ETHICS IN THE GLOBAL SOUTH

RESEARCH IN ETHICAL ISSUES IN ORGANIZATIONS

Series Editors: Michael Schwartz and Howard Harris

Insurance Ethics for a More Ethical World - Guest

Recent Volumes:

Volume 7:

voidine 7.	Edited by Patrick Flanagan, Patrick Primeaux and William Ferguson – 2007
Volume 8:	Applied Ethics: Remembering Patrick Primeaux – Edited by Michael Schwartz and Howard Harris – 2012
Volume 9:	Ethics, Values and Civil Society – Edited by Michael Schwartz, Howard Harris and Stephen Cohen – 2013
Volume 10:	Moral Saints and Moral Exemplars – Edited by Michael Schwartz and Howard Harris – 2013

- Volume 11: The Contribution of Fiction to Organizational Ethics Edited by Michael Schwartz and Howard Harris 2013
- Volume 12: Achieving Ethical Excellence Edited by Michael Schwartz and Howard Harris with Guest Editor Alan Tapper 2014
- Volume 13: Conscience, Leadership and the Problem of 'Dirty Hands' Edited by Matthew Beard and Sandra Lynch 2015
- Volume 14: The Ethical Contribution of Organizations to Society Edited by Michael Schwartz, Howard Harris and Debra Comer 2015
- Volume 15: Contemporary Issues in Applied and Professional Ethics Edited by Marco Grix and Tim Dare 2016
- Volume 16: The Contribution of Love, and Hate, to Organizational Ethics – Edited by Michael Schwartz, Howard Harris and Debra R. Comer – 2016
- Volume 17: Responsible Leadership and Ethical Decision-Making Edited by Sunil Savur and Sukhbir Sandhu 2017

RESEARCH IN ETHICAL ISSUES IN ORGANIZATIONS VOLUME 18

ETHICS IN THE GLOBAL SOUTH

EDITED BY

MICHAEL SCHWARTZ

School of Economics, Finance & Marketing, Royal Melbourne Institute of Technology, Melbourne, Australia

HOWARD HARRIS

School of Management, University of South Australia, Adelaide, Australia

REVIEW EDITOR

DEBRA R. COMER

Hofstra University, New York, USA



United Kingdom – North America – Japan India – Malaysia – China Emerald Publishing Limited Howard House, Wagon Lane, Bingley BD16 1WA, UK

First edition 2017

Copyright © 2017 Emerald Publishing Limited

Reprints and permissions service

Contact: permissions@emeraldinsight.com

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

ISBN: 978-1-78743-205-5 (Print) ISBN: 978-1-78743-204-8 (Online) ISBN: 978-1-78743-259-8 (Epub)

ISSN: 1529-2096 (Series)



ISOQAR certified Management System, awarded to Emerald for adherence to Environmental standard ISO 14001:2004.

Certificate Number 1985 ISO 14001



CONTENTS

LIST OF CONTRIBUTORS	vii
EDITORIAL BOARD	ix
ABOUT THE AUTHORS	xi
ETHICS IN THE GLOBAL SOUTH Michael Schwartz and Howard Harris	1
WAR AND FAMINE AROUND THE INDIAN OCEAN DURING THE SECOND WORLD WAR Lance Brennan, Les Heathcote and Anton Lucas	5
BRINGING INTERNATIONAL SUSTAINABILITY GUIDELINES HOME: A CASE STUDY OF A MEGA SOUTH AFRICAN STATE-OWNED ENTERPRISE Andani Thakhathi	71
RELIGION AS APPARATUS OF ETHICAL SIMILARITY: A CATALYST TOWARD THE FRAMEWORK OF ETHICAL BEHAVIOURS (FEB) IN TECHNICAL ENVIRONMENT Issam Kouatli	91
MODERN BUSINESS AND THE DOCTRINE OF THE MEAN Chris Provis	115
CHEIS Frovis	11.0

vi CONTENTS

GIFT GIVING, <i>GUANXI</i> , BRIBERY AND CORRUPTION CHALLENGES IN AUSTRALIA-CHINA BUSINESS: AN ETHICAL TENSION BETWEEN THE GLOBAL SOUTH AND THE EAST <i>Timothy F. O'Shannassy</i>	131
Timothy F. O Shannassy	131
A SHORT HISTORY OF APPLIED ETHICS IN AUSTRALIA	
Howard Harris	153
ETHICS AND THE UNIFIED JUSTICE EXAMINATION OF THE PEOPLE'S REPUBLIC OF CHINA Roderick O'Brien	175
REVIEWS	
MCKAY, A. (2015). THE BIG SHORT: FINANCIAL DISASTER AND MORAL RESPONSIBILITY. REGENCY ENRTERPRISES & PLAN B ENTERTAINMENT (PRODUCERS). RUNTIME: 130 MINUTES Patrick E. O'Brien	187
SIRACUSA, J. M. (2017) ED. <i>HUMANITIES, ARTS AND SOCIAL SCIENCES: IT'S EVERYONE'S BUSINESS.</i> ABINGDON, UK: ROUTLEDGE	
Howard Harris	195

LIST OF CONTRIBUTORS

Lance Brennan Department of History and International

Studies, Flinders University, Adelaide, South

Australia

Howard Harris School of Management, University of South

Australia, Adelaide, Australia

Les Heathcote (deceased) Department of Geography, Flinders University,

Adelaide, South Australia

Issam Kouatli Information Technology and Operations

Management Department, Lebanese American

University, Beirut, Lebanon

Anton Lucas Department of History and International

Studies, Flinders University, Adelaide, South

Australia

Patrick E. O'Brien Department of Accounting, Taxation &

Legal Studies in Business, Hofstra University,

Hempstead, United States of America

Roderick O'Brien School of Business, University of South

Australia, Adelaide, Australia

Timothy F. O'Shannassy Graduate School of Business and Law, RMIT

University, Melbourne, Australia

Chris Provis School of Management, University of South

Australia, Adelaide, Australia

Michael Schwartz School of Economics, Finance &

Marketing, Royal Melbourne Institute of

Technology, Melbourne, Australia

Andani Thakhathi College of Economic and Management

Sciences (CEMS), University of South Africa,

Tshwane (Pretoria), South Africa



EDITORIAL BOARD

Joseph L. Badaracco, Jr. Harvard University, USA

Ida Berger Harvard Business School, USA

Norman Bowie University of Minnesota, USA

Hugh Breakey
Griffith University, Australia

M. Neil Browne

Bowling Green State University, USA

Debra R. Comer Hofstra University New York, USA

Wesley Cragg
York University, Canada

Ron Duska The American College, USA

Georges Enderle University of Notre Dame, USA

Edwin Epstein
University of California at Berkeley,
USA

Amitai Etzioni George Washington University, USA

William Frederick University of Pittsburg, USA

Al Gini Loyola University Chicago, USA

Kenneth E. Goodpaster University of St. Thomas, USA

Ellen McCorkle Harshman St. Louis University, USA

Laura Pincus Hartman Boston University, USA

Daryl Koehn
DePaul University, USA

Kimball P. Marshall *Alcom State University, USA*

E. Sharon Mason Brock University, Canada

Douglas McCabe Georgetown University, USA Alex Michalos University of Northern British

Columbia, Canada

Barry Mitnick University of Pittsburg, USA

Moses Pava Yeshiva University, USA Mark S. Schwartz

York University, Canada

Meir Tamari Jerusalem Institute of Technology, Israel

Steven Wartick University of Northern Iowa, USA

ABOUT THE AUTHORS

Lance Brennan, after graduating with a BEd and MA from the University of Western Australia, completed a doctorate in history from the University of Sussex. He taught courses in Indian history and in the multidisciplinary topic Famine at the Flinders University of South Australia from 1973 until his retirement as an associate professor in 1999. He has published on the socio-economic and political history of Uttar Pradesh, on famine and its relief, on the health of indentured workers and on Indian anthropometric history. With his colleagues John McDonald and Ralph Shlomowitz, he published *Well Being in India: Studies in Anthropometric History*, New Delhi, Readworthy, 2013.

Howard Harris graduated in chemical engineering and worked in industry and commerce before returning to university and completing a PhD on the role of courage in management decision making. He joined the School of Management at the University of South Australia. He taught ethics to business students in Adelaide, Singapore, Hong Kong and Kuala Lumpur. Since retiring, he has maintained an interest in the relevance of classical virtues in contemporary management. He is a former President of the Australian Association for Professional and Applied Ethics. His interest in history was bolstered during recent study for a master's degree in theology.

Les Heathcote was one of Australia's foremost geographers. Following a first degree at University College London (UCL) a masters at Nebraska and a doctorate from the Australian National University, Les taught at UCL for a couple of years, then migrated again in 1967 to teach at Flinders University, South Australia. He retired in 1997 but remained an adjunct associate professor until his death in 2010. As well as a full commitment to his teaching, and his service on many boards and advisory councils, Les wrote and edited seventeen books and numerous articles. Most, including the first, The Arid Lands: Their Use and Abuse, Harlow, Longmans, 1983 and the last, Drought and the Human Story: Braving the Bull of Heaven, London and New York, Routledge, 2012, address the relationship of humans and the lands they inhabit. The Institute of Australian Geographers conferred the Griffith Taylor Medal on Les in 1997 – a rare honour.

Issam Kouatli is an associate professor of information technology. He holds a PhD in engineering and an MSc in manufacturing technology from the University of Birmingham, UK. His main research interests are in intelligent systems, specifically in genetic fuzzy systems and its use in decision-making mechanisms and applications. Cloud computing with the related management of ethical behavior and security is the second main interest of research. He has worked as an IT consultant providing IT services via a British-based limited company from 1995 till 2001.

Anton Lucas graduated in agricultural economics from the University of New England before completing a masters in Asian Studies at Hawaii, followed by a PhD in Indonesian history at the Australian National University. In 1981, he joined the discipline of Asian Studies at the Flinders University of South Australia where he taught Indonesian language alongside topics on the environment and development in Asia, Indonesian culture and society, and religion and social change. Anton is now an adjunct associate professor in history and international studies. He has published extensively on the Indonesian nationalist movement and on a range of social and political issues at the local level. His books include *One Soul One Struggle*, Sydney, Allen and Unwin, 1991, and (with Carol Warren) *Land for the People, the State and Agrarian Conflict in Indonesia*, Ohio, Research in International Studies Series, 2013.

Patrick E. O'Brien earned his bachelors of business administration in accounting, as well as his masters in science in accounting from Hofstra University. Upon graduation from Hofstra, Patrick worked at Deloitte & Touche in New York City in the audit practice, serving primarily public and private clients in the media and entertainment industries. Patrick also worked in the private sector as a financial analyst within the Corporate Controller's Group at Sotheby's. He currently works as the accounting department administrator and serves as an adjunct professor of accounting within the Frank G. Zarb School of Business at Hofstra University.

Roderick O'Brien is an Australian lawyer, with experience of teaching law in Hong Kong and in mainland China. His research interests include the ethics of China's lawyers.

Timothy F. O'Shannassy is a senior lecturer in the Graduate School of Business and Law (GSBL) at RMIT University, Melbourne, Australia. Tim earned his PhD from Monash University in 2005. Tim currently teaches strategic management and entrepreneurship in the MBA programs at RMIT. He is co-author of *Strategic Management: The Challenge of Creating Value*

About the Authors xiii

(Routledge Publishing). He served as RMIT MBA Programs Director in 2015 and 2016 and is currently serving on the RMIT Academic Board. He has extensive experience in managing and teaching in executive education programs. Tim is a fellow of the Australian Institute of Management.

Chris Provis is a member of the Centre for Business Ethics and Responsible Leadership based in the School of Management at the University of South Australia. His recent work has been on moral judgment in business ethics and on Confucianism and business ethics.

Michael Schwartz is an associate professor of business ethics in the School of Economics, Finance & Marketing at the Royal Melbourne Institute of Technology. He is a past president of the Australian Association for Professional and Applied Ethics. He is a member of the editorial boards of the Journal of Applied Ethics and the Journal of International Business & Law; and a joint editor of Research in Ethical Issues in Organizations. His research in the field of business ethics has been published in the Electronic Journal of Business Ethics & Organization Studies, the Australian Journal of Professional & Applied Ethics, the Australian Journal of Social Issues, Ethics & Education, Business Ethics Quarterly, Business Ethics: A European Review, the Journal of Business Ethics and Research in Ethical Issues in Organizations.

Andani Thakhathi is a PhD candidate in ethics and responsible leadership in business at the Wittenberg Center for Global Ethics (WCGE) and the Business Ethics and Management Accounting (BEMA) chair at the Martin Luther University (MLU) of Halle-Wittenberg in Germany. Prior to joining the WCGE and BEMA, he was a researcher at the University of South Africa's College of Economic and Management Sciences (CEMS) where he explored the practice of strategic corporate sustainability. Andani's research focuses on sustainability and ethics in the global business context. He is also interested in advancing Africa's renewal and renaissance through critical and positive scholarship.



ETHICS IN THE GLOBAL SOUTH

Michael Schwartz and Howard Harris

The influence of the global South is increasing in the conduct and governance of multi-nationals, in the growing interest in the 'bottom of the pyramid', in the debates over the environment, trade and international law. There are questions aplenty. Does the First World understand? Some answer with a resounding, No. 'Missing from much current mainstream policy, media and academic debate is acknowledgement of the diversity of the global middle classes and an understanding of how ethical interpretations and behaviour differ in various consumer markets around the world' (McEwan, Hughes, & Bek, 2015). The 'complexities and tensions faced during fieldwork' are sufficient to have given rise to a handbook (Lunn, 2014).

Definitions of the global South vary. In some ways, the global South is a contra definition, in that it is not North America and Western Europe, in short the not-North. Australia, from which a number of authors in this volume come, lies south of the equator, and was once called terra australis incognita, the unknown southland, the great Southland (Clark, 1962: 1.25), yet it fits less well in the global South grouping than it does in the geographically distant Europe and North America grouping, at least on some terms. One of the contributors to this volume, Andani Thakhathi, has provided an historical insight which leads to a definition consistent with the intent of this volume.

The global North/global South distinction stems from the earlier North-South divide which first emerged in the early 1980s through reports published by the Independent Commission on International Development Issues chaired by Willy Brandt [...] In these

Ethics in the Global South Research in Ethical Issues in Organizations, Volume 18, 1-4 Copyright © 2017 by Emerald Publishing Limited All rights of reproduction in any form reserved

reports, North-South was defined and distinguished as a non-permanent grouping where North-South are generally akin to rich-poor or developed-developing (Brandt, 1980). After the North-South divide was introduced, scholars began to use the terms global North and global South to indicate that these terms were not rigid geographical demarcations, but rather that they were emphasising inequalities (Rigg, 2007). This volume uses the term global South as defined in the following: "The South is a geographical convenience based on the fact that most of the Poor World lies south of latitude 30° North" (Rigg, 2015).

Thus in this volume are contributions relating to specific nations and regions in the global South – China, India, Indonesia, East Africa and the Republic of South Africa, and to a range of beliefs and religions which have global reach – Christianity, Confucianism, Islam, Hinduism and Judaism.

The first contribution is about famine in India, East Africa and Indonesia, about the allocation of resources to various communities and nations during times of famine. Some of the allocation decisions are made by colonial rulers or by occupying military powers; some are made by local authorities. These are decisions about establishing the common good, about dignity, about the ranking of one group (the occupying army, for instance) above others (the native population, say), about assessing the needs of others. These are ethical decisions. They are ethical decisions made within organisational structures; sometimes structures of the developed world, sometimes local, tribal and regional organisations in the global South. Brennan, Heathcote and Lucas set out detailed evidence of the decisions made and some of the consequences. They do not seek to apply any specific ethical theory to the analysis of the famines they examine, and indeed the word 'ethics' does not appear in their text, yet it provides a clear example of ethics at work in the global South.

The next three contributions discuss aspects of the similarities of ethics across the so-called North-South divide. Andani Thakhathi shows how six sets of international ethical guidelines, predominantly drawn up in the West, have been successfully applied in a large corporation in the Republic of South Africa. The users found them to fit well in the local context. This is an encouraging finding, especially as many of the frameworks applied in the case organisation are well known and widely used in ethics education and corporate reporting — AA1000, ISO5000, GRI, Carbon Disclosure Project, UN Global Compact and the International <IR> Framework. The concept of ethical frameworks is taken up by Issam Kouatli in his contribution which examines similarities in religious traditions. He examines how people respond to the ethical issues raised in new technologies such as cloud computing and suggests that a framework of ethical behaviours (FEB) developed with reference to religion may be useful in helping people to

respond to the new predicaments that IT technology can bring. In particular he examines the holy books of Islam, Judaism and Christianity, seeing in the Ten Commandments and similar texts a basis for the framework of ethical behaviours. Chris Provis, writing about the Doctrine of the Mean, notes that the virtue of moderation – the avoidance of both excess and deficiency – is valued in both Aristotelean virtue ethics and in Confucianism. He shows how this similarity can be seen in both traditions over many centuries. Whether this is an example of interaction between cultures or separate development he does not say, but it is perhaps an invitation to those in both global North and global South to look closely at the similarities in ethical teaching.

Whilst he sees a similarity in commitment from governments in China and Australia to reduce the incidence of bribery and corruption, Tim O'Shannasay also sees differences. He examines gift giving, *guanxi*, bribery and corruption, generating a number of research propositions which he suggests will lead to a framework to manage gift giving, *guanxi*, bribery and corruption for the firm. O'Shannasay makes a distinction, which flows through to the framework between appropriate gift giving and *guanxi* which are not bad and bribery and corruption that are bad. Roderick O'Brien's contribution is also about governance regimes. Written initially as a paper for an ethics conference in Australia in 2000, the paper describes the procedures and outcomes of the bar examination in China. It provides information about a system probably not well known outside China. It is also included in this collection as an example of the continuing interest of authors outside the global South in ethical matters in that part of the world.

In his short history of applied ethics in Australia, Howard Harris shows how there has been a persistent interest in the global South from Australian academics and from the members of the Australian Association for Professional and Applied Ethics. Australians have welcomed visitors from the global South, both academics and practitioners, at their conferences and in their universities. Student exchange and overseas teaching have also helped to make links with the global South. The simple step of being in another place is a start. Having a basis for reflection and analysis can take that a step or two further toward understanding. Ethics provides one such framework. Social science can also contribute. One of the two books reviewed in this volume contains examples and advocacy for the positive contribution that the arts, humanities and social sciences provide to human society throughout the world. Joseph Siracusa's book on the Academy of Social Sciences in Australia contains chapters about international street art, about the importance of community in the development of literacy, matters which are as important in the global South as elsewhere.

That the other review in this volume is of a film, *The Big Short* (2015), is further demonstration of the point that many contributors have made, that ethics is not something for the ivory tower or the dry academic journal paper, but that it is something of importance to the life of individuals, organisations and societies on both sides of the global South/global North divide. Patrick O'Brien in his review shows how the film not only captures the unfolding of the Financial Crisis of 2007/8 but also highlights the place of individuals and individual ethical beliefs. Indirectly, he shows how stories are important in ethics and in the establishment of ethical and cultural norms (Volume 11 of *Research in Ethical Issues in Organizations* (Schwartz and Harris, 2014) examined the role of fiction in organizational ethics).

Developments in the global South have raised ethical questions in business, in human development, economics and the environment. Practitioners and academics working in the countries of the global South and in other southern hemisphere countries have contributed to debates about ethical issues in organizations. When we set out on this venture our intention was to showcase not only work about ethics in the global South but also to publish recent work by authors from the global South even if it was not about the global South. As it has turned out, all the papers in this volume deal with aspects of ethics in the global South.

REFERENCES

- Brandt, W. (Ed.) (1980). North-South, a programme for survival: Report of the Independent Commission on International Development Issues under the chairmanship of Willy Brandt. Cambridge MA: MIT Press.
- Clark, C. M. H. (1962). A history of Australia. Melbourne: Melbourne University Press.
- Lunn, J. (Ed.) (2014). Fieldwork in the Global South: Ethical challenges and dilemmas. Abingdon, UK: Routledge.
- McEwan, C., Hughes, A., & Bek, D. (2015). Theorising middle class consumption from the global South: A study of everyday ethics in South Africa's Western Cape. *Geoforum*, 67, 233–243. doi: http://dx.doi.org/10.1016/j.geoforum.2015.02.011
- Rigg, J. (2015). The Global South. In A. Hollington, T. Salverda, T. Schwarz, and O. Tappe (Eds.), *Concepts of the Global South Voices from around the world* (pp. 6, 7). Koeln, DE: Global South Studies Center Cologne.
- Schwartz, M., & Harris, H. (2014). The contribution of fiction to organizational ethics. Bingley, UK: Emerald.