ABSTRACT

Commitment to ethics is vital for any business to stabilise in the short run and prosper in the near future. This explains why some businesses have been alive and kicking even a good hundred years after they came into being. Some may argue that it is true of only old economy businesses like manufacturing industries, agriculture, etc. as opposed to service industries like the hospitality industry. But the hospitality industry has been in existence easily for over a hundred years in our country. The Lalit Great Eastern, Kolkatta, for example, is today the oldest existing hotel in India, in the modern, organised format. Entrepreneurs from some pockets of Karnataka state have been conspicuous in the country’s hotel industry and even the younger generation from the said pockets swears by the hospitality industry to this day. The researcher, delving into the ethical practices that obtain in the hotel industry of Karnataka state, concludes that the law concerning this industry varies across countries, giving rise to ethical issues across geographies. Hence framing a law that carries a universal appeal is easier said than done. In the Indian context, a dedicated law should be framed for the industry at the national level. It should recognise the ethical aspects that obtain in the industry globally even as it recognises and honours its national relevance and significance. Presently, a slew of rules and regulations, local as well as federal, make things difficult for the regulator and the regulated. Hence the said law should ensure that it does not give rise to a clutter. The government should supplement the innovation-driven productivity enhancement endeavours of the hotel industry in various ways. At least the important regulations have to be fine-tuned and / or strictly enforced. For example, the legislation regulating sewage, air pollution and waste disposal should be strictly enforced and violations thereof should be dealt with exemplarily. A legislation applying to food miles should be enacted to reduce wastage and pollution. Installation of food traceability system should be mandated by law to reduce wastage and pollution. On their part, hotels must invest in innovation. Innovation leads to superior efficiency especially in terms of optimal exploitation of resources like time, energy and money. Innovation also helps in optimal exploitation of human resources. Additionally, innovation can help the industry in reducing the costs of externalities such as pollution. It is the responsibility of the hotel industry to help the government in reducing the costs of externalities. The best way is for the government to follow a carrot and stick approach to persuade the hotel industry to take such innovation seriously.

Key words: clutter ethics; costs of externalities; food miles; food traceability; old economy