

The Relationship Between Ethical Business Practices, Government Regulations, and Consumer Rights: An Examination in Saudi Arabia

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Introduction

Is acting ethically always good for business, and acting unethically always bad for business? There is a great divide on this question among business operators (e.g., Callahan and Boyle, 1995; Goodpaster and Phillips, 1985; Hartman, 1994; Stewart, 1996). There are arguments and evidence for both positions that 'ethics can be good for business' and that 'ethics should not get in the way of business goals.' The business ethics advances a number of arguments for acting ethically (e.g., Bowie, 1985; Lippke, 1999; Martin, 1998; Narvan Associates, 1993). One argument is that unethical business practices can lead to immediate and/or potential legal troubles. On the other hand, businesses that act ethically can project a positive public image, which in turn, can contribute to business profitability. Beyond these reasons, it is argued that businesses should act ethically simply because it is the right thing to do.

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