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ETHICS IN BUSINESS AND MANAGEMENT

# Assignment:

Write a case study of Business Ethics issue:

Ethical issues regarding Maritime Autonomous Surface Ships

#### Abstract

"Business Ethics" could be termed as the study of the policies of any given organization or a business which are in some way or other connected to corporate governance and corporate social responsibility. In this particular context, it needs to be highlighted that is the moral responsibility of the business to provide the true value of money to the people who are connected in eth exchange process. People like the customers who are connected in the exchange process, along with the internal and external shareholders and also most importantly the government. This paper examines the unethical practices or lack of corporate governance related to the factors like Autonomous cargo ships and transatlantic and transpacific voyages and challenges. The paper will primarily focus on the topic which has been selected for the paper is ethical issues related to the concept of Autonomous cargo ships and transatlantic and transpacific voyages and challenges.

*Keywords:* Business, Morals, Ethics, Transatlantic, Transpacific, safety and environmental protection, Maritime autonomous surface ships (MASS).

# Overview of the business ethics issue

Each and every business that have been operating in the market, has certain set of moral and also code of conduct and along with this businesses all around the word does have ethics. The very first and basic morale principle which actually helps the business to act accordingly in the environment and also at the same time it helps the business to understand the right course of operations is ethics (Bowie, 2020). All these standards that decide the behaviour of an employee often determine the conduct of the company. To be ethically active in every business is first to distinguish between "right" and "wrong" and then the right option. Business ethics are advanced practical ethics that define the values and actions that are moral and right to be applied in the course of business (Ferrell & Fraedrich, 2016). This ethics applies to any business form and domain and is applicable to the behaviour of people and the company. Ethics is the right and the wrong thing. It makes all decisions ethical, thus complying with the shared ethical values of societies. Ethics play an important part in meeting the corporate standards. The manner in which the organization's activities are met, right or wrong, influences tremendously (Werhane, 2019). Ethics is a philosophy branch which only addresses moral principles. This could be considered as one of the most important branch and this deals with all the main functions that could be relate to all the right and the wrong doings of the case which could be relevant for any business that is operating in the market. The ethical values of business are analogous to those of society and can govern the operations of a company. Any business in the world is driven and guided by profit and the corruption of entrepreneurs is checked, which usually leads to thinking about business ethics. It is the societal principles that define the standards of conduct for every firm. A businessman needs to do business to preserve the social security and obey any moral values or ethics (Trevino & Nelson, 2021). In addition, the alternative for effective, secure, clean and sustainable maritime

transport in the near future is to solve more core concerns like safety, safety, employment and training, and legal and ethical issues. It is suggestion to incorporate comprehensive strategies on how to improve the technologies and regulating framework, and to ensure the stable arrival of MASS in the maritime industry is critical for the coordination and collaboration of various stakeholders based on shared understanding.

## **Ethical Framework**

The introduction to the new concept of maritime autonomous surface ships (MASS) which were accompanied by the alternative fuels to the maritime industry which is all about opening a new era and also at the same time this would have the potential to lead to a new paradigm shift in the terms of security, safety and also at the same time about the environmental protection factors that are connected to the same (Kim et al., 2020). There are however also some questions around emerging technologies that can generate new forms of risks, such as risk for non-navigation and threats to cyber security. In this article, the launch of new ventures across the globe highlights recent developments to build autonomous vessels.

In addition to the recent paradigm change in the maritime market, it also examines the human or combination effect of the MASS on laws, technology and industries (Magnus, 2018). The initial change began in 1900 when the First Industrial Revolution incorporated a mechanised power and steam powered the vessels using coal as a fuel. The next phase of the Second Industrial Revolution began in the early 20th century, when diesel engines were invention and the vessels using oil as a new fuel were made more powerful and stable. In the 1970s the third industrial Revolution of the internet digital revolution incorporated computerised operation of ships. We are now making progress into the modern model of cyber-physical devices,

sovereignty and the incorporation of gas as a fuel, as part of "Shipping 4.0." as part of the (LNG) (Rødseth & Burmeister, 2015).

In the light of the issue of the consideration and study of autonomous ships, various research showed four reasons: the need for a safer working atmosphere for crews on board, and the possibility of the potential shortage for seamen; attempts to cut the costs of transport; the global need to minimise pollution and need to improve shipping safety. While on the other hand, it could be identified that the time and the different types of regulatory interventions does have the ability to accelerate, retard, and also the same time it does even have the ability to prevent the adoption of the technologies that has been selected. It needs to be taken into account that there is a mutual influence between the technologies and the regulations at the same time of the implementations that are being made. Therefore, from the above discussion, it could be easily identified that in order to take the optimum advantage of the benefits that will be offered with the introduction of the new technologies, at the same time it could be said that efficient approaches becomes extremely crucial for the regulations to be covered within a timely manner.

Businesses have been adopting several advanced and new technologies and the main purpose behind this shift is quite similar for each and every business which is to improve the performance of the business, cost reduction is another primary factor behind the shift and also at the same time in order to enhance the safety of the entire business and make it significantly safe. However, it is important to understand that there is a gap between the amount of time that has been utilized for the development and exploit technology and the ability of the regulators to formulate codes and also at the same time the practices that actually gives rise to the different vulnerabilities. Conventionally, it could be seen that, every time the responsibility has been ascribed to the human agents or different organizations which are considered as the legal entities,

and one such example could be the shipping companies. Moreover, it is a fact that, it gets extremely difficult to ascribe the responsibilities related to the wrongdoing to an algorithm at the time when it is not taken as legal or even amoral agent. The issue related to the same or the challenges related to the same gets discussed in connection to the, or the relation to the automotive industry. There are certain debates that are still relevant to the concept of self-driving cars which also includes the testing of the traditional examples of the moral dilemmas connected to the same (Etzioni and Etzioni, 2017).

#### Discussion

In Western Europe, the United States of America is the most important partner since World War II. But it is also the region, while Brussels uses it as a prototype for the taking of decisions that presents a challenge for the European Union. First of all, a coalition of countries should be formed that will play an important role in stopping the spread of communism in the western part of the continent. Washington established the North Atlantic Treaty Organization after the granting of Marshall Assistance, with the objective of creating a military shield and protecting American capital investment (Cascio & Montealegre, 2016). The USA also promoted the process of European unification, but never allowed the Member States to form a European army of their own, even though one still was and still is needed.

The NATO membership is not limited to only six of the 28 EU Member States. Aside from the non-existent military, significant tales of prosperity such as the common currency have become too important worldwide and begun to put the status of the US dollar as a world currency into jeopardy (Schimmelfennig, Leuffen & Rittberger, 2015). That is why a propaganda drive in the English language media, in which British and American journalists spoke about the

crisis in Greece, was being held against the Eurozone and instilling that the EU is still fragile. In addition, they were also reporters of serious problems facing Ireland, Italy, Portugal and Spain. Using soft power tools, worldwide people began to suspect that the European monetary unrest is not secure and that maintaining it is very irrational. Great Britain was a significant player in all these deeds, and they are the USA's nearest partner in the EU.

However, they seem to go too far with their referendum and Washington tries to persuade London to sit there. The explanation is clear: its markets and businesses are rather interrelated and without British membership, the American impact on Brussels' decisions will be less pronounced. Finally, but not least, any terms need to be said on the negotiation of the transatlantic partnership for trade and investment (Nagy, 2016). In the area of the Pacific, an object of academic research has emerged as well as a centre of significant political, scientific and artistic activities by Pacific Islanders themselves, with current (geo) political and economic changes as well as the continuing transpacific movement of human, ideas and commodities. Humanities scholarship is characterised by the effort to put the Pacific region and the Pacific studies into a crucial connection with other fields of research, including Atlantic, oceanic, and archipelagic studies. This strategy has significant promise, but also a range of obstacles.

The promotion of a conversation of the Pacific studies with other fields of study threatens to reduce the former to a mere reference. In addition, there is the possibility that Euro-American colonial discourses can repeat themselves which, from the trips of James Cook to and mappings of the Pacific, have put the Pacific area and its inhabitants under various project and wishes (Wesley-Smith & Goss, 2017). In its influential essay "Our Sea of Islands," Tongan scientist Epeli Hau Azofa urged a review of the Pacific, rather than the prism of western epistemology and imperialist interest, but rather as a place for himself, in which the islands and cultures are

constantly transformed and linked, and not separated, to the seas that surround them (Hau'Ofa, 2017). As the maritime sector grows quickly, it is difficult to locate sufficiently trained seamen. Lloyds Register (LR) in particular (2017) anticipates substantial shortcomings in 2025 for eligible officers and crews. In addition, the advancing of MASS created questions about the reduction in the number of sailors and workers to be replaced by Artificial Intelligence (AI) and self-supporting networks (Agarwala & Guduru, 2017).

In the other hand, this pattern, which will need highly qualified personnel and operators, particularly with technology and IT systems expertise will be pursued in the future. An automation will compensate for the expected labour deficiency. Reload and self-employed operations are going to move a large number of seamen's workers to land-based SCC, and open the industry for a new number of people who find a more desirable maritime profession, onshore. Self-employed vessels are also expected to improve seafarers' quality of life. If boats are checked from the shore, they mitigate the difficulties arising from long periods of time on board and the potential for maritime incidents. Given the declining number of seafarers, developing qualifications requirements for on-shore MASS operators and providing appropriate instruction and training would be very critical. The operators should be accredited according to the International Training, Certification and Check-up Standards Convention (STCW).

The operators should be certified as required. New certification levels or knowledge, understanding and expertise should also be established in the STCW Convention (KUP). The high dependency on software and on synchronisation resulted in cyber safety risks for remote control and autonomous ship management. As the self-sufficient concept of the ship would be highly dependent on board and offshore IT networks, cyber-attacks are much more possible than traditional vessels. Cyber terrorists could hack the contact channel and directly control the

function for the remote control function. The more software and connectivity based the operation of a port, the more vulnerable it is to such threats (DNV, 2018). In addition, emerging problems in defence will materialise as malice operation develops and new technology like the Internet of Things (IoT) arise and more than ever adequate protection for cyberspace structures, networks, and data will be essential.

## Conclusion

On a concluding note, it could be easily identified that the implementation of the MASS for renewable fuels will launch a new era in the shipping industry and will create a new paradigm change in cost effectiveness, in the prevention of accidents and human capital. Nevertheless, recent and very clear questions concerning treaties and legislation on safety, security and climate conservation need to be addressed. Therefore, before the integration of MASS into merchant shipping more holistic, international and consolidated approaches need to be taken into account with current legislative mechanisms of the MASS, so as to deter marine collisions and protect the atmosphere.

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