



Ethical Concerns Associated with Corporate Finance and Their Management

Ritu Kumar

Boston University

Email: ritzkumz@bu.edu

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Abstract:

The ethical and theoretical policy regime would be used as this would save the whole system from great disaster and burden. The nature of activities would be considered so that there would be less disruption to the wider systems and there would be fewer burdens on taxpayers as well. It is already identified that there is a need for G20 and FSB for developing the relevant policy framework. This framework would generally comprise the new and international standards for the resolution of many regimes. This is also needed intensive and effective supervision to discuss the relevant examples. This policy and framework would give regular consistency across borders. The result would optimize the major consequences which would be intended or unintended. The consequences of cross-border financial activity almost have positive benefits including financial stability. Primarily, there must be a strong impact on the balance sheets of banks which would go to improving the capital and liquidity profiles as well. The reforms which have been adopted at the global and national level would have the massive scope for the integration of financial stability.

Keywords: Business Ethics, Financial Inclusion, CSR, Financial Reporting, Disclosures.

Introduction

For financial stability and resilience, there is a detailed assessment of multiple benefits and assessments for discussing the collaborative effects (Sehgal et al., 2022). These comprehensive reforms would also allow the understanding of interlinkages between many different policies and reforms. Therefore, from the great collaboration among many countries and global standard-setting bodies, there is the proposition of FSB. This is established in 2011 and this would monitor the implementation of G20 financial reforms (Kumar, 2022). There is also the need to make necessary adjustments for many of the policies where there is an unintended impact of the materials. Many other consequences have appeared in the sense as there is much less tolerance for errors (Kumar, 2020). For the monitoring of high volumes of transactions, there is also less chance of inadvertent failings. This could be appeared despite having large investments for controlling the large procedures and personnel.

Benefits and Risks of Financial Globalization

Benefits and risks from financial globalization regarding goods and services trade are extensively discussed. The rising cross-border financial flows encourage the non-financial and financial



firms and increased the interconnectedness among these two firms (Nayak et al., 2022). The rising cross-border financial flows allowed the global savings to flow the liquidity and highest return. This was beneficial for both the investors by enhancing the borrowers and portfolio diversification by decreasing the promotion growth in capital stock and cost of capital cost (Roland et al., 2021). It also facilitates risk-sharing (Kakti et al., 2021). The risk-sharing provided the opportunity for the residents to firm the financial assets linked to aboard output performance, permitting the consumption smoothing rather than fluctuations in domestic output. And decreased the constraints on domestic investments. Thus, there was a long-term decline in the trend of global correlation among investment rates and savings.

The global financial firms made an efficient contribution in risk-sharing and cross-border financial intermediaries. Global finances provided benefits to businesses (Almahirah et al., 2021). There is a risk, a lot of people are working together, and multiple countries are involved in businesses operations, then the risk is mutual, and they are equally dealing with risk by the connected business (Monteiro et al., 2022). The great foreign participation in the Emerging market strengthened the discipline of the market. Financial globalization has a positive effect on emerging markets. The financial integration increased the strength of equity markets and international bond markets. This increased strength offered the high pricing transparency and the ability of investment shift among many countries. And increased the efficiency to shift the essential ingredients for the effective discipline of the market among multiple countries.

Literature review

The global investor attuned to market standards internationally for the sake of better financial reporting practices, and they were attuned to increasing the credit rating availability. It was beneficial for equity securities and emerging market debt (Pandey et al., 2022). The continued market growth is the reason to attract a lot of investors and another market discipline is an important aspect for the foreign investors to have a beneficial effect on corporate governance. Corporate governance plays a significant role in emerging market investors' decision-making. Financial globalization has the benefit of transferring knowledge (Gupta et al., 2022). The financial flows knowledge depends on the flow type. Technological advancements are the benefits of financial globalization. Cross-border banking also increased the knowledge in the context of banks' foreign ownership (Gunjan et al., 2022). Theory of business ethics (S.Kumar and P.K. Baag 2021a, S.Kumar and P.K. Baag 2021b) also explain the ethical concern in Business and Finance.



Figure 1: Ethical issues in business

(Source: Saura et al., 2021, p.781)

From financial globalization, the inclusion of trade in goods and services would bring the discussion of benefits and risks. There are many affirm studies which are indicating the need of having positive relationships between trade openness and economic growth as well (Brendel et al., 2021). Trade openness and economic growth must have a positive relationship for financial globalization. There are somehow many other issues that are related to the sequencing of trade liberalization with many other reforms. For income distribution in the sectors, there is also the keen role of the potential adverse implications (Du, &Xie, 2021). These implications would be affected by the trade openness while developing and recognizing the multiple policies.

In the first place, there is a brief discussion on the benefits which is also related to many other financial approaches and procedures. These are complex but much because of the factor of trade openness. Many other numerous challenges would be related to financial integration in terms of discussing economic growth as well (Barauskaite&Streimikiene, 2021). In the first place, there is the keen role of financial integration in supporting the financial global allocation of capital. This thing would allow the higher investment in a productive economic approach for importing capital and higher returns for investors in capital-exporting economics as well (Dmytriiev et al. 2021).

The process of forecasting trade achievements is not a new method with the business procedures. This is detailed with the help of a recent wave of globalization. The benefits which existed in the latter part of the trade were increased number of profits for the crisis periods. The advances came through different channels (Amorelli& García-Sánchez, 2021). These channels were the areas that responded in global terms. This practice allowed the countries to invest more amount of money in the domestic sector. There is also a reel of foreign investors which make uplift the stocks and prove a threat to the financial sector. The area of knowledge transfer gathers important actors for the domestic trade and implies the source of the innovation and improvement in corporate governance (Provasi, &Harasheh, 2021). Ethical Business tend to be more sustainable (Kumar, 2022)

Findings and discussion

The potential and economic downsides would also be asserted from financial globalization and also make an impact on economic stability. Many other terms are associated with capital account



integration, risk-sharing, and financial market development (Ghaleb et al., 2021). There is also the vast experience of the country for demonstrating the capital account opening to include efficient financial intermediation and financial market development. There are also many countries on the list which are indicating the approach of highlighting capital assessment and border intermediation (Hawkins, 2021).

Most of the risk-sharing factors come across due to intermediate financial integration between borders which would be due to financial and non-financial firms. However, there would also be the relative impact of the flow of these services on global savings and also on the flow of higher returns. This would also go for providing liquidity to benefit the investors (Kuo et al., 2021). These investors would receive the major benefit through enhancing portfolio diversification. This also goes for lowering the cost of capital to reduce the impact for more productivity and for more incomes for the people for developing their financial integration and stability.

The relation of the established markets was explained at the start of the new century. As the crisis of War took place in the mid-nineties, several issues took place during the government policies decline. The government did a small role in insurance. This followed a great depression in the decade. The study was compared with the help fraction of gross domestic factors which constitute the main step for sampling data for 17 counties (Vărzaru et al., 2021). There were ratios of pensions that were less than the total factors from the labor force. The comparison of the health and pension shares helps to proportionate the values for Western Europe.

There were reasons present for the government to enable the responses from the social service structure. The conditions which help to make the change in government structure help to suggest the interference of government was unfair according to the work plan. This produced additional negative responses against the government which was increasing the problems for the people. The rising number of deficits was also the problem that demanded strict control from the Gold systems. The sections which remain unattended were the unemployed people and the farmers which had a small response to the political type of factors (Cheema-Fox et al., 2021).

The set of the crisis made a joint attempt to raise the importance of insurance in the work culture. The responses from the government side were quick as the initial sides were gathered through more advantages for the low-class people. War had a positive effect on the Labor force. Everything in the domain was considered based on an organized activity. This helped to change the nature of leaders which has been an important source of obtaining and leading the change with the radical ideas for the war rooms (Almeida, 2021).

The aftershocks changed the economic values. The gold standard class was affected by a change in liberal values. There was a strong downward trend for the trade. The leaders and economists tried to lower the wages of labor, but they meant extreme resistance from both sides of the country. The political class focused on the gold standard was not shifting toward the requirement for labor activities. If the studies are listed more simply, the government opts to change the areas which were affecting the wages of people. As a result, the barriers to cross-border trade were opened and more people were attracted to find work at minimum wages. In other words, a sense



of need was increased, and the capital flows began to absorb most of the pressure from the trade (Bollaert et al., 2021).

Conclusion

From this above-mentioned notion, it is identified that there is a correlation between savings and investments. This is also illustrated many of the countries are now shifting toward the global financial crises through interruption of the trend. This trend is because of financial globalization. The increasing globalization of the world is setting the trend for reducing the domestic savings and investments within the country. Financial developments were related to trade openness. If the cross-border trade is higher it will increase the capital flows. This result suggests all the positive factors which are discussed in the theory of the paper. The main site of the theory is related to opposition to the improvement in the sector which makes the cross-border flows more important as compared to the least type of evidence. The theory which is used in explaining the financial system relates to most of the important parts of the development where the theories relate to the financial sector.



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