## Contents

	Reputation and Integrity, 7
	Whose Ethics? 8 When in Rome, 9 The Righteous American 15 The Naive Immoralist 17
	The Basic Moral Norms 19
	Integrity and International Business 22
2.	The International Ethical Context 23
	Global Pluralism 24
	Absence of Adequate Background Institutions 26
	The International Economy 28
	Negotiating Justice 33
	Integrity and Ethical Demands 39
3.	Multinationals and Less Developed Countries: Seven Guidelines 42
	Ethical Norms for American Multinationals 45
	Developing Ethical International Background Institutions 56
	The Interconnection of American and International Business 57

1. Integrity in International Business: A Contradiction in Terms? 3

Integrity, 5

X Contents

4. Applying the Guidelines: MNCs and the Many Kinds of Harm 59
Pharmaceutical and Pesticide Industries 60 Products Prohibited in the United States 61 Abuse of Legitimate Products 62 The Nestlé Boycott 64
Agricultural Enterprises 65
Banks and Financial Institutions 68  Banking and Elites 69  Debt 70  Banks and Flight Capital 71  Dependence and Abandonment 73
Extracting Industries 74  Manufacturing 78
5. Extending the Guidelines: Bhopal 80
Responsibility and Liability 81
Ethical Responsibility and Comment
Parent and Subsidiary Companies 90
6. Ethical Dilemmas, Conflicting Norms, and Personal Integrity 96
Ethical Displacement 97
Bribery and the Foreign Corrupt Practices Act 99 The U.S. Foreign Corrupt Practices Act 102
Conflicting Cultural Norms and Values 105 Pressures on Individuals to Violate Personal Norms 105 Conflicting Cultural Norms 106 Host-vsHome-Country Interests and Values 107
Moral Imagination 107
Moral Courage 110
The Cost of Being Ethical 112
7. Strategies for Competing with Corruption 113
Ten Strategies for Dealing with Corruption 114
Competing in Corrupt Environments 121 Corrupt Social System 121 Corrupt Governments and Leaders 124 Corrupt Private Environments: Drugs and Syndicates 127 Corruption and Intelligence Corruption and Intelligence Corruption
Competing with Multiple Corruption 135

Contents xi

## 8. Doing Business in Central and Eastern Europe, the Former USSR, and China 139

Central and Eastern Europe 140
Property 145
Advertising 147
Exploitation 148
Social Democracy 150
Competition 152

The Former USSR 154

China 155

## 9. Doing Business with Japan and the European Community 158

Japan 159
Closed vs. Open Markets 164
Product Dumping? 168
The Selling of America 170

The European Community 175
The Opportunity for New International Agreements 175

Advertising 176 Foreign Workers 178 Industrial Espionage 180

## 10. Competing with Integrity 184

Beyond the Minimum: Obligations and Ideals 185 Positive Obligations Beyond the Minimum 185 Ethical Ideals 187

A Company of Integrity 188

Corporate Culture 190

Corporate Virtue 191

Background Institutions 192

Conclusion 194

Notes 197

Bibliography 219

Index 229