

What is Cosmopolitan business ethics?

- Aspects of global corporate citizenship

Abstract

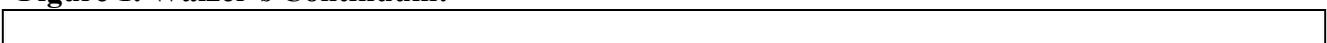
In this chapter I argue that international business ethics and human rights help to build norms of global civil society pointing towards perpetual peace in the global community. An important aspect of this is the idea of republican business ethics defined as involvement of corporations for the common good, *res publica*, expressed in the concept of corporate citizenship with integrity and responsibility. Integrity matters as self-imposed norms of international corporations in order to ensure accountability and trust. Integrity is analyzed as a function of business ethics of corporations and human rights obligations of business in the guidelines for international business norms. The need for a universal regime of business ethics and human rights is discussed and the paper also promotes the concept of corporate citizenship as an important development of integrity and responsibility in international business. Corporate citizenship can be defined as global corporate citizenship aiming at developing a *world ethos* of common cosmopolitan ethical principles and norms of the international community based on human rights and business ethics.

Introduction

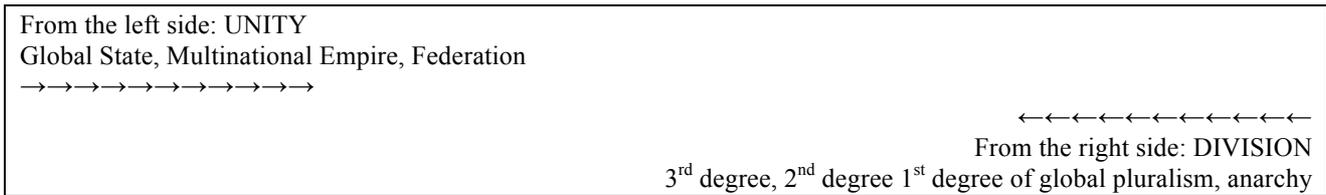
In the article “Governing the Globe” the political theorist Michael Walzer presents a framework for understanding the future constitutional structures of world society. He draws a line of continuum from total anarchy to a global state.¹ The issue is what kind of constitutional structure that would be most suitable for world society and in this context we can also ask what would be the role of corporations in markets and civil society.

From the left side called UNITY Walzer mentions Global state, Multinational Empire and Federation and from the right SIDE called DIVISION he defines 3rd degree, 2nd degree and 1st degree of global pluralism and finally world anarchy. In contrast to the government of strong empire and close to a weak federation, third degree of pluralism is a condition of the international community, where states build up international institutions without creating a supranational government.

Figure 1. Walzer’s Continuum:



¹ Michael Walzer: “Governing the Globe”, Michael Walzer: *Arguing about War* (New Haven & London: Yale University Press, 2004), 186.



Walzer's model is useful for understanding the framework of multinational corporate activities in the world community. The problem is how we should determine the right conditions of government of the world community and what relations government will have with non-state actors like corporations. In fact, dealing with business ethics of corporations we can say that they contribute to the formation of cosmopolitan political structures based on interactions between sovereign states and strong civil society actors like corporations and other organizations.

This situation implies a position, which is somewhere in the middle of Walzer's model, between federation and third degree of pluralism. Corporations function as non-state actors in the international community that contribute to the formation of global structures of decision-making built on a variety of social and political institutions.

The challenge of international business ethics is the requirement to develop ethical norms and institutional foundations of these norms that can help and guide companies in international business. In this sense there is a close connection between CSR and Human Rights in Business.² My argument is that we can perceive the construction of a regime of republican business ethics and global corporate citizenship as the normative basis for international business conduct. Important for this are basic ethical principles³ I will investigate that hypothesis more closely as the issue of development of particular norms and guidelines of values-driven management for multinational business practice.

We will discuss the following themes: 1) Towards cosmopolitan business ethics: Integrity and responsibility. 2) Human rights and universal ethical guidelines for international business. 3) Corporate citizenship and multinational corporations.

1. Towards cosmopolitan business ethics: Integrity and responsibility

As a response to all these problems and dilemmas of ethics in international business we may emphasize the positive significance of global trade and international interaction of business life. In

² Rory Sullyvan (Ed.): *Human Rights and Business. Dilemmas and Solutions*, Greanleaf Publishing, Sheffield 2003.

³ Jacob Dahl Rendtorff & Peter Kemp: *Basic Ethical Principles in European Bioethics and Biolaw* (Copenhagen & Barcelona, 2000).

the perspective of international institutional theory of regime-building⁴ as a way to overcome the concept of international relations as a power game of actors who are in a quasi-state of nature we can point to the potential possibilities of business to build and maintain international institutional bonds.⁵ Recent studies in international regime theory point to the fact that international interaction not only takes place on the level of high politics among states but indeed also at the level of commerce increasing selling and buying of goods among members of civil society.

Our view of international relations in the perspective of republican business ethics cannot but endorse the emphasis of the positive impact of international business relations on integration of world affairs. An enlightened cosmopolitanism based on the philosophy of Immanuel Kant argues for world peace and international cooperation as the aim of world history.⁶ As Francis Fukuyama has emphasized liberal society at the end of history is about business relations and cooperative recognition among civil societies.⁷ Capitalist economies have had tremendous influence on modernization and democratization of the world. With Kant we can try to formulate a minimum morality for international affairs, which could be used to outlaw unethical practices that cannot be submitted to the test of universal validity of the categorical imperative.

The philosopher Richard T. de George has with his book *Competing with Integrity in International Business* (1993) been one of the pioneers developing the concept of integrity as foundation for international business ethics. He defines integrity as a commitment to values and principles and as the capacity to act with consistency in and in accordance with their values and principles.⁸ Therefore, the concept of integrity of multinational corporations should be defined as the capacity to make self-imposed norms into moral norms and comply with international standards and codes of conduct. Naturally, this definition of integrity implies that these norms should be made in accordance with general moral principles.⁹

⁴ Walter W. Powell and Paul J. DiMaggio: *The New Institutionalism in Organizational Analysis* (Chicago and London: The University of Chicago Press, 1991).

⁵ In this context we may refer to the work of Keohane and Nye about regime theory in international politics, which overcomes the contrast between realism and idealism in the theory of international relations and argues that investigation into different regimes of co-operation shows increased interaction among states and people from civil societies of nations.

⁶ Norman Bowie: "A Kantian Approach to Business Ethics", Robert E. Frederick (ed.): *A Companion to Business Ethics* (Oxford: Blackwell Companions to Philosophy, Blackwell Publishing, 1999), 14.

⁷ Francis Fukuyama: *The End of History and the Last Man* (New York: The Free Press, 1990).

⁸ Richard De George: *Competing with Integrity in International Business* (Oxford and New York: Oxford University Press, 1993). See also Richard De George: "International Business Ethics", Robert E. Frederick (ed.): *A Companion to Business Ethics* (Oxford: Blackwell Companions to Philosophy, Blackwell Publishing, 1999), 234.

⁹ Richard De George: *Competing with Integrity in International Business* (New York and Oxford: Oxford University Press, 1993), 5-6.

In an effort to elaborate on the moral principles in the perspective of republican business ethics as an indication of good corporate citizenship, we can discuss some common conceptions of the morality of international business, which are mentioned by Richard de George.

The first attitude may be called the “Myth of Amoral Business”.¹⁰ This view is sometimes promoted by orthodox economists and it is the version of “the business of business is business” argument with regard to international relations. The view maintains that the major concern of business corporations in international relations is to be concerned with economic efficiency of earning money without being concerned with moral affairs or issues of development politics. What is important for international business is to be able to operate at the free market and have as much liberty as possible in order to act on that market. Although, I would agree that we should not forget issues of efficiency in international economics, we may show the limitations of this view by emphasizing how commerce and trade in a multicultural context cannot abstract from the impact of social norms on business. Western capitalism is not easily integrated in the traditional values of many developing countries and without concern for the impact of these values on business multinational corporations. Therefore in these countries we do not have a strict separation between markets and social values and it is in addition even more difficult to maintain a strict separation between economics, ethics and politics as it is the case in the Western countries.

The second view may be a rather different conception regarding business ethics and morals as important for good business, but only so in a pragmatic way as something you cannot avoid taking into account. This view is called “When in Rome do as the Romans do”.¹¹ It states that business corporations should work according to the ideals of the country in which they operate. If these countries require expensive gifts for business transactions or are used to strong discrimination of employees and accept racism then you have to accept their view even though you would not do the same thing in your own country. This view is based on a kind of ethical relativism saying that you should respect the values and norms of the country you visit. But at home you go back to your own ethical values.¹² This concept implies that the multinational corporation acts according to the norms of the country where it has business interactions. This might imply that the corporation changes behavior when it leaves the country and that it has different strategies in different countries.

In the view of republican business ethics we may agree with the implication of this view, which is the requirement to accept and understand aspects of local customs of the countries with

¹⁰ Ibid.

¹¹ Ibid.

¹² Richard De George: “International Business Ethics”, Robert E. Frederick (ed.): *A Companion to Business Ethics* (Oxford: Blackwell Companions to Philosophy, Blackwell Publishing, 1999), 235.

which you do business. However, there is a delicate balance between criticism based on universal convictions and a converse ethnocentrism based on the universalization of doubtful values from one's own culture. With De George this opposite position of ethnocentrism may be called "Act in the American way" implying that US corporations or European corporations should follow strictly their own local American or European traditions as they act in other countries. The idea is that Western corporations should follow their own ethical values and norms when they deal with local trade partners and workers.¹³ However, this idea of following your own values without hermeneutic openness to the customs of other traditions is in danger of implying a cultural imperialism, which is ignorant of the local values of other cultures.

Sometimes such an unreflective universalization of Western values end up in a kind of a naive moralist thinking believing in the possibility of a universal morality for corporations acting in different countries. This point of view quickly meets the reality of a global and multicultural way of life in many different countries, which have very different concepts of ethics and morals. What is important for the idea of republican business ethics is a situated view of the possibility of universalization as a critical hermeneutics taking into account the integrity and particularity of national culture.¹⁴

The idea of organizational integrity based on self-imposed norms may not be very simple. What is important in De George's analysis is that "integrity matters" and that "integrity really makes a difference". To act with integrity means that you cannot compromise on your fundamental principles and values.¹⁵ Therefore if the firm is committed to human rights, it cannot do business with countries or partners who makes violations on fundamental human rights, because this would be incoherent with regard to basic ethical principles. From the point of view of republican business ethics we can say that the self-imposed norms of the firm include the respect for basic ethical principles of autonomy, dignity, integrity and vulnerability of human persons. Moreover, the ethics of self-imposed norms requires constant and independent exercise of judgment in order to establish basic values of interaction in international business. Thus, corporations need to formulate guidelines and ethical codes of conduct to compete with integrity in international business.

¹³ Richard De George: *Competing with Integrity in International Business*, (Oxford and New York: Oxford University Press, 1993).

¹⁴ Jacob Dahl Rendtorff: "Critical hermeneutics in law and politics", Lars Henrik Schmidt: *Paul Ricœur in the Conflict of Interpretations* (Aarhus: Aarhus University Press, 1996).

¹⁵ Joseph R. Desjardins & John J. McCall: *Contemporary Issues in Business Ethics*, Fourth Edition, (California: Wadsworth, Thomson Learning, 2000), 495.

2. Human rights and universal ethical guidelines for multinational corporations

In fact we can analyze an element of strong regime-building in international relations as basis for promotion of such guidelines for multinational corporations. In some cases it may even be argued that the process of formulating guidelines and codes of conduct for business goes beyond or lies in forefront of what has been possible to achieve at the level of national regulations, because these are still very dependent on the cultural frameworks of tradition and culture of the nation states. Applying Richard W. Scott's definition of institutions at international guidelines we may conceive these guidelines as something which contributes to the shaping of international institutions in so far as an institution is conceived as a set of "cognitive, normative and regulative structures and activities that provide stability and meaning of social behavior".¹⁶ But the emergence of international regimes may even have economic interpretations, because they may contribute to reduce transaction cost in regard of public criticism of dubious ethical behavior of international corporations.

In this context I would like to defend the idea of the emergence of an international human rights regime as the foundation of the minimum norms to guide the action of multinational corporations. This is the fundamental meaning of the power of human rights in business and economics.¹⁷ This human rights regime can be said to have emerged out of the international declarations and conventions on human rights.¹⁸ The 1948 Human Rights Declaration has laid the basis for the later conventions on political and social rights. Also declarations on cultural rights and on the protection of the human genome in technological development can be mentioned. These conventions have been adopted by most countries in the world and human rights function as a reference of discussion and improvement even for states that do not fulfill their international obligations with regard to the protection of human rights.¹⁹

Some of these international conventions and declarations have direct impact on corporations, for example when they concern work conditions, protection of children or deals with the freedom of assembly. But we can also mention specific codes of conducts and regulations of soft law concerning multinational corporations directly. The international labor organization (ILO)

¹⁶ Richard W. Scott: *Institutions and Organizations* (London: Sage Publications, 1995), 33.

¹⁷ Jacob Dahl Rendtorff: "Institutionalization of corporate ethics and social responsibility programs in firms" In Buhmann K, Roseberry L, Morsing M, eds.: *Corporate social and human rights responsibilities: global, legal and management perspectives* (London: Palgrave Macmillan, 2011), pp. 244-266

¹⁸ James W. Nickel: *Making Sense of Human Rights* (Berkeley: University of California Press, 1987).

¹⁹ An important actual process is the work of the Human Rights Commission of the United Nations in order to formulate an international policy on the "Social Responsibility of Business Corporations"

has worked with formulating a number of codes of conduct for workplaces all over the globe. The World Health Organization (WHO) has formulated similar recommendations within controversial health issues, for example on pharmaceutical companies and their distribution of drugs or marketing of controversial products.²⁰ Moreover, we can mention guidelines and regulations from the World Trade Organization, from the World Bank, the OECD Guidelines for multinational corporations and not least the Global Compact principles from the United Nations' summit on World economic affairs in 1999. The Global Compact has really been an important strategic policy initiative to support the universal principles of human rights in the context of international business.²¹ All these organizations contribute with their guidelines to create soft law regimes of common values and norms of cooperation of international business organizations.

It is in this context that we should consider the global reporting initiative that is an accounting and certification instrument ensuring sustainability and human rights on the basis of UN standards. Moreover, SA8000 is also directed towards documentation of whether the corporation complies with international norms for protection of human rights. The important work of the United Nation's Human Rights Commission has implied a proposal for principles for the responsibility of corporations for human rights.²² This resulted in the establishment of the UN guiding principles for business and human rights. These norms represent an important initiative to formulate internationally binding norms for international corporate citizenship that combines human rights and business citizenship.²³ They have to go through the system of negotiation of the UN and all stakeholders, investors, public authorities, unions and NGOs are included in the debate on these norms. So we can talk about an international binding human rights regime for business corporations.

Norman Bowie argues on the basis of Immanuel Kant's philosophy that moral obligations of multinational corporations in the international community can be justified. Indeed, multinationals can help to promote democracy and freedom when they follow the morality of Kantian capitalism, which implies a universal morality of the market.²⁴ Bowie argues that cultural relativism is incoherent. Cultural relativism ends in individual relativism and there is no argument against

²⁰ Thomas Donaldson: "Moral Minimum for Multinationals" in *Ethics and International Affairs*, 1989, Volume 3, 164.

²¹ Andreas Rasche and Georg Kell (Eds.): *The United Nations Global Compact. Achievements, Trends and Challenges*, (Cambridge: Cambridge University Press 2010).

²² Peter Pruzan Jørgensen: "FN ønsker erhvervsliv med samfundsansvar", *Kronik, Berlingske Tidende*, Marts 2004. See also Rory Sullivan (ed.): *Business and Human Rights. Dilemmas and solutions* (London: Greenleaf Publishing, 2003).

²³ <http://www.business-humanrights.org/media/documents/ruggie/ruggie-guiding-principles-21-mar-2011.pdf>

²⁴ Norman Bowie: "The Moral Obligations of Multinational Corporations", Steven Luper-Foy: *Problems of International Justice* (Boulder Colorado: Westview Press, 1988).

realism and free rider opportunism in international relations. Hence, the universalist position seems preferable, because it helps formulating stable norms to guide multinational corporations. And this position is more closely connected to the reality of international relations, in which countries are boycotted and banned by corporations because of human rights violations or racist policies.

In case that we accept the universal position we cannot deny that multinational corporations have obligations in international politics. These obligations would imply that they should respect the minimal moral rules of morality of the countries in which they operate.²⁵ In cases where there may be rules with universal justification, which although not practiced internationally, but in the given countries, then the corporations also would have to promote and respect such rules. Moreover, when the foreign countries follow moral principles that cannot be universally justified, multinational corporations should stand to their integrity and refuse to apply these rules.

In so far as they accept the market morality of capitalist society, multinational corporations may, as we emphasized in relation to regime building, even have an active role to play in promoting universal norms for the international community. We can emphasize that corporations already contribute to build this morality by following the good customs and the laws of healthy markets implying reliability in contracts, promise-keeping, truth-telling and establishment of reciprocity and mutual trust relations among business partners. When multinationals follow and promote such rules of markets and when they keep the norms of local cultures, that are universally justified, they are helping to construct international regimes of economic behavior that may help to promote democratic attitudes in different parts of the world.

From the perspective of Kantian morality, systematic free-rider opportunism would be contrary to this morality of the market, which is implied in the capitalist economic attitude considering freedom to buy and sell goods at the market as essential for economic prosperity. And the full consequence of this approach would be necessary respect for human rights as a precondition for economic freedom, because racism, discrimination or deprivation of liberty simply is inefficient and represent a hindrance for development of free economic markets.

Therefore, principles of human rights, codes of conduct and values-driven management for multinationals in the international community may both help to stabilize, shape and form the activities of the corporation, while at the same time representing an active contribution to the promotion of democratic values in the cultures of the countries in which they operate. However, there is still the problem of defining exactly which norms and values, which are truly universal and

²⁵ Ibid. 528.

not only being mistaken reflections of Western ethnocentrism. Therefore, the task of developing codes and norms of conduct at the international level is very subtle and time consuming process. We need global values but the process of value-creation has to take carefully account of the plurality of values in the international community.

In this context we may refer to John Rawls' discussion of the possible agreements in international relations in his work on *The Laws of Peoples* as a reply to international regime theory. John Rawls' theory of the laws of peoples can be considered as an effort to find a common point of view besides the comprehensive doctrines, which characterizes different local cultures in the international community.²⁶ Rawls interprets the laws of peoples as a result of a double process of constituting a social contract. Ideally, a democratic republic is the result of rational deliberation among free individuals who choose to live in a democracy. Rawls' concept of the original position is considered by him to be a hypothetical situation of interpretation of a social contract. Ideally, after a democratic regime is constituted with the social contract it chooses to form an international community with others and hypothetically it enters a second or similar situation of a social contract which becomes the foundation of the laws of peoples between states. The laws of people are founded on an original contract between states and on use of free public reason.²⁷ The idea of a universal law between states and of a protection the humanity of world citizens is realistic because it is built on democratic principles and because it recognizes pluralism and the impossibility of a world state. The idea of laws of peoples is built on agreements between different state with democratic constitutions and overlapping consensus. The principle of toleration of difference and pluralism seems to be important in such a "realistic utopia".

3. Corporate Citizenship as global cosmopolitan citizenship

With his concept of the laws of peoples Rawls gives us the foundation of citizenship in international society. However, the question remains whether corporations can be citizens. With the many important international guidelines we can perceive the framework for the concept of global corporate citizenship in international relations. Jeanne M. Logsdon and Donna J. Wood argue that global business citizenship implies that the libertarian free market thinking is replaced by a sort of communitarian approach based on the promotion of citizenship in different countries. However, with the concept of global citizenship they also emphasize that we need to go beyond the nation

²⁶ John Rawls: *The Law of Peoples*, Oxford University Press, New York 1999.

²⁷ Ibid, 56.

state in order to establish a firm basis for global business ethics.²⁸ With this article the authors want to redefine CSR and values-driven management in terms of corporate citizenship. The authors continue with the discussion whether the rights and duties of individual citizens can be used as a useful concept for understanding the role of corporations in society. While the corporation at the national level emerges as a responsible actor that is committed and engaged in the community, corporate citizenship at the international level means that the organization is committed to hyper-norms while at the same time recognizing the free moral space of specific cultures.²⁹ When we consider the corporation as a universal citizen, a member of the international community, we acknowledge that corporations are entitled to work for their stakeholders and contribute to the positive development of the international community.

We may therefore argue that this concept of global business citizenship encompasses both the concept of respect for human rights and the concept of corporate social responsibility (CSR).³⁰ The idea of citizenship at the international level is based on the idea of the morally responsible corporation which is the foundation for policies on corporate social responsibility. To argue for good corporate citizenship at the international level is to focus the notion of CSR on a specific conception of the corporation and its obligations towards the international community. In international business self-regulation of corporations from the point of view of corporate citizenship is the solution to the definition of the corporation in society. It is important to notice that the obligations of business to society are based on this adaptation of the concept of global corporate citizenship.

We may argue that the defence of human rights is very important for the development of citizenship at the international level. Human rights may be considered as a level of foundation of universal ethical principles. Focus on human rights implies that the good society protects basic rights of individuals and it finds the right balance between protection of those rights and development of welfare policies for the community. As good corporate citizens, corporations comply with the Universal Declaration of Human Rights and they work to promote business ethics on that foundation. We can say that the corporation takes part of a macro-social contract where they follow universal ethical principles.³¹ However, it is also important to recognize the cross-cultural variations

²⁸ Jeanne M. Logsdon & Donna J. Wood : “Business Citizenship : From domestic to global level of analysis”, *Business Ethics Quarterly*, Volume 12, Issue 2, 155-187.

²⁹ Ibid, 156.

³⁰ Jacob Dahl Rendtorff: *Responsibility, Ethics and Legitimacy of Corporations*, Copenhagen Business School Press, Copenhagen 2009.

³¹ Jeanne M. Logsdon & Donna J. Wood : “Business Citizenship : From domestic to global level of analysis”, *Business Ethics Quarterly*, Volume 12, Issue 2, p. 170.

that are permitted within consistent local norms and a free moral space as long as they do not violate the hypernorms of macro-social contracts. From the strategic perspective this means that corporations actively should engage for the protection of the norms of macro-social contracts. However, at the same time moral free space gives the corporation the possibility to try to respect local cultural values as long as they are not inconsistent with hypernorms.

When dealing with principles of business ethics, human rights and corporate social responsibility at the global level, we can propose the basic ethics principles as the foundation for the required protection of human beings in international business. I would argue that the principles of respect for human autonomy, dignity, integrity and vulnerability constitute what Klaus M. Leisinger calls a required *Minima moralia* for multinational corporations. From this point of view respect for human dignity is the fundamental responsibility of business when it operates on the global scale.³² This respect for human dignity is expressed in the concern for fundamental human needs as the foundation for universal human rights. With Hans Küng we can make respect for the “golden rule” express this concern for a fundamental ethics of the international community. Küng has taken the initiative to formulate an ethics for the world community, the so-called *Projekt Weltethos*, an ethos of the world where universal moral norms are expressed as the foundation of international transactions.³³ In this ethos of the world we can argue that it is essential to protect the basic ethical principles of autonomy, dignity, integrity and vulnerability within the framework of the vision of the good life with and for the other in just institutions.

In terms of political philosophy of the international community we can place this vision of corporations as good citizens of the international peace in the light of Immanuel Kant’s search for perpetual peace in the international community. In contrast to the argument that it is impossible to find good ways of handling the anonymous structures of power in globalization, the vision of global corporate citizenship imagines the corporation as a contributor to the support of democracy and global sovereign states. Kant conceived the perpetual peace and the teleology of in *Zum Ewigen Frieden* as a development towards a global *Rechtsstaat* in international relation with respect for the rational interdependence of states.³⁴ The Kantian concept of republicanism implies protection of democratic representative government of sovereign states in the international community. We may

³² Klaus M. Leisinger: „Globalisierung, Minima, Moralia und die Verantwortung multinationaler Unternehmen“ in *Unternehmensethik und die Transformation des Wettbewerbs* Herausgegeben von Brij Nino Kumar, Margit Osterloh und Georg Schreyögg (Schaffer/Poeschel, 1999), 319-341., 330

³³ Hans Küng: *Projekt Weltethos*, (München/Zürich; 1990). Hans Küng: *Weltethos für Weltpolitik und Weltwirtschaft* (München/Zürich, 1995).

³⁴ Kant, Immanuel: “Zum Ewigen Frieden” in *Werke in Sech Bänden* (Damstadt: Wissenschaftliche Buchgesellschaft 1983). Text und seitengleich mit der Suhkamp Werkausgabe.

argue that corporations contribute to this vision of a cosmopolitan condition by their development of codes of conduct for business ethics and values-driven management of good citizenship in the international community. The individual citizen, but also the corporation must be world citizen and the state must, in order to establish a universal legal community, go into collaboration with other states and create international and cosmopolitan institutions. This is the final aim of the law of cosmopolitan citizenship, which is the peaceful enlightenment and development of culture and art of humanity by the universalization of particular principles of people's sovereignty.

Conclusion

With this cosmopolitan approach I have argued that the corporation can contribute as a world citizen to solve the important problems of modernity. As actors at the global level in a time of interstate interdependence with regard to world ecological, economical and political problems, it is a challenge of the corporation to contribute to build up an international community of virtue and protection of basic rights. We can define this vision of universal corporate citizenship as the *World ethos* of business ethics. The corporations shall not only protect universal human rights but they shall also give those rights meaning in relation to the particular cultures in the countries where they operate. By protecting universal rights that are dependent on the charter and declarations of the United Nations, corporations can act for good international relations that go beyond the interests of particular communities of republics and nations. By doing this, corporations can, when they really want to appear as good citizens, help to build a world community that implies universalization of procedural virtues of liberal society. Corporations can at the same time be cosmopolitan and situated in particular societies in the sense that they foster universal principles while making those principles work in concrete practice.