

Student's Name

Professor's Name

Course

Date

Discussion Board

1. Globalization is a process of the ever-increasing influence of various factors of the international value (for example, close economic and political relations, a cultural and information exchange) on social reality in particular countries. Globalization is an objective process which defines high-quality changes in the global space, increase of coherence and uniqueness of certain people or civilizations as a whole. The central idea - a cornerstone of globalization - is that many problems cannot be estimated and studied adequately at the level of the national state, at the level of a particular country and its international relations with other countries. Instead, they should be formulated from the point of view of global processes.

The positive aspects of globalization include strengthening and consolidation of the relationships between different states and countries, establishment of a more harmonious system of world safety. The creation of the international organizations and companies, for example, the UNO or the EU is among the positive aspects of globalization. Moreover, there is a unification of the people, strengthening of the world relationships and the principles of mutual understanding and mutual aid. In the economic sphere, the pluses of globalization include a high speed of information transfer, instant movement of various investments, free trade, decrease in taxes, and reduction of expenses for labor and increase in the consumer credits. However, globalization also has negative aspects. In politics, globalization causes the weakening of

sovereignty of particular states, emergence of the phenomenon of regionalization at which one region has an impact on the political policy of another. In economics, many goods lose their belonging to the national products. Besides, due to the mergers of many multinational corporations the number of labor which can be occupied on production decreases.

2. There are political and economic risks of the companies operating internationally.

Political risks include the changes in the currency and tax regulation, requirements of the government about the use of local components in production, recruitment of workers or involvement of local contractors; possibility of from discrimination, including commercial; the limitation of the local credits, etc. In order to foresee the political risks and to avoid them, the international companies study the political situations in the targeted countries, the used business methods, and the influence of the government in business sphere.

In an economic sphere, the economic risks are almost not connected with politics. It is caused by the actions of competitors, changes of the clients' preferences, know-how in technologies. Risk management in the economy includes the study of the national economic laws, efficiency of the national bank's policy, economic indicators and the general economic situation in the country.

3. Business ethics as a science has appeared in the USA recently. The philosophical approaches to business ethics include the philosophy of relativism and utilitarianism. According to the theory of relativism ethics is relative and depends on personal, social and cultural circumstances in which there is a person and organization. There are four variants of relativism:

- Naïve relativism - a person is guided by a standard, and nobody can make a moral verdict concerning the actions of another person;

- Role relativism - a behavior of a person is caused by the situation and a current social role. A head should correlate own feelings and the interests of a company;
- Social relativism - the actions of a person are caused by the norms of a group or groups.
- Cultural relativism - there are no universal moral standards, on the basis of which it would be possible to judge the standards of the other society. The followers of the cultural relativism study the problems of a human behavior in different countries, the conflict of cultures, the issues of the cultural conformity, adaptivity and rigidity.

The followers of utilitarianism claim that the action, bringing the greatest benefit to the greatest number of people is the only “correct” one. The defenders of the theory of universality consider, first of all, the intentions of people and organizations, saying that the results of actions are often beyond a real control.