

Globalized Ethics

“Sustainable Real Estate Markets”

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Introduction:

International trade in real estate no longer a matter of “plant the flag for the king.”

Globalization = marketing systems, investment schemes, currency exchange, politics, customary practices, local laws, etc.

What/where are the *ethics* in international real estate mercantilism?

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“Because real estate is integral to whole societies and economies, it shapes and influences the world we live in and represents a significant proportion of all global wealth. For this reason professionals have a duty to uphold the highest standards.” International Ethics Standards Coalition (IESC)

IESC: 50 international organizations of real estate professionals, e.g., FIABCI, RICS and other property-related professionals.

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IESC draft code intended to “support the creation, maintenance and use of high quality, international and principle-based ethics standards through a transparent and inclusive standard-setting process.”

Because:

“Good business ethics are fundamental to professionalism and, like other global professions, real estate and related professions have an opportunity to develop transparency and increase trust.”

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Will FIG adopt the IESC code?

Would the IESC code supplant the FIG code?

FIG “Statement of Ethical Principles and Model Code of Professional Conduct” specific to the practice of surveying, i.e., care, competence, duty and the public interest; the conduct of surveyors generally, as employers, when dealing with clients, when providing professional services, as members of professional associations, as business practitioners and as resource managers.

No likely contradiction in an IESC draft code.

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Adoption

Would all the 100+ national surveying associations who are members of FIG be required to adopt the IESC code?

Do all FIG members recognize the existing FIG Statement of Ethical Principle and Model Code of Professional Practice?

FIG Internal Rules assume that the members of the Member Associations “...provide professional services in accordance with ethical standards.” But no reference in the FIG Statutes and IRs to the FIG Statement of Principles... No requirement in the membership application process that prospective members recognize and respect the FIG code.

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Preamble to the FIG Statement of Principles and Model Code of Professional Conduct:

“The International Federation of Surveyors recognizes that, due to international *differences of culture, language and legal and social systems*, the task of preparing a detailed code of professional conduct must rest with each member association, which also has the responsibility to implement and enforce such a code. “

Surveyors and their national associations should “adopt the following ethical principals and model code of professional conduct or, where appropriate, adapt them to local values and customs.”

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Enforcement

Making judgments about surveyor negligence or failure to comply with standards is an objective process.

Making judgments about surveyor compliance with ethical standards is more often a subjective process.

For instance the statement to “seek remuneration commensurate with the technical complexity, level of responsibility and liability for the services provided” appears in the FIG code. Whether a surveyor, in a dispute with a client, has complied with this standard would be a matter of opinion.

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Conclusion

- * Ethical codes and standards a necessary component of any profession.
- * The FIG code is appropriate in all respects.
- * IESC code a valuable addition to international land transactions and complimentary to the FIG code.
- * Codes and standards must be basically advisory rather than regulatory.
- * The IESC code will be a reminder of how business is conducted in the advanced economies of the World.