

# **CASE STUDY ON ETHICS**

**Shaurya Srinet**

**RA2111032010006**

**CSE IOT**

## **Question –**

An international soft drink company has a signature soft drink that it sells all over the world. In a developing Country, the version of the soft drink complies with food and health regulations, but is less healthy than the drink sold in the European market where the law is stricter. The soft drink company is obeying the law in the developing country, but it is selling an inferior, less healthy product in a developing country. What are the issues of integrity, ethics and law posed in the case study? What options does the soft drink company and the government of the developing country have? What should they do and why?

## **Case Study –**

Some of the questions raised by this case study include how the issue first arose, including globalization, and why the company and the country would benefit and not benefit from the current position; whether the company and country are acting ethically, with integrity, and consistent with law; the role that consumers in the country and elsewhere play in this case study; and the different approaches the company could take to health standards, e.g. establishing its own standard to meet even if that standard exceeds what is required in a particular country.

The stakeholders involved in the above situation are Soft drink company, Government and the consumers of the soft drink. Issues of integrity ethics and law posed in this context:

- 1). The standards of the food and health regulations are inferior to European countries. This shows negligence on part of our regulators, Lack of dedication to public service etc.
- 2). The soft drink company though complying with law it is aware that the drink is of inferior quality. The company lack corporate social responsibility and is focusing on profit earning motive.
- 3). Government can stop the supply of the inferior quality drink and revise the food safety standards.

4). Not take any action as there is no proof of bad health effects of the drink.

5). Soft drink company has an option to keep things the way they are as they are not doing anything illegal.

6). They can stop the sale of the drink or increase the standards matching European standards.

The government on its part must stop supply of inferior quality drinks and revise standards because it may lead to many ill health effects in the country. Even if there are no bad effects of the drink in long run to country because of its low safety standards may turn out to be a destination for inferior quality food.

Soft drink company on its part must increase the quality of drinks before starting supply to the country as any ill effect on health of individual would damage credibility of the company and reduce its profit in the long run.

Civil societies on its part must pressurise the govt to increase standards and also raise awareness among citizens regarding the issue. The above actions taken by all the stakeholders could be a precedent for other developing and less developed countries and would eventually lead to greater good.