



GLOBAL ETHICS

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Executive Summary

Uber, a multinational corporation, has encountered various ethical dilemmas in its global expansion. These challenges stem from its business model, which relies on a flexible labor market, leading to controversies over drivers' rights and interests. Cultural conflicts and legal compliance issues further complicate Uber's operations in different countries. To address these challenges, Uber has established ethics and compliance teams and adopted a local strategy to adapt to cultural and legal differences. However, achieving a balance between global consistency and local adaptability remains a significant challenge for Uber and other multinational companies.

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1.0 Introduction

In the era of globalization, multinational corporations like Uber have faced numerous ethical challenges as they expand into diverse markets. Uber's global operations have sparked debates regarding its adherence to local laws, cultural norms, and ethical standards. This paper delves into the intricate relationship between globalization and Uber's ethical behavior. It examines how Uber has adapted its business model to various cultural and legal frameworks, the ethical dilemmas it has encountered, and its efforts to address these challenges. By analyzing Uber's case, this paper aims to provide insights into the ethical considerations that multinational corporations must grapple with in today's interconnected world. Understanding Uber's experiences can serve as a valuable lesson for other companies navigating the complexities of global expansion.

2.0 Ethical dilemmas faced by Uber and adherence to the principles of response

Uber has faced a variety of ethical challenges in different countries. Katta, S., Badger, A., Graham, M., Howson, K., Ustek-Spilda, F. and Bertolini, A. (2020) point out that in some regions, the employment mode of drivers has aroused controversy, which is similar to the insufficient protection of workers' rights and interests in the "gig economy". Drivers work long hours, earn unstable income, and lack the welfare protection in traditional employment relationships, which is in conflict with local moral expectations for the protection of workers' rights

and interests. In some countries, Uber's operation model has impacted the local traditional taxi industry, causing industry protests and social order concerns.

Uber has had a mixed record of adhering to principles in dealing with these issues. On the one hand, in respect of core human values, it is committed to providing users with convenient and efficient travel services, which to a certain extent conforms to the basic human pursuit of improving the quality of life, and meets people's core demand for travel convenience. However, it lacks in the protection of drivers' rights and interests, and fails to fully respect the core value of reasonable remuneration and job security for workers. On the other hand, while respecting local traditions, Uber entered some areas with strong religious culture, because it failed to fully consider the special times of local travel demand, such as the special situation during religious festivals, and the adaptation of special regulations for female passengers and drivers, which caused cultural conflicts and exposed its shortcomings. In addition, when considering the behavioral background, in the face of the complex traffic regulatory policies of various countries, Uber adopted a relatively aggressive expansion strategy at the beginning, ignored the differences in the transport infrastructure and regulatory background of different countries, frequently fell into conflicts with regulatory authorities, and failed to adjust its operation mode in a timely and effective manner according to the actual local situation.

3.0 The relationship between globalization and Uber's ethical behavior

Globalization allows companies to operate in different countries and regions,

facing their own unique cultural and ethical standards. Nguyen, N.T.T., Nguyen, N.P. and Hoai, T.T. (2021) point out that businesses need to understand and adapt to local values and social expectations to ensure that their business practices are widely accepted. Companies in different markets may need to adjust their business practices to meet local ethical standards. D'Cruz, P., Du, S., Noronha, E., Parboteeah, K.P., Trittin-Ulbrich, H. and Whelan, G. (2022) shows that transparency and integrity are highly valued in some cultures, In other cultures, efficiency and profit may be more important. The relationship between globalization and ethical corporate behavior is increasingly complex, especially for multinational companies like Uber that operate in multiple countries and regions. In its global expansion, Uber has adopted a local strategy to adapt to the cultural and legal environments of different markets.

Globalization brings with it the challenge of different legal frameworks. Al Halbusi, H., Tang, T.L.-P., Williams, K.A. and Ramayah, T. (2024) point out that companies must comply with national laws and regulations, which may involve many aspects such as labor rights, environmental protection, and consumer rights. Saidbek Mamasoliev (2024) points out that when companies operate globally, they must ensure that their actions comply with local legal requirements to avoid legal risks and reputational losses. Uber's operating model is considered illegal in some countries, leading to bitter conflicts with the local taxi industry.

With the development of globalization, there is increasing public concern about

corporate social responsibility (CSR). Roy, T. (2022) pointed out that companies should not only pursue economic benefits, but also pay attention to their social and environmental impacts. Vasudevan, K. and Chan, N.K. (2022) point out that Uber's treatment of drivers as independent contractors rather than employees has sparked a global controversy over labor rights. Laws in many countries require companies to provide benefits and guarantees to employees, and Uber's model allows it to circumvent those responsibilities. Whether enterprises should assume greater social responsibility to protect workers' rights and interests. Cram, W.A., Wiener, M., Tarafdar, M. and Benlian, A. (2022) point out that Uber's business model relies on A flexible labor market, which makes it face ethical challenges regarding workers' rights and interests. Wiener, M., Cram, W. and Benlian, A. (2021) pointed out that algorithmic control has an impact on Uber drivers' work pressure, which may lead to A decline in drivers' job satisfaction. With the increasing awareness of workers' rights and interests, society's expectations on Uber and other companies are also rising. Prompting it to re-examine its business model.

To address these ethical challenges, Uber has established Ethics and compliance teams across its global operations to ensure that employees adhere to the company's ethical standards. The team is responsible for developing policies, processes and controls to prevent and respond to unethical behaviour. Despite these mechanisms, however, Uber has faced criticism in the past over sexual harassment and workplace culture issues, suggesting that culture building may not have kept pace with the business amid its rapid expansion. Ayata, Z. and Onay, I. eds., (2021) show that such

cultural loss may lead to employee dissatisfaction and decline in public trust, which will affect the long-term development of the company.

As globalization has grown, so have consumer expectations for corporate transparency and trust. Uber has enhanced user trust through data sharing and transparent management, but its problems with data protection and privacy continue to plague the company. For example, Uber faced legal action for failing to properly handle user data, which shows that in a global environment, companies need to pay more attention to compliance and ethical standards. Consumers are increasingly concerned about how companies handle their personal information and whether it is properly protected.

4.0 Cultural relativity and Uber's ethical behavior

Cultural relativity holds that different cultures have their own unique values and moral standards, and one culture should not be judged simply by the standards of another culture. Iyer, G.R. (2021) shows that this theory is particularly important in the operation of multinational corporations because companies face different laws, social norms, and ethical expectations in different countries and regions.

Iwan Koerniawan, Sulartopo, Wesly Tumbur MI Tobing and Miftahurrohman (2024) pointed out that laws and regulations vary from country to country, Multinational companies need to maintain consistency in their global operations while complying with local laws. As Uber has expanded globally, it

has often had to adapt its business model to local markets. Shi, X. (2024) pointed out that in some countries, Uber's operating model may be contrary to local taxi regulations, which leads to conflicts with local governments and industries. Giddy, J.K. (2021) point out that this situation reflects ethical differences in cultural relativity, and that Uber must find a balance between following the business philosophy of its home country and adapting to the laws of its host country. In order to effectively address these challenges, Uber needs to have a deep understanding of cultural contexts, legal frameworks, and societal expectations in order to take these factors into account when formulating its strategy.

Xiong, Y., Jiao, J., Wang, J. and Yim, M. (2022) pointed out that Uber treated drivers as independent contractors rather than employees, a practice that elicited different reactions in different cultural contexts. de los Reyes, G. and Scholz, M. (2022) show that in some countries, this practice is regarded as exploitation and companies should provide more security and benefits for employees; In others, it is accepted as a form of flexible employment. Ermasova, N. (2021) shows that such differences highlight the need for multinational companies to take into account different views on labor rights and interests in global operations to formulate policies in line with local culture and laws. To manage these differences effectively, Uber needs to build a flexible policy framework that allows it to adapt to the needs of different markets.

Multinational companies need to establish a clear and uniform ethical framework to guide their global operations. Cornelissen, J. and Cholakova, M.

(2021) point out that Uber can achieve better ethical compliance by developing global corporate social responsibility standards while allowing local teams to make appropriate adjustments according to local conditions. This approach not only enhances a company's global consistency, but also increases its credibility and acceptance in local markets.

In order to ensure that employees understand and accept the company's ethical standards, Uber should implement systematic ethics training. This not only helps employees identify with the company's values, but also reduces misunderstandings and conflicts caused by cultural differences. Through regular training and communication, Uber can enhance employees' understanding of the company's mission and social responsibility, thereby enhancing the overall work atmosphere and ethical standards.

5.0 Application of CSR model (Carroll's CSR pyramid) in Uber

CSR model is the pyramid model of corporate social responsibility, which covers four levels of responsibility: economy, law, ethics and charity. de Magalhaes, C.M.R. (2023) pointed out that multinational companies should take advantage of global resources to optimize production, create employment and return to shareholders in terms of economic responsibility. In terms of legal responsibility, strictly abide by local laws and regulations to ensure fair competition and intellectual property rights; Among the ethical responsibilities, protect the rights and interests of employees, pay attention to environmental protection, control the supply chain and safeguard the rights and interests of

consumers; Within the charitable responsibility, we actively participate in local public welfare, help community development, and look to the world to jointly solve major problems such as poverty and disease.

5.1 Economic Responsibility

The emergence of Uber is like an innovative force that has injected new vitality into the global labor market. Moon, J., Hwang, J. and Won Seok Lee (2024) pointed out that the number of driver jobs directly created by it is huge, and tens of thousands of people in many cities take this opportunity to get flexible employment, which solves the livelihood problems of some groups.

From the perspective of consumers, Uber has significantly reduced travel costs and broken the relatively monopolistic pricing situation of the traditional taxi industry. HO, N.-C. (2022) pointed out that in the past, it was difficult and costly for passengers to take a taxi during peak hours, but Uber, through intelligent algorithm optimization and allocation of vehicles, not only greatly shortened the waiting time for a bus, but also suppressed travel price fluctuations to a certain extent by dynamic pricing mechanism, making people travel more affordable. This efficient and convenient travel mode also indirectly stimulates consumption, such as people are willing to eat out and shop more frequently, adding impetus to urban commercial activities and promoting economic growth.

However, Uber's low price competition strategy has also caused a lot of

controversy. In some areas, it has depressed prices excessively, upsetting the original balance of the market, and causing the income of traditional taxi industry workers to drop sharply. Many drivers who rely on taxi driving for a living are faced with the loss of customers, a sharp decline in income, and some even find it difficult to make ends meet, leading to increased economic pressure on their families, triggering social unrest and casting a shadow over the sustainable development of the industry.

5.2 Legal Liability

During Uber's global expansion, legal compliance issues have always followed, and it has been Mired in frequent legal battles. de los Reyes, G. and Scholz, M. (2022) pointed out that in terms of data privacy, with the deepening of digital operation, Uber has mastered a large amount of personal information of users and drivers, including ride records, contact information, payment information, etc., but it has repeatedly exposed data leaks. Arouses great public concern about personal privacy and security. For example, there were hacking incidents that led to the exposure of millions of user data, and Uber not only faced huge fines, but also suffered a serious crisis of trust and brand image.

In terms of disputes regarding the identification of drivers' labor relations, Amoako, G.K., Dzogbenuku, R.K. and Kumi, D.K. (2021) pointed out that Uber was always at the forefront. Because it adopts the "gig economy" model, the nature of the employment of drivers is ambiguous, which is different from the fixed salary and social security benefits of traditional employees, and is

different from that of complete freelancers. Different countries have different labor laws and regulations, and some regions judge that Uber should provide drivers with regular employee treatment, including minimum wage guarantee, working hours limit, social insurance contribution, etc., but Uber did not fully adapt to these laws and regulations in the early stage, and willfully violated the rules, resulting in frequent conflicts with driver groups and regulatory authorities. Although it realized the seriousness of the problem and made some adjustments in the later stage, the bad mark left in the early stage still affected its reputation, reflecting its disregard for the legal bottom line when operating globally.

5.3 Ethical Responsibility

From a passenger's perspective, Uber has been riddled with lapses in ride safety. Turnbull, A. (2022) pointed out that drivers harassing passengers and other egregious incidents were exposed from time to time, causing the public to question their bottom line of ethics and morality. There have been news reports that female passengers encountered verbal harassment and even threats from drivers while riding at night. These incidents not only brought physical and mental trauma to the victims, but also quickly spread through social media, triggering widespread social attention and causing the public to greatly question the safety of Uber. In addition, in the background examination process, Uber did not strictly review the qualification of drivers in the early stage, resulting in some people with criminal convictions or bad driving records mixing in the driver team, further aggravating safety risks.

In the face of drivers, Uber has also failed to fulfill its due responsibility. Brown, G. and Peterson, R.S. (2022) explained that the lack of rights and interests protection violates the principle of fair and impartial treatment of partners, leading to tension with drivers and affecting service stability and reputation. Drivers work long hours, but due to high platform percentage, unstable reward mechanism and other factors, the income is meager and unstable. Moreover, they lack basic rights and interests such as labor protection and vocational training, such as driving in bad weather, the lack of safety protection materials for drivers themselves, once an accident occurs, follow-up compensation and support are not in place, which discourages the work enthusiasm of drivers and increases the turnover rate, thus affecting the passenger's ride experience.

5.4 Charitable Responsibility

Although Uber has bright points, Wang, D., Ozbay, K. and Bian, Z. (2021) pointed out that during some disaster relief, Uber has taken advantage of its platform to help evacuate people and deliver relief materials, showing its public responsibility. After earthquakes, floods and other natural disasters, local traffic is often paralyzed, Uber quickly organized volunteer drivers, using its accurate positioning system and huge vehicle network to open up green channels for rescue teams, timely transfer the affected people to safety, and buy precious time for disaster relief work. At the same time, relief supplies were delivered free of charge to ensure the supply of basic living materials in the disaster areas.

However, in general, such charitable activities lack of systematic and sustainable, fail to deeply integrate into the corporate culture, build a normal public welfare mechanism, only occasionally, difficult to form a strong social influence, and do not match the scale and influence of the enterprise. In daily life, Uber rarely takes the initiative to carry out long-term public welfare projects, such as addressing the difficult travel problems in poor areas and helping disadvantaged groups with employment training. It does not integrate the charity concept into its daily operation, resulting in a weak public perception of its public welfare image and a failure to give full play to the leading role that large enterprises should play in the field of social welfare.

6.0 Conclusion

Uber's global operations have highlighted the complexities of ethical behavior in a multinational context. Despite revolutionizing the transportation industry with convenient and affordable services, Uber has grappled with significant ethical challenges, including driver classification disputes, cultural conflicts, legal compliance issues, and ride safety concerns. As Uber continues to expand, it must navigate these challenges by striking a balance between global standardization and local adaptation, ensuring compliance with ethical standards, and addressing societal expectations. Addressing these issues will be crucial for Uber to maintain its credibility and acceptance in diverse markets worldwide.

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