

Business Ethics
Prof. Susmita Mukhopadhyay
Vinod Gupta School of Management
Indian Institute of Technology, Kharagpur

Lecture - 13
Indian perspective on Ethics

Now, we will discuss some of the ethical traditions which are there in India. So, India has a long heritage of very strong ethical believes and virtues which has been given to us by our scriptures. And mainly if you are reading Bhagavad Gita, we get this. So, much of in depth understanding of the; what is righteousness in terms of Gita.

So, in this discussion we are going to focus mainly on some of the virtues as discussed in Gita and also in the Islamic teachings. And we will find like of the business people in the business ethics we can learn a lot from this we can also learn lot from understanding Gandhian way of viewing the what is ethics and Sri Aurobindo concepts on business ethics also. So, the Bhagavad Gita has many instances where how moral values and ethics can be incorporate in ones work life. So, many of its verse are directly significant for the modern manager. So, chapter 2 verse 47 says you have the right to perform the duty, but you are not entitled to the fruits of your action.

You never consider yourself is the cause of the results of your activities and never be attached to not doing your duty. So, this is important message of the Gita for the performer of the action has to only to prescribe the performer prescribe duty and not to indulge in the result of the action. So, if the result to the action is of the work is left to the lord then the on the realization maybe on the result which is beyond his control. So, this gives to a state of mental balance in peace.

And this is what we understand by in his karma it Is very difficult to difficult state to achieve, but if done then it gives rise to mental tranquility and balance where people are move towards doing their part of responsibility very well and of course, at the end of the responsibilities are taken care of well and everybody understand their own part of responsibility for the work then the result is ultimately generated. So, this is the like

everybody has to be on the same tune. So, if in the organizational context also if everybody is worried about the result then that we sometimes lead to improper activities.

But if everybody is ready to do his or her duty to the maximum of one's ability and without like thinking of what would be the result or not. So, that may lead to an ethical behavior and ethical organization because it is a reciprocating of duty towards each other and doing one part of duty; one's own part of duty well the verse chapter 2, verse 56 says one who is not disturbed in mind admits the three fold misery or elected when there is happiness and who is free from attachment fear and anger is called stage of steady mind. So, it is like if you can find out like attachment fear and anger we know like this sometimes gives rise to conflict of interest happening and. So, in that case if you are able to keep yourself aside from this may lead to like happiness in the sense of mental peace.

And this steady mind, stable mind is the mental state is tranquility is a mental state where which is desirable in one's work like. So, retain one's own integrity in the work that the person is doing. So, because only it is the steady mind which give to rise to a right action. So, right attitude and the right direction to find out if the mind is disturbed maybe the process becomes like disturb in the sense because we are not able to connect the start with the end and how to reach that goal. So, lord Krishna's promise in the 7th and 8th verse of chapter 4 of the Gita like whenever evil dominates the lord takes an Avtar to set right the situation and reestablish dharma.

And whenever there is a decline of dharma and ascendance of Adharma, the lord manifest itself. So, this talks of like whenever there is a balance of like the unethical becoming more than the ethical or when there is the unethical dominates over the righteous virtues then the there is always a part of one good self which comes out like and this is where like you see like even if you take this is a situation in your mind when you are like maybe having a fight your having a dilemma between what is right and what is wrong, how do I decide what is right and what is wrong. So, because and it is a situation like where you talk of like whether to do this is right whether to that this is right because the whatever is on the something may appear to be more attractive something where the evil dominates may appear to be more attractive and like and then have to take

a decision. So, in those cases at the end of the day like it may even if at the end of the day actually the right which is their gets the prominent.

Even in society that you find if things are happening like this, if you are talking from the stakeholder model of business ethics. So, if it so happens like on one side you find some expectations and going on and on another side there is something which is like in such a situation where the you find like the there are lot of behaviors going on which becomes morally questionable then there were always peoples inner self which talks of like in the there are the whole society maybe starts talking of the things or movement starts where which starts to speak against this the situation the immoral situations that may be prevailing.

If you can think of this symbolization like when this; the Gita it is told like whenever the evil dominates the lord takes an avatar to set right the situation and reestablish dharma. So, there is where maybe the when the society the whole relationship between the stakeholders different stakeholders find like something is going wrong something which is going which is not expected sometimes you find it is the this leadership role when it is if this lord is the symbolization of the leadership who takes up a proposition could be the CEOs could be the people from in of the stakeholders who can speak up and who starts trying to set the situations right it could be one organization also business organization of feels like no this is not the correct way to do the business.

This is a very symbolic presentation where we can think of like even if the evil dominates even if the evil dominates. So, somebody has to take Avtar of the lord to set the situation right and reestablish the dharma. So, this leadership initiative would be taken by anyone any of the stakeholders to balance the tranquility. So, this is a very important learning where like if you are trying to connect it with the corporate citizenship behavior also this is very important learning about the rule of the business organization where we can save like even when you are going to a maybe a developing country has an MNC and trying to see things happening, how things are happening over there or in your own country also. If we find like maybe certain things are going wrong in the business houses, find something going wrong then it can take up leadership role in maybe trying to set things correct by virtue of the power it has in terms of maybe power

to contribute to the economic or the power in the relationship with the government or the government can also take up the leadership role the CEOs can take up the leadership role. So, whenever there is some situations prevailing as per of the stakeholders which are there in the ecosystem there is something which is prevailing which is morally questionable. So, any of the stakeholders can take up this leadership role initiate a movement to set things correct.

And it could be anyone any other from the stakeholders and at the end of the day then bring the situations to tranquility from the Islam and rules that could be related to business from Islam we find like the prophet has traced on honesty and truthfulness in business. So, according to the teaching it is prophet says like the god shows mercy to a person who is kind when he sells, but sells when he buys and when he mix a cream his teaching covers a wide range of business and economics. And what you find like there is commandments given in which like it is no fraud or deceit no excessive oath in a cell need for mutual consent be strict in regards to weights and measures the who against monopoly whoever is sinner free enterprise hoarding is forbidden transactions are transactions of forbidden things are also forbidden. So, and there is lots of lots of tress stress given on honesty truthfulness fulfillment of trust and commitment while elimination of fraud cheating and cut throat competition.

Sharia bans the taking of interest, because according to this law, investors can make profits only from business based on exchange of assets and not earn money, so this name give this type of things may give rise to like portfolio which we call clean stocks and like Sharia complaint stocks in the stock exchanges which were which based on this the portfolio whether principals are followed may give rise to ethical investments also. So, these are a very important ways of looking into business. So, the Gandhian principles looks into the trusteeship model where according to Mahatma Gandhi his teaching is like the we are only the trustee of the business and the custodian of the wealth which is meant to be used for the purpose of the business.

And like he advocated the Sarvodaya principle means which is welfare for all. So, in the present scenario of Gandhian philosophy of trusteeship has got more relevance in the when you are talking of business houses getting involved like in social activities to for

the social causes. And the trusteeship model helps us to like when we focus into the government governance issues also like when we are the talking of the agency relationship where the managers manage management is actually the trustee of the people's money and in the industrialist or the businessman should consider himself to be a trustee of the wealth he possesses or the manages the trustee of the wealth of the maybe the shareholders have given them and there they have to see it like their functioning the stakeholders interest.

So, these are very important issues while maybe were thinking of the corporate governance issues also Mister Aurobindo teaching on the fact which gives us the way that we do the guidelines for the way that we do the business is according to Sri Aurobindo there is nothing wrong in the type of business that you do, but the process that you do it the way that you do it and the intention that you do it these are very important. There is nothing wrong in doing a business, but the process that you take to do it each of the processes and the intention with what you take do take your steps forward for these are important ways guidelines for judging whether your business is value oriented or not.

And the present context when the values how finding out guidelines, how to do our business in a moral ethical way and so that the we can do it in the value based business which can help to integrate the business with our personal value system with the business values with the society's value system also and tranquility is maintained the sustainability is maintained not only for present.

but also for the future generation along with the ethical principles that we have learnt the different theories of ethical decision making that we have learnt like whether it is utilitarianism or rights or justice or care virtue discourse ethics and postmodern ethics. Along with those, the teachings from the Indian perspective from the eastern perspectives are also very important to make a balanced decision for making running our business in a value oriented way.

So, these are these together the analytical way of decision making that we have thought of and through the western perspectives that we have got along with the eastern

perspective and the principles that you have got from the scriptures and spiritual guidance is both together helps us to take a well balanced decision for the business.

Thank you.