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## Economics, Politics and Business Environment

### Business Cycle - The US and the Japanese Experience

#### Abstract

The two caselets discuss the depression in the US in the 1930s and the recession in Japan in the 1990s. Caselet 1 discusses the reasons for the depression in the US in the 1930s and examines the role of government intervention in reviving the economy. Caselet 2 discusses the recession in Japan in the 1990s. It examines the monetary policy measures taken by the central bank and their impact on the economy.

#### Issues

Characteristics of business cycle, Techniques for forecasting business cycles.

#### Reference Numbers

ICMR ECON001

ECCH 204-003-1

Organization(s) -

Countries USA, Japan

#### Industry

Pub/Rev Date 2004

Case Length 4 pages

TN Length 4 pages

### Economic Crisis in India, Southeast Asia & Argentina

#### Abstract

The caselets discuss the economic crisis in India in the early 1990s, in Southeast Asia in the late 1990s and in Argentina in the early 2000s. Caselet 1 discusses the economic crisis in India in the early 1990s, and the steps taken by the government to overcome the crisis. Caselet 2 examines the reasons for the financial crisis in Southeast Asia. Caselet 3 examines the Argentinean crisis in the early 2000s.

#### Issues

Monetary policy, Fiscal policy and their impact on the economy.

#### Reference Numbers

ICMR ECON002

ECCH 204-002-1

Organization(s) -

Countries India, Argentina & Southeast Asian countries

#### Industry

Pub/Rev Date 2004

Case Length 5 pages

TN Length 4 pages

### Economic Integration

#### Abstract

Caselet 1 discusses the formation of NAFTA and how it benefited trade between USA, Mexico and Canada. The caselet also examines the negative impact of NAFTA on the Mexican economy. Caselet 2 discusses how the euro would ease trade between the European countries. It also considers whether the euro could replace the dollar as a reserve currency. Caselet 3 discusses the impact of China's entry into the WTO on India.

#### Issues

Trading Blocks; Regional Trading Agreements; WTO; Single European currency.

#### Reference Numbers

ICMR ECON003

ECCH 204-004-1

Organization(s) -

Countries Mexico, USA, Canada, India

#### Industry

Pub/Rev Date 2004

Case Length 5 pages

TN Length 4 pages

### Fiscal Policy in India and Canada

#### Abstract

Fiscal policy can be defined as a government's plan for expenditure, revenues and borrowing to finance fiscal deficits if any. The caselets discuss the fiscal policy measures undertaken by the governments of India and Canada over the years. Caselet 1 discusses why fiscal deficit has been steadily increasing in India and what the government can do to improve its fiscal position. Caselet 2 explains how the Indian government can increase revenues from taxes. Caselet 3 is concerned with the country's external debt position and foreign exchange reserves. It examines whether the foreign exchange reserves should be used to retire external debt. Caselet 4 discusses whether it was right for Canada to go for heavy public debt and the consequences of not being able to contain the same.

#### Issues

Objectives and constituents of fiscal policy; Public expenditure, taxation.

#### Reference Numbers

ICMR ECON004

ECCH 204-001-1

Organization(s) -

Countries India, Canada

#### Industry

Pub/Rev Date 2004

Case Length 6 pages

TN Length 4 pages

### Indian Railways at the Crossroads

#### Abstract

The case discusses the growth and operations of Indian Railways, the largest railway network under a single management and the largest employer in the world. Although railway networks were initially developed by private companies, after 1920 they were all taken over by the central government, which created a department of railways. Even after Indian independence in 1947, railways continued as a central government department. The case outlines some of the problems faced by IR in the late-1900s and the difficulties the department faced in overcoming them. Several experts suggested ways in which IR may be restructured. These suggestions are also discussed in detail.

#### Issues

Conflicts between social and economic objectives.

#### Reference Numbers

ICMR ECON005

ECCH 204-055-1

**Organization(s)** Indian Railways

**Countries** India

**Industry** -

**Pub/Rev Date** 2004

**Case Length** 14 pages

**TN Length** 5 pages

### The US Steel Industry in 2004: Steel in Need of Protection?

#### Abstract

Since the late 1960s, the US steel industry has been asking for protection. The US government has, from time to time, announced various protectionist measures. In 2001, President George W Bush announced his Steel Program. It consisted of three parts: negotiations with trading partners to eliminate inefficient excess capacity in the steel industry worldwide; negotiations with trading partners to eliminate the distorting practices including subsidies that resulted in excess capacity; and investigation under Section 201 to determine whether the industry was harmed by low-priced steel imports. After the investigation by the U.S. International Trade Commission (USITC), in March 2002, the President imposed tariff measures under Section 201 to help domestic producers to compete with imported steel.

#### Issues

The structure of an industry and its affect on the competitiveness of the industry.

#### Reference Numbers

ICMR ECON006

ECCH 204-056-1

**Organization(s)** -

**Countries** USA

**Industry** Steel

**Pub/Rev Date** 2004

**Case Length** 16 pages

**TN Length** No

### The Russian Oil Giant Yukos - When Business and Politics Collide

#### Abstract

The case examines the crisis at Yukos, Russia's leading oil company, on account of a feud between its former CEO, Mikhail Khodorkovsky (Khodorkovsky), and the Russian government. It gives a brief outline of Russia's history, oil industry, and its economic and political scenario (during the 1990s). It discusses the emergence of oligarchs and their relations with the government. The case then examines the formation of Yukos, its growth under Khodorkovsky's leadership during the early 21st century. Finally, the case examines the future prospects of Yukos in the light of the above crisis. A country report on Russia and an industry note on the Russian oil industry are available to facilitate better understanding of the Yukos story.

#### Issues

Politics and business.

#### Reference Numbers

ICMR ECON007

ECCH 204-070-1

**Organization(s)** Yukos

**Countries** Russia

**Industry** Oil

**Pub/Rev Date** 2004

**Case Length** 16 pages

**TN Length** No

### Development of Women and Children in Rural Areas (DWCRA) - A Microfinance Success Story in Andhra Pradesh (India)

#### Abstract

In the early 1980s, the Government of India launched the Development of Women and Children in Rural Areas (DWCRA) program under the Integrated Rural Development Program. Though the DWCRA program was not very successful in the rest of the country, it was successful in Andhra Pradesh. The case gives an overview of the DWCRA program in Andhra Pradesh, and its impact on the lives of rural women there. It also discusses the role played by the government in the success of the DWCRA program in the state and explores the role of the corporates in rural development programs.

#### Issues

Understand the importance of microfinance as an instrument for poverty alleviation in rural areas.

#### Reference Numbers

ICMR ECON011

ECCH 204-044-1

**Organization(s)** Development of Women and Children in Rural Areas (DWCRA)

**Countries** India

**Industry** Microfinance

**Pub/Rev Date** 2004

**Case Length** 12 pages

**TN Length** 4 pages

### The Rise and Fall of the 'Keiretsus' in Japan

**Abstract**

The case is about Keiretsu, a unique Japanese management and holding structure that was established after the World War II. The case examines what a Keiretsu is, how this unique structure emerged, the advantages that this structure provided to the Japanese companies and the contribution of Keiretsu to the growth of the Japanese economy. The case also explains the drawbacks of the Keiretsu system and the reasons for its decline in the 1990s. The case also looks carefully at the reasons for the burst of the Japanese stock market 'bubble' and its effect on the Keiretsus, as well as the other reasons for the decline of Keiretsus.

**Issues**

What Keiretsu is and how it operated in Japan.

**Reference Numbers**

ICMR ECON012

ECCH 204-140-1

**Organization(s)** NTT Docomo, Renault

**Countries** Japan

**Industry** -

**Pub/Rev Date** 2004

**Case Length** 13 pages

**TN Length** No

### The Bangalore Brand

**Abstract**

The case explains the competitive advantage of Bangalore that has helped it earn the name, the "Silicon Valley of India". It describes the factors that made Bangalore one of the favorite destinations for IT&ITES companies in India and abroad.

However, Bangalore has recently been facing stiff competition from other cities so far as investment from domestic and foreign companies is concerned. The case looks into the infrastructural problems Bangalore is facing and the growth of alternative destinations such as Hyderabad and Chennai.

**Issues**

Competitive advantage of a place, impact of political decisions on business and the relation between business and politics.

**Reference Numbers**

ICMR ECON014

ECCH 204-193-1

**Organization(s)** -

**Countries** India

**Industry** -

**Pub/Rev Date** 2004

**Case Length** 12 pages

**TN Length** 6 pages

### The Chaebols of South Korea

**Abstract**

Chaebols were large South Korean private business groups that consisted of several smaller members or units; they maintained close connections with the government. They were generally under the control of a single powerful family and most of the management of the Chaebols rested with different members of the family. The Chaebols were involved in a variety of commercial activities ranging from farming to ship building.

Chaebols formed the core of South Korean economy and the success of the economy was largely dependent on the stability and the success of Chaebols. The Chaebols continued to grow and gain considerable power until the mid 1990s, when the Asian financial crisis struck. The crisis exposed the weaknesses in South Korea's economy and the mismanagement within the Chaebols. When South Korea found that it had insufficient foreign exchange, it approached the IMF in 1998 for a relief package. The IMF offered to bail out South Korea's economy with a package worth \$58 billion. But it also imposed several conditions. One major condition was that the Chaebols would restructure and reorganize them and would employ professional managers to manage their various businesses. The IMF insisted that the Chaebols give up their unprofitable businesses, concentrate on their core competences and reduce their debt burdens. Under the leadership of President Kim Dae Jung, South Korea took up the reforms and within a short span of two years recovered from the crisis. In fact, it was one of the first Asian countries to recover from the crisis. And in this process of recovery, it also managed to reform the Chaebols.

**Issues**

The development of Chaebols in South Korea, management style of Chaebols, leadership, economic downturn in South Korea.

**Reference Numbers**

ICMR ECON013

ECCH 204-194-1

**Organization(s)** -

**Countries** South Korea

**Industry** -

**Pub/Rev Date** 2004

**Case Length** 12 pages

**TN Length** 6 pages