual property rights also fail to pass this test. To enforce copyright laws and the like is to prevent people from making peaceful use of the information they possess. If you have acquired the information legitimately (say, by buying a book), then on what grounds can you be prevented from using it, reproducing it, trading it? Is this not a violation of the freedom of speech and press? It may be objected that the person who originated the information deserves ownership rights over it. But information is not a concrete thing an individual can control; it is a universal, existing in other people's minds and other people's property, and over these the originator has no legitimate sovereignty. You cannot own information without owning other people". IPR is primarily justified with the priory notion of 'innovative monopoly' according to which intellectual monopoly believed to be increasing creativity. Enacting laws based on a priori considerations is unethical seen from perspective of pragmatic ethics. Further, monopoly is held as anti-competitive in the current and age old wisdom of political economy and economics.

It is commonly held that knowledge economy unlike the conventional economy of scarcity is an economy of abundance because knowledge economy is sourced on the infinite potential of knowledge and idea rather than on limited resources like land, labour or machinery. The basic concept of an economics of abundance should have been egalitarian distribution of goods and services and optimization of production. It is argued that the IPR regime creates artificial scarcity while abundance is otherwise possible and makes the economy more in egalitarian than before. Boudewijn Bouckaert, questioning IP Law created artificial scarcity writes, "Natural scarcity is that which follows from the relationship between man and nature. Scarcity is natural when it is possible to conceive of it before any human, institutional, contractual arrangement. Artificial scarcity, on the other hand, is the outcome of such arrangements. Artificial scarcity can hardly serve as a justification for the legal framework that causes that scarcity. Such an argument would be completely circular. On the contrary, artificial scarcity itself needs a justification". The IPR causes concern because intellectual property unlike other forms of material property is unlimited, and unconstrained by limitations of space and time. Further, intellect, which was conventionally considered unalienable from its beholding person, is made legitimately alienable and ownable by others. The others who alienate and own the intellectual property is usually corporate houses with portfolios of intellectual property The ethics of a legal system that lets relatively small number of corporate players amassing huge intellectual property portfolios and colonizing the future is contested. Ideas when owned and monopolized it would dispossess the present the generations yet to be born.

i. Patent infringement, copyright infringement, trademark infringement.
ii. Misuse of intellectual property laws to stifle competition (patent misuse or copyright misuse), or to opportunistically extract litigation settlements and awards rather than in

furtherance of the public policy aims behind the laws (patent troll, submarine patent, copyright troll, trademark troll)

iii. The notion of intellectual property itself has been criticized on ethical grounds.
iv. Employee raiding: the practice of attracting key employees away from a competitor to take unfair advantage of the knowledge or skills they may possess.
v. The practice of employing all the most talented people in a specific field, regardless of need, to prevent any competitors employing them.
vi. Bioprospecting and biopiracy.
vii. Business intelligence and industrial espionage.

Ethics and Technology

The computer and the World Wide Web are two of the most significant inventions of the twentieth century. There are many ethical issues that arise from this technology. It is easy to gain access to information. This leads to data mining, workplace monitoring, and privacy invasion.
Medical technology has improved as well. Pharmaceutical companies have the technology to produce life saving drugs. These drugs are protected by patents and there are no generic drugs available. This raises many ethical questions.

International Business Ethics and Ethics of Economic Systems

The issues here are grouped together because they involve a much wider, global view on business ethical matters.

International Business Ethics

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:

i. The search for universal values as a basis for international commercial behavior.
ii. Comparison of business ethical traditions in different countries. Also on the basis of their respective GDP and [Corruption rankings].
iii. Comparison of business ethical traditions from various religious perspectives.
iv. Ethical issues arising out of international business transactions; e.g., bioprospecting and biopiracy in the pharmaceutical industry; the fair trade movement; transfer pricing.
v. Issues such as globalization and cultural imperialism.
vi. Varying global standards – e.g., the use of child labor.
vii. The way in which multinationals take advantage of international differences, such as outsourcing production (e.g. clothes) and services (e.g. call centres) to low-wage countries.
viii. The permissibility of international commerce with pariah states.

The success of any business depends on its financial performance. Financial accounting helps the management to report and also control the management to report and also control the business

performance. The information regarding the financial performance of the company plays an important role in enabling people to take right decision about the company. Therefore, it becomes necessary to understand how to record based on accounting conventions and concepts ensure unambling and accurate records.
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.

Ethics of Economic Systems

This vaguely defined area, perhaps not part of but only related to business ethics, is where business ethicists venture into the fields of political economy and political philosophy, focusing on the rights and wrongs of various systems for the distribution of economic benefits. John Rawls and Robert Nozick are both notable contributors.

Law and Business Ethics

Very often it is held that business is not bound by any ethics other than abiding by the law. Milton Friedman is the pioneer of the view. He held that corporations have the obligation to make a profit within the framework of the legal system, nothing more. Friedman made it explicit that the duty of the business leaders is, "to make as much money as possible while conforming to the basic rules of the society, both those embodied in the law and those embodied in ethical custom". Ethics for Friedman is nothing more than abiding by 'customs' and 'laws'. The reduction of ethics to abidance to laws and customs however has drawn serious criticisms.

Counter to Friedman's logic it is observed that legal procedures are technocratic, bureaucratic, rigid and obligatory where as ethical act is conscientious, voluntary choice beyond normativity. Law is retroactive. Crime precedes law. Law against a crime, to be passed, the crime must have happened. Laws are blind to the crimes undefined in it. Further, as per law, "conduct is not criminal unless forbidden by law which gives advance warning that such conduct is criminal.[230] Also, law presumes the accused is innocent until proven guilty and that the state must establish the guilt of the accused beyond reasonable doubt. As per liberal laws followed in most of the democracies, until the government prosecutor proves the firm guilty with the limited resources available to her, the accused is considered to be innocent. Though the liberal premises of law are necessary to protect individuals from being persecuted by Government, it is not a sufficient mechanism to make firms morally accountable.

Corporate Ethics Policies

As part of more comprehensive compliance and ethics programs, many companies have formulated internal policies pertaining to the ethical conduct of employees. These policies can be simple exhortations in broad, highly generalized language (typically called a corporate ethics statement), or they can be more detailed policies, containing specific behavioural requirements (typically called corporate ethics codes). They are generally meant to identify the company's

expectations of workers and to offer guidance on handling some of the more common ethical problems that might arise in the course of doing business. It is hoped that having such a policy will lead to greater ethical awareness, consistency in application, and the avoidance of ethical disasters.

An increasing number of companies also require employees to attend seminars regarding business conduct, which often include discussion of the company's policies, specific case studies, and legal requirements. Some companies even require their employees to sign agreements stating that they will abide by the company's rules of conduct. Many companies are assessing the environmental factors that can lead employees to engage in unethical conduct. A competitive business environment may call for unethical behaviour. Lying has become expected in fields such as trading. An example of this is the issues surrounding the unethical actions of the Saloman Brothers. Not everyone supports corporate policies that govern ethical conduct. Some claim that ethical problems are better dealt with by depending upon employees to use their own judgment.

Others believe that corporate ethics policies are primarily rooted in utilitarian concerns, and that they are mainly to limit the company's legal liability, or to curry public favour by giving the appearance of being a good corporate citizen. Ideally, the company will avoid a lawsuit because its employees will follow the rules. Should a lawsuit occur, the company can claim that the problem would not have arisen if the employee had only followed the code properly?. Sometimes there is disconnection between the company's code of ethics and the company's actual practices. Thus, whether or not such conduct is explicitly sanctioned by management, at worst, this makes the policy duplicitous, and, at best, it is merely a marketing tool.

To be successful, most ethicists would suggest that an ethics policy should be:

i. Given the unequivocal support of top management, by both word and example.
ii. Explained in writing and orally, with periodic reinforcement.
iii. Doable....something employees can both understand and perform.
iv. Monitored by top management, with routine inspections for compliance and improvement.
v. Backed up by clearly stated consequences in the case of disobedience.
vi. Remain neutral and nonsexist.

Business Ethics As An Academic Discipline

As an academic discipline, business ethics emerged in the 1970s. Since no academic business ethics journals or conferences existed, researchers published their papers in general management outlets, and attended general conferences, such as the Academy of Management. Over time, several peer-reviewed journals appeared, and more researchers entered the field. Especially, higher interest in business topics among academics was observed after several corporate scandals in the earlier 2000s. As of 2009, sixteen academic journals devoted to various business ethics issues existed, with Journal of Business Ethics and Business Ethics Quarterly being considered the leading A+ outlets.

The International Business Development Institute, a global non-profit organization, is a self-regulated organization that represents 217 nations and all 50 United States offering a Charter in

Business Development (CBD) that focuses on ethical business practices and standards. The Charter is administered and directed by top Harvard, MIT, and Fulbright Scholars, and it includes graduate-level coursework in economics, politics, marketing, management, technology, and legal aspects of business development as it pertains to business ethics. IBDI also oversees the International Business Development Institute of Asia which provides individuals living in 20 Asian nations the opportunity to earn his or her CBD or CIBD Charter.

Religious Views on Business Ethics

The historical and global importance of religious views on business ethics is sometimes underestimated in standard introductions to business ethics according to Dr. Todd Albertson author of The Gods of Business book. Particularly in Asia and the Middle East, religious and cultural perspectives have a strong influence on the conduct of business and the creation of business values.
Example includes:

i. Islamic banking, associated with the avoidance of charging interest on loans.
ii. Traditional Confucian disapproval of the profit-seeking motive.
iii. Quaker testimony on fair dealing.

Related Disciplines

Business ethics should be distinguished from the philosophy of business, the branch of philosophy that deals with the philosophical, political, and ethical underpinnings of business and economics. Business ethics operates on the premise, for example, that the ethical operation of a private business is possible—those who dispute that premise, such as libertarian socialists, (who contend that "business ethics" is an oxymoron) do so by definition outside of the domain of business ethics proper.

The philosophy of business also deals with questions such as what, if any, are the social responsibilities of a business; business management theory; theories of individualism vs. collectivism; free will among participants in the marketplace; the role of self interest; invisible hand theories; the requirements of social justice; and natural rights, especially property rights, in relation to the business enterprise.

Business ethics is also related to political economy, which is economic analysis from political and historical perspectives. Political economy deals with the distributive consequences of economic actions. It asks who gains and who loses from economic activity, and is the resultant distribution fair or just, which are central ethical issues.

Differing Opinions Regarding Business Ethics

Business ethics is a contested terrain. There are economists and business gurus who claim ethics is irrelevant to the field of business. For instance, the neo-liberal Chicago school economist Milton Friedman held that corporations are amoral and CEOs have only one duty: to maximize

the profits of a company. He also said in an interview that business cannot have social responsibilities. Similarly Peter Drucker, a business guru, also observed, "There is neither a separate ethics of business nor is one needed".

Conclusion

In the part of conclusion, Business ethics is a contested terrain not just because celebrated persons in the field of economics and business questioned the relevance of ethics in business, observe editors of respected business ethics textbook, but also because what is presented in the name of ethics is either sentimental common sense, or a set of excuses for being unpleasant. What is presented as ethics in many of the Business Ethics manuals and books are just premature responses to questions that look like answers or mere procedural form filling exercises unconcerned about the real ethical dilemmas. For instance, a manual of business ethics published by good governance program of US Department of Commerce treats business ethics as nothing more than set of instructions and procedures to be followed by 'ethics officers' and downward in the hierarchy of business. Campbell Jones et al., in their text book, "For Business Ethics" point out six foreclosures, something has been closed down before it should have been, by the proponents of business ethics: foreclosure of philosophy, society, the ethical, meaning of ethics, politics, and the goal of ethics. Ethics, hotly debated throughout the twentieth century, has been one of the major sources of philosophical reflection up to the close of the millennium. The field of business ethics, it is contested, has insulated itself from the new developments in ethical debate, either ignoring them altogether or misrepresenting. Arguments in Business Ethics often downplay the role of social context, social arrangements, social processes, history, politics and structural aspects constituting individuals and individual actions. Issues taken as ethical dilemma by business ethicists are often narrow in scope, such as behaving politely with customers, following office etiquettes, protecting privacy of employees, avoiding discriminations, bribery, kickbacks etc., while issues like inequality among global labour, ethics of lobbying, intellectual property alienation, biopiracy etc., are broadly neglected. The term ethics connotes different thing to people oriented differently. There are arguments from virtue, deontological, utilitarian and pragmatic schools of thought about ethics. The differences are not just a matter of talking about the same thing in different ways. Rather, these different ways of talking about ethics seem to be talking about different things, about different ways of imagining ethics itself. Like discussions of ethics in any other fields, business ethics too should be treated along the percepts of various established, neglected and emergent schools of ethical thought. Business ethics is assumed to be something that does not really trouble basic assumptions about the normal practices of business. Instead of looking at the politics the corporate firms play in modifying rules of accounting practices, diluting labour laws, weakening regulatory mechanisms etc., and it tends to look at the ethical collapse of firms like Enron and Arthur Andersen as if it were isolated instances of individuals slipping away from their ethical responsibilities. Further, Business ethicists often foreclose the goal of being ethical. They attempt to convince that being ethical serves a strategy of image management or sustained profit making. Others hold being ethical and making profit are equally valid goals of firms, some others claim being ethical is just for the sake of being ethical. Further, Ethics, when remodeled as business ethics it suffers the fate of business expediency thus business ethicists prepare themselves for unambiguous quick and standard answers while ethics is not a matter of stable solutions but one of endless openness and difficulty and beyond the limits of normatively.

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