

# MBA 617: SOCIO-POLITICAL AND ETHICAL ASPECTS OF BUSINESS

Semester II, 2017-2018, Tue, Thu: 5.00 – 6.30 pm, IME C1  
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## Purpose

Business and corporations have gained the centre stage of economic activity almost all over the world. Even political life and cultural practices of increasingly larger numbers are influenced by the actions of corporations and business practices in general. Hence, there is a need to look beyond the immediate, to understand the deeper structures and issues involved in the conduct of business. *The purpose of this course is to situate business in its larger context and develop an appreciation for the interrelationship of business and society.* It also aims to contextualise institutions through which business is conducted, like corporations, nation state and markets. Further, concepts like morality of profit, private property, free trade, etc. are of relatively recent origin and their significance have varied over different periods in world commercial history. Therefore there is a need to understand the historical context in which these institutions and values have originated and evolved.

## Classes

The class discussions will primarily be based on real life cases, readings or discussions with guest faculty. This will require that the student analyses the assigned readings, preferably in small groups, and comes prepared with his/ her analysis for presentation in the class. Group/s should volunteer to initiate class discussion and make a presentation of their analysis for a particular class.

Learning in the class will largely happen through discussions and NOT through 'lecture' by the instructor. Thus, it becomes everybody's responsibility to get into a constructive dialogue and not just look at an individual as 'provider' of answers. A constructive dialogue means not only to speak, but also listen carefully and draw out some of the relatively quieter colleagues. This is not a course on oratory and hence what matters is QUALITY of your participation - in speaking, listening, explaining and critiquing. If you are not able to express your point in the class, you are welcome to share it over email (or a write-up) with the instructor and/ or the class.

If you are coming to a class it is expected that you have prepared assigned readings and are ready with your analysis; some times you may be expected to do readings after the class discussion. Hence in normal circumstances I expect you to be present in *all* the classes. If for special reasons you are not able to attend a particular class, I expect you to explain it in writing as it is not only that you are not attending the class as an individual but you are also depriving the rest of the class from your views and analyses.

I expect you to do whole lot of activities and preparations in groups. So please make **groups of 4** right after the first class as per your choice.

## **Evaluation**

### Class Participation & Presentations (30%)

As already explained class participation is a fundamental part of learning in the course. The purpose of class presentations is to initiate the discussion on the reading/case. The presentation may be done by a group. Please come prepared with your presentation and only present your analysis in not more than 15 minutes. I would prefer if you inform me in advance in case you want to make a presentation in a particular session. *Opportunities for presentations are going to be limited; hence I recommend written submissions of your analysis on some aspect of the class discussion or the cases/ readings, either individually or in groups.*

### Take Home Assignment (10%)

### Project Report (30%)

It will be a group project, midterm presentation: 5%, final report: 25%; see the note on projects.

### Endsems (30%)

## **Readings**

### Reference Text

1. Korten, David 1998. *When Corporations Rule the World*. Goa: Other India Press.
2. Marglin, Stephen 2008. *The Dismal Science. How Thinking Like an Economist Undermines Community*, Harvard UP.
3. Chang, Ha-Joon 2010. *23 Things They Don't Tell You About Capitalism*, Penguin.

Readings will be kept from time to time in the course file; students are expected to make their own copies of the cases and readings given as handouts.

## Outline

| <b>Session</b>            | <b>Topic</b>   |
|---------------------------|--|
| <b>I-IV.</b>              | <b>Introduction: Why and what of socio-political-ethical aspects</b><br>Thinking beyond profits – business and society linkages<br>Ethics, Morality & Business   |
| <b>V-X.</b>               | <b>Historical Perspective</b><br>Evolution of capitalism and capitalist institutions<br>Socio-political context of industrialisation in colonial India<br>Late industrialisation and the role of state                                     |
| <b>XI-XX.</b>             | <b>India: State, markets &amp; welfare</b><br>Natural resources and business<br>Economic reforms and agrarian economy in India<br>Political economy of growth in India<br>Markets and the welfare state<br>Workers under the global regime |
| <b>XXI-XVI.</b>           | <b>Global Governance</b><br>Evolving regime of property rights and business<br>Finance & Business<br>Environment & Business<br>Architecture of Global Governance   |
| <b>XXVII-<br/>XXVIII.</b> | <b>Business and Society: Putting together</b><br>Alternatives<br>Summing up  |

## On Projects

*The idea of the project is to attempt to apply some of the class room discussions and frameworks onto a real life business-society problem.* The purpose of the project is to bring out the larger issues beyond short-term profit making on any business-society problem. It can be based on stakeholder analysis of a project or industry, an analysis of contentious policy issue, a legal tangle, regulatory problem, and so on. In the past people have worked on a wide range of issues; a few of them are listed below:

1. PPP model
2. Land acquisition laws
3. Power projects
4. Retail industry and related policy debate
5. Conflict around natural resources
6. Industry specific studies
7. Studies on specific sector like agriculture
8. Externalities due to specific economic activities, like coal production
9. Financial issues, like corporate debt restructuring
10. Labour related issues, like Maruti
11. News making issues like, Reliance gas pricing, Sahara, etc.
12. Start ups, e-commerce and their regulatory and financial problems

In the past groups have tried to study such issues either through specific cases or secondary data.

Though you are free to make your own choice regarding the topic, I recommend ***privatisation of a public good*** as a broad theme for the class. So you may think of any public good: roads, power, water, food, health, education, and so on; identify the stakeholders and various actors, and then study the effect on them of privatisation/corporatisation. To narrow the scope of what you study you can choose part of a sector/ industry and only a few key stakeholders rather than all of them.

### ***Guidelines***

1. This is a group project.
2. The idea is to frame a problem not only from the point of business and profits but from a business-society frame; identify the stakeholders and examine the problem from their respective points of view.
3. The objective of the project is to examine a real life phenomenon in the light of the ongoing debate and then come up with your own analysis and not merely repeat what others have said.
4. You are encouraged to go to the field and collect first hand information.