

**The Evolution of Business Ethics in China and the United States:
Convergence, Divergence or Crossvergence?**

ABSTRACT

This study presents a cross-temporal comparison of business ethics in China and the US between the 1990s and 2000s. Although it is well established that cross-cultural differences exist in business ethics and that culture and values in a society may evolve over time, little attention has been paid to the longitudinal changes in such cross-cultural differences that might have occurred over time. Building on the three competing perspectives – convergence, divergence, and crossvergence – on values formation and evolution, we investigate whether and how managerial ethical decision-making and the associated moral philosophy used to justify decisions have been changed in China and the US over a decade. Our analysis reveals that the differences in Chinese and American managers' ethical decision-making evolved in many different ways, lending support to the crossvergence perspective. Interestingly, however, we discover that the divergence outlook prevails when it comes to the moral philosophies behind their decisions. These findings provide critical insights into cross-cultural evolution in business ethics in a world of increasing cross-cultural and multicultural interactions.