

# FRAMEWORKS FOR TEACHING AND LEARNING BUSINESS ETHICS WITHIN THE GLOBAL CONTEXT: BACKGROUND OF ETHICAL THEORIES

---

Judith White  
*University of Redlands*

Susan Taft  
*Kent State University*

*In this article, we provide a summary of several major traditional and contemporary philosophical and psychological perspectives on ethical conduct for businesses, along with five different sets of internationally accepted ethical guidelines for corporations operating anywhere in the world. We include examples of corporate codes of conduct from particular multinational corporations. Our orienting framework of ethics theory is expanded to include a discussion of both Western and non-Western frameworks, including those of Confucianism, Buddhism, and Native American traditions, allowing faculty and students to explore ethical problems that honor a wide array of national, cultural, and ethnic contexts and differences.*

**Keywords:** *ethics; global; teaching; learning; ethical; reasoning*

In our graduate and undergraduate organizational behavior and management classes, we have students from around in the world, yet throughout our

---

**Authors' Note:** This article is the initial product of work on teaching global ethics that began with a presentation at OBTC in June 1997 at Case Western Reserve University by Gail Ambuske, Susan Taft, and Judith White. The authors would like to thank the reviewers, whose advice

JOURNAL OF MANAGEMENT EDUCATION, Vol. 28 No. 4, August 2004 463-477

DOI: 10.1177/1052562904265656

© 2004 Organizational Behavior Teaching Society

teaching experience, we have not yet found a comprehensive theoretical approach to teaching and learning business ethics within a global context. Although many good models exist for teaching ethics from a domestic perspective (e.g., Liedtka, 1992; Mallinger, 1997; Piper, Gentile, & Parks, 1993), increasingly the business ethics challenges found both in the United States and abroad involve understanding ethical dilemmas from the perspective of non-U.S. stakeholders. In examining textbooks and journal articles, we find an increasing number of international business issues and cases but few tools to explore and understand the ethical challenges embedded in these issues. Following our interest in business ethics, global issues, and multiculturalism, we developed a model to use in teaching and learning business ethics that addresses the global context.

We offer here a summary of several major traditional and contemporary philosophical and psychological approaches to ethical conduct to be used in business, along with five recognized sets of ethical guidelines from the 20th century that are currently used in a global context. The different theoretical approaches, along with the guidelines, offer faculty and students an expanded means of exploring and solving ethical problems that honor a wide array of national, cultural, and ethnic contexts and differences. Additionally, we provide examples of corporate codes of conduct from particular corporations.

### **The Philosophical Traditions of Ethical Reasoning**

Whether teaching organizational behavior, business and society, business ethics, human resources management, or general management, educating management students involves providing frameworks to approach ethical issues and dilemmas. Traditionally, these come from Western philosophy and psychology and are based on the ideas of Aristotle, Kant, Hume, Locke, Mill, Rawls, MacIntyre, Kohlberg, Noddings, and Gilligan. Some of these frameworks focus on processes or methods of making decisions or taking action, whereas other approaches are concerned almost exclusively with the consequences of actions and/or decisions. This separation of ends from means is an example of the Western way of thinking that is conditioned to divide into dualities.

---

greatly improved the structure, content, and focus of the final manuscript. Please send proofs and all correspondence regarding this manuscript to Judith White, School of Business, University of Redlands, 1200 East Colton Avenue, Redlands, CA 92373; phone: (909) 748-6255; fax: (909) 335-5125; e-mail: [judith\\_white@redlands.edu](mailto:judith_white@redlands.edu).

As a foundation for teaching ethics in a global context, we offer here a brief summary of the main philosophical and psychological perspectives on ethical reasoning. To provide an orienting framework of ethics theory, we begin with a discussion of both Western and non-Western ethical frameworks, including those of Confucianism, Buddhism, and Native American traditions.

From the Western perspective, ethics have been divided into two main categories: teleological and deontological. *Teleological* or consequentialist approaches to ethics emphasize the consequences or results of an action or decision; whether actions are right or wrong depends on whether harm or good results from the action. Teleological theories, including utilitarianism, egoism, and care, claim that acts do not have intrinsic value but should be judged on the basis of the consequences they produce and on how they affect others.

*Utilitarianism* is based on the 18th-century ideas of Jeremy Bentham's belief in empiricism and the work of John Stuart Mill (Rosenstad, 1997; Velasquez, 1998), and is founded on the importance of basing knowledge on objective, physical evidence. Utilitarianism, as a teleological approach, takes a societal perspective on costs and benefits of ethical choice, suggesting that an action should be evaluated according to how much good or harm it causes and should consider the effects on all parties. Utilitarianism is meant to promote the welfare of all persons by minimizing harm and maximizing benefits, that is, using the criterion of achieving the greatest good for the greatest number, thus taking precedence over concerns of duties, rights, or justice. An example of a utilitarian-driven public policy decision would be to change U.S. health care policy from a system that provides services primarily to insured individuals, leaving more than 43 million people without basic care, to a system that provides fundamental health and illness services to everyone.

Ethical *egoism* (Fritzsche, 1997), a teleological perspective, focuses on the maximization of an individual's own self-interest; however, it also can apply to the self-interest of an organization. In either case, decisions based on egoism are made to provide the most satisfactory consequences to the individual or organization making the decision or taking an action, regardless of the consequences to others. *Enlightened self-interest* takes into consideration the long-term and the welfare of others, considering direct and indirect consequences of an act on all relevant stakeholders during a period of time. As an example, a large company in a small town considers laying off a majority of its employees but can see the effects on the other local stakeholders, such as small businesses, social service agencies, and city services, and suspects its own future might be compromised as a consequence of the effects of the layoffs. When the company's management concludes that more damage will be

done than benefits gained from the layoffs, and decides to postpone or minimize the layoffs, it is demonstrating enlightened self-interest.

The *ethic of care*, associated with the work of Gilligan (1982, 1987) and Noddings (1984), is both teleological and deontological. The ethic of care maintains that essential to ethical behavior are the basic principles of being responsible toward others, maintaining a relationship with others, minimizing harm to others, and considering both one's own and the others' feelings and emotions. When using the ethic of care to decide or act, one considers the specific context and/or circumstances surrounding the situation, assuming that every situation is unique and calls for a situation-specific solution and an individualized response rather than relying on abstract, universal, and generalized principles, rules, laws, or policies. Summarizing Gilligan's concept of care, White (1994) suggests care is

a positive and essential aspect of moral maturity that calls for the avoidance of harm and the preservation of relationships . . . a morality of responsiveness to the needs of others, a strength valuable to developing relationships among people and in community and essential for survival. . . . People who use a morality of care are concerned with outcomes; who will be harmed and what will happen to the relationship. . . . Solutions to ethical dilemmas are inclusive, transforming the identity through the experience of relationship. (pp. 634-635)

The ethic of care has established a presence among the various frameworks of ethical reasoning in business (Derry, 1989; Dobson & White, 1995; White, 1994), previously having been attributed primarily to the domestic and personal rather than public arena. Some examples of applications of the ethic of care in the workplace include (a) a supervisor who bends rigid human resources policies and grants flex time to an employee to care for her sick child; (b) a human resources manager who, in the interests of developing a multicultural management team, bends the selection criteria set by the dominant White male management group and instead advocates for and hires a Latina who is capable of performing well in the position, if not entirely meeting the stated criteria; (c) a small U.S. handicraft importer who invests in families in Southeast Asia by providing cottage industry production work, using protective clothing and equipment for the adults, and paying for their children's school fees rather than hiring the children for production.

The *deontological* approach to ethics—known as the categorical imperative, or nonconsequentialist approach—is often attributed to Immanuel Kant, and claims that certain actions in themselves are intrinsically good or bad or right or wrong, and are not to be judged by their results. A moral person makes an ethical decision based on what is right, using moral principles or rules, regardless of circumstances or consequences. A moral person acts

according to a perceived duty, asking, “What is my duty or obligation in this situation?” Kant put forth the categorical imperative: Every person should act only on those principles that he or she would prescribe as universal laws, applied to everyone, assuming that what is right for one person is right for all persons. Rights, justice, truth-telling, and virtue ethics all are deontological forms of ethical reasoning.

The *rights perspective*, associated with the ideas of Locke, Kant, Mill, and Rawls, is founded on a movement throughout history to overcome basic social injustice and/or constraints on personal freedom. Human rights, also referred to as natural rights, include those rights contained in the Bill of Rights of the U.S. Constitution (1791) or the Universal Declaration of Human Rights of the United Nations (1948; see Appendix), delineating fundamental and unconditional rights to be respected because they are based on universal tenets in nature. Human rights are universal rights that individuals are born with, regardless of status, intelligence, or nationality. For example, the Universal Declaration of Human Rights of the United Nations states that everyone has the right to life, liberty, and security of person; no one shall be held in slavery or servitude; and no one shall be subjected to torture or to cruel, inhuman, or degrading treatment or punishment. Basic rights of one kind can override rights of another kind; for example, employees’ right to a safe work environment overrides employers’ right to cut costs and ignore safety in the workplace. Human rights may be based on moral principles and/or a legal system of rights, and whereas we may judge certain acts as immoral, the laws may permit such acts (Smith, Forbes, & Extejt, 1988). Here are two examples: (a) in the United States during the period from the 16th to the 19th centuries, Whites had the legal right to own slaves; (2) in the United States until 1920, women were prohibited by law from voting. Rights are aligned with justice and often asserted to overcome or correct some fundamental injustice. The U.S. legal system demonstrates that rights serve justice, and justice takes rights into account.

A *justice* approach to ethics uses universal principles such as reciprocity and equality of human rights and respect for the dignity of all human beings as individual persons. Persons, situations, and dilemmas are to be judged in a fair, objective, equitable, and impartial manner, not, contrary to an ethic of care, swayed by circumstances. In a system of justice, individuals have moral autonomy within the context of a social contract and are expected to use reason to discern which principles should be followed. Society provides a hierarchy of rules, rights, and obligations that protect the infringement of individual rights. Systems of justice in society, and the grievance process in organizations, aim to incorporate these ideals. There are three types of justice principles:

*Distributive justice* is a way to distribute benefits and burdens so that equals will be treated equally and nonequals will be treated unequally. The allocation of benefits and burdens may include equal shares to each person based on need, effort, merit, or social contribution (Fritzsche, 1997). An example is equal pay for equal work, including compensating women and men equally when performing the same job.

*Retributive justice* is for the punishment of wrongdoing, proven through due process. The severity of the punishment is to be in proportion to the magnitude of the wrongdoing. A conviction of corporate executives for knowingly leaking toxic chemicals into ground water would lead to some form of retributive justice.

*Compensatory justice* is concerned with compensating the injured party equal to the loss that was suffered. When compensation cannot be adequately provided, for example, in the case of lost life, property, or proprietary information, then compensation is for a fair estimate of damage. An example is the multibillion dollar settlement paid by tobacco companies to states and individuals for the loss of life and damage to health caused from cigarettes.

*Virtue ethics*, grounded in the Western philosophy of Aristotle (384-322 BCE) and the Eastern philosophies of the Buddha (ca 500 BCE) and Confucius (ca 551-479 BCE), prescribes living one's life and behaving according to recognized virtues. Virtue, among other things, includes living in moderation, according to the "Golden Mean," or in Buddhism, the "Middle Way." It does not depend on rules or principles but rather motives and actions of people who are intent on doing the right thing at all times. Acting with virtue ethics depends on qualities, traits, or dispositions internal to an individual, or those qualities, traits, or dispositions that a person strives to have or be. Virtue ethics is based on being, emotion, and reason where one's actions are an expression of one's virtues. How to be virtuous is primarily prescribed or proscribed by one's culture, religion, and life circumstances.

Philosophers and spiritual leaders have preached their preferred virtues. Aristotle claimed that moral virtue involved both emotion and reason, including charity, courage, truthfulness, friendliness, modesty, and righteous indignation—or having a sense of justice (Rosenstad, 1997). St. Thomas Aquinas believed in both the intellectual virtues of wisdom, justice, temperance, and fortitude, and the religious virtues of faith, hope, and charity, claiming that virtue is learned, not innate. Confucianism teaches that one should cultivate the virtues of patience, sincerity, obedience, and knowledge. Buddhism teaches that the right path to a moral life involves practicing compassion, forgiveness, nonharming of others, honesty, generosity, and equanimity, along with other practices. In all traditions, virtue focuses on moral character, asking questions such as, "What kind of person should I be?" "What kind of

character should I have?" The aim of moral life is to develop moral virtues or general dispositions. The virtues provide criteria for evaluating individual actions, social institutions, and practices (Velasquez, 1998). With an internal locus of control, an individual facing a moral or ethical dilemma exercises personal judgment rather than applying universal rules.

A practical contemporary criterion for ethical conduct is the "light of day" test. This involves an assessment of how friends, family, and work associates would react to one's behavior if they were to know of it (Mallinger, 1997). One asks, "How would I feel if my actions were publicized on the front page of the newspaper?" The measure of ethical conduct would be the receipt of positive regard by valued others.

Native American approaches to ethics share similarities with Eastern perspectives in their emphasis on valuing relationships between individuals and maintaining community. Although there are more than 200 separate Native American tribal groups in the United States (Young, LaPlante, & Robbins, 1987), we take the liberty to generalize about one of the more prevalent ethical traditions. Like Asian cultures, many Native Americans value community and group solidarity, so the dispute resolution process seeks to maintain relationships and restore harmony among disputing parties (Jack & Jack, 1989), congruent with the ethic of care. This Native American tradition emphasizes connection and harmony with others, including nature and animals, acknowledging interdependence and emphasizing cooperation. Defeat of another destroys the relationship and severs the community (Deloria, 1983).

The ethical approaches described up to this point provide us with a number of possible avenues for lecture content and student reflection and discussion (Table 1). Are there, for example, universal ethical laws that we can say should apply to everyone, everywhere, without qualification? In the realms of human rights and justice, we can identify ideal universal principles: freedom, respect, due process, truth, and equality of opportunity. Once such ethical principles are identified, however, a valuable line of inquiry is, why are these ethical approaches not practiced universally? Where in the world are there deviations from ideal principles? What are the cultural explanations for these deviations? Are the deviations ever acceptable?

A second line of thinking in the classroom might be whether ethical behavior is best expressed by the pursuit of virtue or enacted through individual thought and conduct. Or should societies enforce ethical principles publicly through laws, processes of justice, and political mandates? What is the right balance between individual and societal behavior needed to create ethical environments? Should the guiding principles be concerned with universal laws, regardless of consequences, or should universal laws always be malleable in light of unknown or unpredictable consequences? The U.S. ambiva-

**TABLE 1**  
**Summary of Frameworks for Ethical Reasoning**

| <i>Approach</i>                  | <i>Description</i>  |
|----------------------------------|---|
| <b>Teleological approaches:</b>  |   |
| Utilitarianism                   | Actions are right or wrong based on their consequences. Actions are ethically sound when they produce the greatest good for the greatest number.  |
| Egoism                           | Acting consistently with one's own (or organization's) self-interest is ethical, with individual consequences taking priority, regardless of the consequences to others; may take the form of enlightened self-interest.  |
| Ethic of Care                    | Acting responsibly and responsively toward others, attending to the other's well-being, and not harming others; also fits with deontological approaches as a duty toward others. Similar to some Eastern and Native American perspectives.  |
| <b>Deontological approaches:</b> |   |
| Rights perspective               | Actions are based on obligations; they are intrinsically good or bad in themselves, regardless of the consequences. Fundamental rights are accorded to human beings of all circumstances and backgrounds, such as the right to life, liberty, security of person, and freedom from enslavement.             |
| Justice perspective              | Demands respect for the dignity of every individual through the application of objective and impartial decisions, or actions; benefits, and punishments are allocated by society based on equality of rights among all human beings. Includes distributive, retributive, and compensatory types of justice. |
| Virtue ethics                    | Actions flowing from the disposition and internal qualities of individuals who consistently strive to lead a moral life (e.g., ethical behavior via honesty, courage, modesty, compassion, integrity, and charity). Core of Buddhist, Confucian, and many Native American ethical traditions.               |
| Ethic of care                    | (see above)   |

lence regarding mandatory sentencing for criminals committing crimes with guns, for example, represents the ethical tension of universal law versus appropriately designed individual punishments.

### **20th Century Ethical Perspectives in the Global Context**

In addition to the philosophical ethical traditions discussed above, recent guidelines on a global scale translate philosophy into meaningful business

**TABLE 2**  
**Eastern and Western Approaches to an Ethical Life**

| <i>Approaches</i>  | <i>What Matters</i>  |
|--|--|
| <b>Western approaches</b>  |  |
| Teleological (Utilitarianism, egoism, ethic of care, light of day) | Consequences to self, others, or society   |
| Deontological (human rights, justice, virtue, ethic of care)       | Intrinsically good (or bad) universal laws; individual character   |
| <b>Eastern approaches</b>  |  |
| Confucianism<br>Buddhism   | A moral life: qualities, disposition, and character internal to the individual that are sought, learned, and practiced throughout life   |
| <b>Native American</b>   | Moral virtues: generosity, kindness, caring, compassion, understanding, restraint, honesty, mindfulness, nonharming, equanimity, forgiveness<br>Concern for continuity of relationships and strength of community<br>Preference for harmony over truth, peace over justice<br>Justice through cooperation<br>Connection and interdependence with all living things; consequences to self, others, community. |

practice. The guidelines originated in corporate or political contexts and from particular activities or problems that called for the development of countervailing principles, such as the abridgment of human rights or the threat of destruction to the environment. Of obvious relevance to global interorganizational relationships, these capture the attention of the business student. Here, we summarize some of these guidelines, offering principles teachers can use in working with business students (see Table 2). The complete texts of these principles are found in the Appendixes.

**UNITED NATIONS UNIVERSAL  
DECLARATION OF HUMAN RIGHTS**

The U.N. Universal Declaration of Human Rights was adopted by the General Assembly in 1948 (Schulz, 2001). It takes a deontological perspective, promoting justice and human rights worldwide. The declaration proclaims that no one shall be held in slavery or servitude, subjected to inhuman

**TABLE 3**  
**Twentieth Century Ethical Guidelines<sup>a</sup>**

---



---

|   |
|---|
| <p>United Nations Universal Declaration of Human Rights: Adopted in 1948, proclaims the rights of peoples worldwide to freedom, protection, security, just working arrangements, and a reasonable standard of living.</p> <p>CERES Principles: Ten voluntary principles that commit signatories to protection of the biosphere, sustainable use of natural resources, conservation, reduction of wastes, production of safe products, timely informing of the public regarding any health or safety dangers, and other environmental goals.</p> <p>The Caux Principles: Formed by an organization of business leaders from Europe, Japan, &amp; the United States in 1986, these principles promote the sacredness of each person (human dignity) and the value of working together for the common good.</p> <p>The Global Sullivan Principles: Originally developed in the 1970s, eight principles for corporate social responsibility related to justice, human rights, tolerance, &amp; equal opportunity in global operations.</p> <p>International Labour Organization's (ILO) Core Labor Conventions: Adopted in 1982, seven core conventions have been ratified by varying numbers of ILO member-nations. These include freedom of association &amp; protection of the right to organize, equal pay for equal work, abolition of forced labor, elimination of discrimination in access to employment, and the abolition of child labor.</p> <p>Individual Corporate Codes of Conduct</p> |
|---|

---

a. The above guidelines are available from the Web sites of the respective organizations or from the authors upon request.

or degrading treatment or punishment, or subjected to arbitrary arrest, detention, or exile. It goes on to proclaim that everyone has the right to life, liberty, and security of person; is entitled to equal protection against any discrimination in violation of the declaration; and has the right to work, to free choice of employment, to just and favorable conditions of work, and to protection against unemployment as a result of discrimination. It includes the right to equal pay for equal work and to just and favorable remuneration ensuring for all persons and their families an existence worthy of human dignity, supplemented, if necessary, by other means of social protection. The declaration proclaims the right to form and join trade unions for the protection of workers' interests and the right to rest and leisure, including the reasonable limitation of working hours and periodic holidays with pay. Everyone has the right to a standard of living adequate for the health and well-being of him- or herself and of his or her family, including food, clothing, housing, and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age, or other lack of livelihood in circumstances beyond his control. The universal application of these principles, however, is far from reality.

Throughout the world, from Nike's sweatshops in Vietnam and Indonesia (Post, Lawrence, & Weber, 2002; Varley, 1998), to forced adult and child labor in Burma, to the trading of children for work on the cocoa plantations in western Africa, we see ongoing corporate violations of these universal human rights. In the United States, these rights are violated in areas of agriculture, garment manufacturing, prison labor, and electronics assembly. Throughout the United States, from the skilled crafts and trades to white-collar professions in academe, health care, and financial services, episodes of discrimination based on race, gender, and age continue. Nevertheless, the Universal Declaration of Human Rights serves as an agreed-upon global-scale ideal for human behavior toward other humans. It underscores the rights of workers to a decent quality of life *before* the right to profit or, its extreme, greed.

International human rights groups, labor organizations, religious groups, and related nongovernmental organizations have confronted governments and corporations through actions such as direct appeals to executives and government officials, stockholder resolutions, boycotts, protest demonstrations, and negotiations, urging corporations and governments to end abuses, take the higher moral ground, and comply with human rights guidelines. Examples include work of the Interfaith Center on Corporate Responsibility with corporate executives and its work developing and presenting shareholder resolutions at annual shareholder meetings; demonstrations at the World Trade Organization meetings or Nike corporate headquarters; consumer boycotts of PepsiCo products and fast food services; and direct-mail campaigns to both governments and corporate directors and executives. U.S. foreign relations and trade with China and the case of Unocal in Burma both exemplify the difficulty of implementing corporate social responsibility principles. China and Burma have committed widespread violations of human rights, yet U.S. and other corporations continue to operate and do business in these countries (Schulz, 2001).

#### THE CERES PRINCIPLES

The Coalition for Environmentally Responsible Economies (CERES) is a nonprofit coalition of socially responsible investors, foundations, public pension funds, labor unions, and environmental, religious, and public interest groups. The 10 voluntary principles, teleological in orientation, commit signatory firms to the protection of the biosphere, sustainable use of natural resources, energy conservation, risk reduction, and other environmental goals. The CERES Principles apply only to business conduct in a single area of a company's operations: its environmental activities. Bethlehem Steel,

Polaroid, General Motors, Sun Oil, and the Calvert Social Investing (Mutual) Fund have endorsed the CERES Principles (Lesser, 2000). An example of a recent CERES project is its Green Hotel Initiative that seeks to increase green lodging and meeting options by catalyzing market supply and demand. This multistakeholder effort—involving business, the hotel industry, nongovernmental organizations, labor, academia, and environmental advocates—encourages environmentally responsible hotel services and encourages meeting planners and travel buyers to stimulate the hotel market (CERES, n.d.).

#### THE CAUX PRINCIPLES

The Caux Round Table, begun in 1986, is an organization of business leaders from Europe, Japan, and the United States. Its original purpose was to focus on the development of constructive economic and social relationships between participant countries; their “urgent joint responsibilities toward the rest of the world . . . focused attention on the importance of global corporate responsibility in reducing social and economic threats to world peace and stability” (*Caux Round Table*, n.d., para. 2, 3). The Caux Round Table’s Principles for Business have at their core two basic ethical ideals: *kyosei* and human dignity. The Japanese concept of *kyosei* refers to living and working together for the common good, while the Caux Round Table’s concept of human dignity refers to the sacredness of each person as an end, not as a means to the fulfillment of others’ purposes. The Caux Principles combine elements of the ethic of care (between participant countries) and those of both human rights and virtue ethics.

#### THE GLOBAL SULLIVAN PRINCIPLES

The human rights perspective is advanced as well by the Rev. Leon Sullivan, who authored a set of principles in the 1970s designed to guide companies in improving the lives of Blacks in South Africa. In 1999, Rev. Sullivan developed a set of guidelines for corporate social responsibility for companies in their operations around the world. Specifically, the objectives of the Global Sullivan Principles are

to support economic, social, and political justice by companies where they do business; to support human rights and to encourage equal opportunity at all levels of employment, including racial and gender diversity on decision making committees and boards; to train and advance disadvantaged workers for technical, supervisory and management opportunities; and to assist with greater tolerance and understanding among peoples; thereby, helping to improve the quality of life for communities, workers and children with dignity and equality. (Sullivan, 1997, para. 1)

Among the many corporations that have endorsed the Global Sullivan Principles are Fannie Mae, British Airways, American Airlines, Chevron, DaimlerChrysler, Pfizer, Hershey Foods, and Tata Industries of India.

#### **INTERNATIONAL LABOUR ORGANIZATION'S LABOR CONVENTIONS**

The International Labour Organization (ILO) was created in 1919 as a tripartite organization of government, business, and union representatives from 174 nations. Since then, it has adopted 177 lengthy labor "conventions" or standards. Seven of these are considered fundamental human rights, addressing issues such as forced labor, freedom of association, the right of collective bargaining, equal pay for men and women, discrimination in the workplace, and the minimum age for employment. As of 1996, only 27 ILO member nations had ratified all 7 core conventions, and 12 had not ratified any of the 7. The United States had ratified only 1. Certain countries have refused to ratify conventions because they may be in opposition to national laws. Other countries with very low standards, such as Burma, have ratified conventions that they do not honor (Varley, 1998). In 2001, the ILO called for governments, including the United States, to impose a ban on all imports coming from Burma because the military government of Burma imposes a 5% export tax on all exports. Most goods produced in Burma, including clothing imported to the United States and elsewhere, are manufactured with the use of forced labor and child labor, whereas the building of roads, energy, and water systems also are under the direct control of the military junta, which does not recognize basic human rights of free speech, free association, freedom of religion, free press, and freedom to unionize. A current bill under consideration in the U.S. Senate is Bill 926, asking Congress to implement the ILO call for a ban on imports from Burma (International Labor Organization, n.d.).

#### **CORPORATE CODES OF CONDUCT**

Companies such as Anheuser-Busch, Disney, Dayton Hudson, Federated Department Stores, Levi Strauss, Ford Motor Company, Gap, Home Depot, Kmart, Liz Claiborne, JCPenney, Kmart, Sears, Roebuck, and Wal-Mart have standards for vendors, contractors, manufacturers, and employees, usually in the form of ethical standards or codes of ethical conduct. These standards cover issues including a safe and healthy workplace, absence of forced or compulsory labor, nondiscrimination, absence of coercion and harassment, working conditions, fair wages, banning of child labor, protection of the environment, and ethical conduct (Varley, 1998). A good example is the

social responsibility policies of Gap Inc., a company that makes none of its own clothes but works with thousands of factories in more than 50 countries. Upholding fair labor standards, environmental protection, and charitable giving are part of the organization's statement of social responsibility (Gap Inc., n.d.).

As our students encounter increasingly complex ethical situations in global business, we are challenged to learn more about teaching and learning business ethics. Our current global context provides dynamic opportunities to examine and apply diverse philosophical and psychological perspectives in approaching ethical dilemmas and problems. In this article, we have presented traditional and contemporary Western and non-Western frameworks and theories to assist faculty as they help students understand and resolve ethical issues and quandaries in our global business environment.

### **Appendix**

#### **Recommended Cases for Teaching Ethics in a Global Context**

---

1. **On employee-employer relations:** Velasquez, M. (1998). The Gap, Inc. In *Business ethics: Concepts and cases* (4th ed., pp. 486-493). Upper Saddle River, NJ: Prentice Hall.
  2. **On ethical principles:** Velasquez, M. (1998). Pepsi's Burma connection. In *Business ethics: Concepts and cases* (4th ed., pp. 159-163). Upper Saddle River, NJ: Prentice Hall.
  3. **On ethical relativism:** Post, J., Lawrence, A., & Weber, J. (2002). Salt Lake City and the Olympics bribery scandal. In *Business and Society* (10th ed., pp. 515-523). New York: McGraw-Hill Irwin.
  4. **On moral responsibility of corporations:** Bowie, N., & Lenway, S. (1998). H. B. Fuller in Honduras: Street children and substance abuse. In D. Adams & E. Maine (Eds.), *Business ethics for the 21st century* (pp. 58-68). Mountain View, CA: Mayfield. Two different shorter versions of the case are published in Beauchamp, T., & Bowie, N. (1993). *Ethical theory and business* (4th ed., pp. 101-103). Upper Saddle River, NJ: Prentice Hall; and Velasquez, M. (1998). *Business ethics concepts and cases* (4th ed., pp. 58-63). Upper Saddle River, NJ: Prentice Hall.
  5. **On diversity:** Ellement, G., Maznevski, M., & Lane, H. (1999). Ellen Moore (A): Living and working in Bahrain. In T. Donaldson & P. Wehane (Eds.), *Ethical issues in business* (6th ed., pp. 325-337). Upper Saddle River, NJ: Prentice Hall.
- 

### **References**

- CERES. (n.d.). *Our work: The CERES principles*. Retrieved January 4, 2004, from [http://www.ceres.org/our\\_work/principles.htm](http://www.ceres.org/our_work/principles.htm)
- Caux Round Table principles for business*. (n.d.). Retrieved January 4, 2004, from <http://www.itcilo.it/english/actrav/telearn/global/ilo/code/caux.htm#Section%201.20Preamble>
- Deloria, V. (1983). *American Indians, American justice*. Austin, TX: University of Texas.

- Derry, R. (1989). An empirical study of moral reasoning among managers. *Journal of Business Ethics*, 8, 855-862.
- Dobson, J., & White, J. (1995). Toward the feminine firm: An extension to Thomas White. *Business Ethics Quarterly*, 5, 463-478.
- Fritzsche, D. J. (1997). *Business ethics: A global and managerial perspective*. San Francisco: McGraw-Hill.
- Gap Inc. (n.d.). *Social responsibility*. Retrieved January 4, 2004, from [http://www.gapinc.com/social\\_resp/social\\_resp.htm](http://www.gapinc.com/social_resp/social_resp.htm)
- Gilligan, C. (1982). *In a different voice*. Cambridge, MA: Harvard University Press.
- Gilligan, C. (1987). Moral orientation and moral development. In E. F. Kittay & D. T. Meyers (Eds.), *Women and moral theory*. Totowa, NY: Rowman & Littlefield.
- Sullivan, L. H. (1997). *Global Sullivan principles of social responsibility*. Retrieved January 4, 2004, from <http://www.globalsullivanprinciples.org/index.htm>
- International Labour Organization. (n.d.). *Fundamental ILO conventions*. Retrieved January 4, 2004, from <http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm>
- Jack, R., & Jack, D. C. (1989). *Moral vision and professional decisions: The changing values of women and men lawyers*. New York: Cambridge University Press.
- Lesser, L. (2000). *Business, public policy, and society*. Orlando, FL: The Dryden Press.
- Liedtka, J. (1992). Wounded but wiser: Reflections on teaching ethics to MBA students. *Journal of Management Education*, 16(4), 405-416.
- Mallinger, M. (1997). Decisive decision making: An exercise using ethical frameworks. *Journal of Management Education*, 21(3), 411-417.
- Noddings, N. (1984). *Caring: A feminine approach to ethics and moral education*. Berkeley, CA: University of California Press.
- Piper, T. R., Gentile, M. C., & Parks, S. D. (1993). *Can ethics be taught?* Boston: Harvard Business School.
- Post, J., Lawrence, A., & Weber, J. (2002). *Business and society* (10th ed.). Boston: McGraw-Hill Irwin.
- Rosenstad, N. (1997). *The moral of the story: An introduction to ethics* (2nd ed.). Mountain View, CA: Mayfield.
- Schulz, W. (2001). *In our own best interest: How defending human rights benefits us all*. Boston: Beacon Press.
- Smith, J. E., Forbes, J. B., & Extejt, M. M. (1988). Ethics in the organizational behavior course. *The Organizational Behavior Teaching Review*, 13(1), 85-95.
- United Nations. (1948). *Universal declaration of human rights*. Retrieved January 4, 2004, from <http://www.un.org/Overview/rights.html>
- Varley, P. (Ed). (1998). *The sweatshop quandary: Corporate responsibility on the global frontier*. Washington, DC: Investor Responsibility Research Center.
- Velasquez, M. (1998). *Business ethics, concepts and cases* (4th ed.). Upper Saddle River, NJ: Prentice Hall.
- White, J. (1994). Individual characteristics and social knowledge in ethical reasoning. *Psychological Reports*, 75, 627-649.
- Young, T. J., LaPlante, C. & Robbins, W. (1987). Indians before the law: An assessment of contravening cultural/legal ideologies. *Quarterly Journal of Ideology*, 11, 59-70.