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MODULE – 5
Global Ethical Issues

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MULTI NATIONAL CORPORATIONS (MNCs)

- A multinational company is one which is incorporated in one country (called the home country); but whose operations extend beyond the home country and which carries on business in other countries (called the host countries)

- A multinational corporation is known by various names such as: global enterprise, international enterprise, world enterprise, transnational corporation etc.

- E.g. : Cadbury, Coca-Cola Corporation, Unilever etc,.

- **Employment Generation**

- **Automatic Inflow of Foreign Capital**

- **Proper Use of Idle Resources**

- **Technical Development**

- **Managerial Development**

- **End of Local Monopolies**

- **Improvement in Standard of Living**

- **Promotion of international brotherhood and culture**

Limitations of MNCs from the Viewpoint of Host Country

- **Danger for Domestic Industries**

- **Repatriation of Profits**

- **No Benefit to Poor People**

- **Danger to Independence**

- **Disregard of the National Interests of the Host Country**

- **Careless Exploitation of Natural Resources**

- **Selfish Promotion**

ENVIRONMENTAL ETHICS

- Environmental Ethics deal with issues related to the rights of individuals

- The environment ethics include –

  1. The study of moral issues concerning the environment

  2. Moral perspectives, beliefs and attitudes concerning those issues.

Two World Views on Environmental Ethics

1.) Anthropocentric Worldview

- ✓ **Man is considered to be most capable for managing the planet earth.**
- ✓ **The success of mankind depends upon how good managers we are for deriving benefits for us from nature.**

2.) Eco-centric Worldview

- **Nature exists not for human beings alone, but for all the species**
- **The earth resources are limited and they do not belong only to human beings.**
- **The success of mankind depends upon how best we can cooperate with the rest of the nature while trying to use the resources of nature for our benefit.**

BUSINESS ETHICS

- **The term 'Business Ethics' refers to the system of moral principles and rules of the conduct applied to business.**

- **A business should aim to have fair dealing with everyone dealing with it**

3 Sources of Business Ethic:

- **Religion**

- **Culture**

- **Law**

Importance of Business Ethics

- **Corresponds to Basic Human Needs**
- **Credibility in the Public**
- **Credibility with the Employees**
- **Better Decision Making**
- **Profitability**
- **Protection of Society**

COMPUTER ETHICS

- **Computer ethics are related to all the computer professionals such as programmers, analysts, operators, designers, etc. along with the users.**

The ten commandments of Computer Ethics, created in 1992 by the Computer Ethics Institute consists of the following

One should never use a computer –

1. To harm the people (anti-social activities)
2. To interfere with other's work (illegal manipulations)
3. To snoop into other's files (malware)
4. To steal a computer/data (hacking)
5. To bear false witness (manipulation and morphing)
6. To use/ copy a software you didn't pay for (like illegal downloads and usages)
7. To use other's intellectual output inappropriately (violating IPR)
8. Doing without thinking of social consequences of the program being written
9. Always use a computer ensuring consideration and respect towards fellow beings.
10 To use or copy other's software without compensations (illegal pirated versions)

ENGINEERS AS MANAGERS

- **An Engineer is responsible in promoting ethics in an organization, through framing organizational policies, responsibilities and by personal attitudes and obligations.**

- **An engineer should be able to work as a manager in such situations, resolving conflicts according to priorities, keeping the organizational benefits in mind.**

- **The issue must be resolved without hurting anyone's feelings and by developing a mutual understanding**

CONSULTING ENGINEERS

- **The consulting engineers differ from the salaried engineers of an organization**

- **These consulting engineers work in private and are paid per advice they offer or for the service**

- **Consultants are individuals who typically work for themselves but may also be associated with a consulting firm.**

The consulting engineers have ethical responsibilities different from the salaried engineers, as follows

- *Advertising*
- *Competitive Bidding*
- Contingency Fee (Commission paid)
- *Safety and Client's Needs*

ENGINEERS AS EXPERT WITNESSES

- **Engineers are required to act as consultants and provide expert opinion and views in many legal cases of the past events.**

- **They are required to explain the causes of accidents, malfunctions and other technological behavior of structures, machines, and instruments**

Engineers as expert witnesses implies :

- **Exhibit the responsibility of *confidentiality***
- **They must answer questions truthfully**
- **Experts should earnestly be *impartial* in identifying and interpreting the observed data, recorded data, and the industrial standards**

ENGINEERS AS ADVISORS

- **The engineers are required to give their view on the future such as in planning, policy-making, which involves the technology.**

- **Various issues and requirements for engineers who act as advisors are:**

☐ *Objectivity*

☐ *Study All Aspects*

☐ *Values*

☐ *Technical Complexity*

☐ *National Security*

MORAL LEADERSHIP

- **Engineers contribute to technological process, as managers provide many forms of leadership in developing and implementing technology.**

- **Moral leaders, are the individuals who direct, motivate, organize groups towards morally valuable goals.**

Moral Leadership is Important because:

- To build Morally creative leaders

- Participation in Professional Societies

- Voluntary service

- Leadership in Communities

- Motivate the group

Thank You