

# **The Nexus Between Macromarketing and Distributive Justice – A Study of Small and Medium Enterprises in India**

*N.R.Govinda Sharma*

Associate Professor, SDMIMD, Mysore

[nrgovinda@sdmimd.ac.in](mailto:nrgovinda@sdmimd.ac.in)

*Ashwini Kumar B. J.*

Research Guide, Department of Management Studies,  
Nitte Meenakshi Institute of Technology (NMIT)  
Bangalore

## **Abstract**

*In this study the authors have examined the nexus between macromarketing and Distributive Justice (DJ) and the role of Micro, Small and Medium Enterprises (MSMEs) in the marketing system as agents of DJ. Macromarketing is understood as the study of the impact of society on marketing systems and the impact of marketing systems on society. This approach is distinct from the micromarketing approach which focusses on the firm's profitability. But marketing as a societal process is concerned with equitable distribution of burdens and benefits on all stakeholders of the marketing process. This is the concept of DJ as applied to marketing. Thus, there is a nexus between macromarketing and DJ. MSMEs form an important part of marketing systems. MSMEs are agents of DJ in that the income generated by large number of small enterprises is dispersed more widely in the community and setting up of MSMEs does not demand high capital or high-technology. The study*

*highlights MSMEs as an important link in the “marketing system” and as important contributors to the DJ.*

**Keywords:** *Macromarketing, Distributive Justice, Micro, Small and Medium Enterprises, Nexus*

## **Introduction**

Man is a social being. Societies emerged for the welfare of the group of people. Men realised that they are better off with specialisation rather than with everyone in the society producing everything required for making a better life. Surnames such as “Smith”, “Taylor”, and “Carpenter” are a testimonial to the existence of specialisation early on in the society. Most family names came from the occupation, “Robert, a blacksmith, might become Robert Smith” (The editors of Encyclopedia Britannica, 2005). With specialisation came the need for trade as one had to exchange the surplus of his own production for his own necessities produced by the other. Eventually markets that linked production to consumption emerged as the agora of Athens or the bazaars of the Mesopotamia linking people, facilitating exchanges and, on balance, improving society.

By marketing was first meant “that combination of factors which had to be undertaken into consideration prior to the undertaking of certain selling or promotional activities” (Bartels, 1976). Marketing is appropriately considered a societal or national provisioning for goods and services. With globalisation, this term “national” could be extended

to “global”. This is evident from the fact that raw material and labour are sourced all over the world and final products and services are consumed all over the world.

Scholars who have traced the history of marketing thought have opined that “the first school of marketing thought, commonly referred to as macromarketing, has attempted to focus on the potential and problems of marketing activities and programs from a more macro or societal perspective rather than from a more micro firm’s perspective” (Seth & Gardner, 1982).

There are many definitions of macromarketing but the most widely accepted view of what constitutes macromarketing matter is by Hunt (Shaw & Jones, 2005). Macromarketing is the study of the impact of society on marketing systems and the impact of marketing systems on society (Hunt, Macromarketing as a multidimensional construct, 1981).

Marketing has been primarily understood as about responding and promoting demand. But the emphasis is changing from merely the micro or the firm’s profitability point of view to the larger or societal issues. Thus, the issue of distribution of the benefits and burdens of marketing activity fairly amongst the various stakeholders of the marketing transactions becomes an important consideration in macromarketing. In marketing context, as in any other social transaction, justice is understood as fairness (Rawls, Justice as Fairness: Political not Metaphysical, 1985

(Summer)). This requires examination as to how the marketing system, in terms of structure, policies or practices, fairly appropriates rewards and penalties amongst the various parties affected (both positively and negatively) by the market exchange process. This is addressed by the concept of Distributive Justice (DJ) which is defined as how a community treats its members in terms of the assignment of benefits and burdens (Laczniak & Murphy, *Distributive Justice: Pressing Questions, Emerging Directions, and the Promise of Rawlsian Analysis*, 2008).

There are two approaches to distribution of income and wealth, egalitarian and non-egalitarian. The egalitarian approach claims that justice is same as equality – burdens and rewards must be distributed equally and deviation from equality is unjust. The non-egalitarian approach would claim that justice in economic systems is ultimately a product of the fair process of free markets (Crane & Matten, 2010). Both the extreme approaches have their limitations. Rawls (1971), the proponent of Distributive Justice, in *A Theory of Justice*, strikes a mid-position wherein he has opined that ethical acts are those that lead to equitable distribution of goods & services (Hartman & Chatterjee, 2008). It is to be noted that DJ does not insist on equal distribution but distribution commensurate with the inputs. Rawls suggests that “..an inequality is allowed only if there is reason to believe that the institution with inequality, or permitting it, will work for the advantage of every person engaged in it” (Rawls, *A theory of Justice*, 2010).

In achieving DJ in a labour intensive country such as India, the role of Micro, Small and Medium Enterprises (MSMEs) is well documented. MSMEs are labour intensive (Datt & Sundharam, 2010) and in countries that are labour surplus, labour itself is the best means of distribution of wealth (Kumarappa, 1958). The MSMEs contribute significantly to the manufacturing output, employment and export of the country.

MSMEs, being labour intensive, geographically better distributed and as they can be started by any entrepreneur with minimal resources, are considered as better agents of distributive justice in the society.

The paper is organised as follows: Firstly, the question of what macromarketing is, is examined. Dichotomy between micro and macro marketing is examined. Secondly, the question of DJ is examined with reference to the Rawlsian approach. Then, the nexus between macromarketing and DJ is established. Lastly, the role of MSMEs as agents of DJ is examined. The paper ends with conclusion.

### **What is Macromarketing?**

It was proposed by Hunt (1981) that:

*Macromarketing is a multi-dimensional construct and refers to the study of 1) marketing systems, 2) the impact and consequence of marketing systems on society, and 3) the impact and consequence of society on marketing systems.*

As Bartels and Jenkins (1977) state, the coinage of terms is licence of authorship; but it is expected that consistency

of use will ultimately prevail. As there is no formal authority for the marketing lexicon, usage generally implies definition, however imprecise it may be. The use of the term “macromarketing” has neither been challenged nor authenticated by the researchers to date. Thus, the term macromarketing has come to stay in marketing literature.

How well such systems currently perform and what could and should be done to improve their overall effectiveness has long been a macromarketing concern (Layton R. , 2007).

As the definition of macromarketing by Hunt (1981) has reference to marketing systems, it is beneficial to explore the meaning of the term “marketing system”.

### **Marketing System**

Marketing System is a network of individuals, groups, and / or entities linked directly or indirectly through sequential or shared participation in economic exchange that creates, assembles, transforms, and makes available assortment of products, both tangible and intangible, provided in response to customer demand (Layton R. , 2007).

### **On the Dichotomy Between Micro and Macromarketing**

Hunt and Burnett (1982), through a survey conducted on academic professionals, concluded that a taxonomical

system relying in a single criterion (like perspective of society) for classification will not provide a complete and unambiguous positioning of the marketing phenomenon. Instead, they recommended a polythetic (multiple criteria) taxonomical system (Hunt & Burnett, The Macromarketing / Micromarketing Dichotomy: A Taxonomical Model, 1982 (Summer).

The micro-macro dichotomy in marketing is ambiguous and Hunt (1981), in his path-breaking paper, "Macromarketing as a multidimensional concept" resolves the issue of the micro-macro dichotomy on the basis of:

1. **Aggregation:** *Micro* refers to the marketing activities of individual units (firms and consumers or households) and *macro* refers to a higher level of aggregation, either marketing systems or groups of consumers.
2. **Interests of society:** Micro marketing would concern internalities or the internal marketing interests of the firm, whereas macromarketing focuses on the interest of the society concerning marketing. Thus, issues like, social responsibility, efficiency, productivity and distributive justice will come under the ambit of macromarketing.
3. **Legal and comparative marketing:** Micromarketing concerns how to use the power balance between various channel partners to the advantage of the firm. Macromarketing would look at the stakeholder approach so as to maximise the utility to the all the stakeholders.

This forms the basis for macromarketing colloquium.

The essential difference in traits between micro and macromarketing is indicated in Table 1:

**Table1: Micro & Macromarketing compared**

Trait	Micromarketing	Macromarketing
Orientation	Managerial orientation	Social, cultural and policy orientation
Focus	Individual exchanges or transaction	System transaction rather than individual transactions
Unit of analysis	Firm or customer	Market and or the marketing system

*Adopted from: (Shapiro, 2012)*

Now, we will turn to explore the concept of DJ.

### **Distributive Justice (DJ)**

Search for justice is a natural instinct in all human beings. After the basic needs of physiological needs are met, man looks for higher goals and one of them is the need for justice. It is another matter that what is justice for one may not be justice for the other. For example, what is justice for the deer may not be justice for the tiger. In marketing context, what is justice for the customer (best product at

the lowest price) may not be justice for the supplier. But human beings, as a civilised form of living beings, look for equitable distribution of burdens and benefits and this is the origin of the idea of distributive justice. A society is a group of people who come together for a common good. Any civilised society values dignity and human rights. This noble aspiration is enshrined in the United Nations' Universal Declaration of Human Rights: "Whereas recognition of inherent dignity and of the equal right and inalienable rights of all members of the human family is the foundation of freedom, JUSTICE and peace in the world...Whereas it is essential, if a man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law" (United Nations Organisation, 1948). Similar sentiments are expressed in the preamble to the Constitution of India which reads, "We, the people of India, having solemnly resolved to constitute India into a Sovereign, Socialist, Secular, Democratic Republic and to secure to all its citizens, JUSTICE, social, economic and political.

Liberty of thought, expression, belief, faith and worship; Equality of status and of opportunity...." (Sharma, 2002). Ensuring justice is central to ensuring all other values such as freedom and dignity. As already indicated, in business context, as in any other social transaction, justice has been understood as fairness in transactions. This requires examination as to how the marketing system, in terms of structure, policies, or practices, fairly appropriates rewards and penalties among the various parties affected by the

market exchange process. This is addressed by the concept of Distributive Justice (DJ) which has been consistently defined as addressing how a community treats its members in terms of the assignment of benefits and burdens according to some standard of fairness (Laczniak & Patrick, 2006). There are (at least) two forms of justice, procedural justice and distributive justice (Laczniak & Murphy, *Distributive Justice: Pressing Questions, Emerging Directions, and the Promise of Rawlsian Analysis*, 2008). The procedural justice is concerned with whether the groups and organisations use correct and fair procedures in making decisions and allocating outcomes (Ferrell, Fraedrich, & Ferrell, 2009). To ensure that DJ is achieved, it is helpful to include the concept of stakeholders in business. The concept of stakeholders, such as the employees, and customers, is central to the marketing practice and thus the present study has its basis in marketing with special emphasis on macromarketing.

There are two approaches to distribution of income and wealth, egalitarian and non-egalitarian approach. These approaches are also referred to as the state control or the communistic approach (command economy) and the capitalistic, or the market-approach orientation (Paul, 2008). The Command economy approach tends to address the issue through centralised planning where the state decides what to be produced, who will produce it, and who will get it (Velasquez, 2009) and the price at which it is to be sold. The market approach addresses the issue by allowing a free play of market forces which are believed to create and distribute wealth. The belief is that the market force is the

“invisible hand” that ensures creation and distribution of wealth. Adam Smith, has made reference to the “invisible hand” at the end of a long paragraph, in his monumental book, “The Wealth of Nations”, “....and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is, as in many other cases, led by an invisible hand to promote an end which was no part of his intention....” (Smith, Bentam Classic Edition 2003). The invisible hand, of course, is competition (Velasquez, 2009).

There is a third approach termed the “Mixed Economy” which seeks to tread the golden middle path between the two approaches. Our own country, India, and the developed countries such as the USA, adopt the approach of mixed economy. The importance of mixed economy is brilliantly brought out by the Nobel Laureate Joseph Stiglitz, “I had studied the failure of both markets and the governments, and was not so naive to think that governments could remedy every failure. Neither was I so foolish as to believe that markets by themselves solved every societal problem. Inequality, unemployment and pollution: these were all important issues in which government has to take an important role” (Stiglitz, 2002).

Capitalism is normally understood as “the investment of money in the expectation of making profit” (Fulcher, 2006) and therefore an elaboration of roots of egalitarianism in capitalism is appropriate. The search for egalitarianism within the capitalistic philosophy is gaining ground as is evidenced by the words of scholars such as Lane Kenworthy

in his book “Egalitarian Capitalism”, “Many people prefer to live in a society that is not only affluent but also reasonably egalitarian” (Kenworthy, 2007) The root of egalitarian approach in capitalism can be traced way back to the year 1776 in the works of Adam Smith, “No society can be flourishing and happy, of which the far greater part of the members are poor and miserable. It is but equity, besides, that they, who feed, clothe and lodge the whole body of the people, should have such a share of their own labour as to be themselves tolerably well fed, clothed and lodged”. He further passionately argues for egalitarianism: “When the regulation (of wages), therefore, is in favour of the workmen, it is always just and equitable; but it is sometimes otherwise when it favours the masters” (Smith, Bentam Classic Edition 2003).

The market forces are expected to generate wealth and prosperity due to enhanced economic transactions between members of the society and across the borders of the countries. Rostow presented the idea that the general socio-economic wellbeing reaches all the members of the society through the “trickle-down” effect through the population (Suzane, 1998). However, Todaro has opined that general economic progress by itself does not improve the levels of the very poor (Todaro, 2000). This is evident by the fact that 20% of the world richest receive 82.7% of world's income, only 1.4% goes to the 20% who are the poorest (Korten, 1998). This is termed the “Trickle-down trap”.

With the fall of the United Soviet Socialist Republic (USSR), the world seems to be favouring the market approach. The

adoption of Liberalisation, Privatisation and Globalisation Policy by the Government of India in July 1991 is an indicator of such a change of philosophy. Even countries such as the Republic of China are slowly but steadily moving towards market economy.

### **Why is Distributive Justice Important?**

A society is the natural outcome of the gregarious instincts of mankind that seeks company of others. In doing so, an individual is driven by a motive to maximise the benefits accruing out of the transactions. John Rawls, the proponent of the philosophy of Distributive Justice, writes in his monumental work, *A Theory of Justice*:

*"A society as a cooperative venture for mutual advantage is typically marked by a conflict as well as by an identity of interests. There is an identity of interests since social cooperation makes possible a better life for all than any would have if each were to live solely by his own effort. There is a conflict of interest since persons are not indifferent as to how the greater benefits produced by their collaboration are distributed, for in order to pursue their ends they each prefer a larger to a less share"* (Rawls, A theory of Justice, 2010).

Hence there is a need for a system which ensures an equitable distribution of the fruits of labour. The search for such a system has led to the concept of "Distributive Justice" (DJ). The concept of DJ in business is important with the growing recognition of the fact that the success or failure of a company depends not just on the stockholders but the contribution of the various stakeholders such as the

employees, customers, suppliers and the society at large. In the earlier twentieth century, the accent was on maximisation of stockholders value. But this view is being challenged with the question, “For whose benefit and at whose cost should the firm be managed”? (Freeman, 2007). In general, the long-term shareholder value creation requires cooperation with other stakeholders, whereas focus on short-term value creation might sometimes lead to the exploitation and alienation of the firm’s other constituents (Sundaram & Inkpen, 2004). It has to be appreciated that “it may not be that easy to convince corporate leaders to adopt a stakeholder theory of the firm. First, the decision making becomes more complex and time consuming. Second, the performance measures associated with this approach are somewhat difficult to obtain. Third, many of the performance measures are subjective (e.g., employee satisfaction rating) rather than objective (e.g., share price). Nonetheless, from the standpoint of distributive justice, corporations may need to pay attention to the alternate theory of the firm (in this case, ‘Stakeholders theory’) and their associated prescriptions”. Changes that are sweeping across the world, such as “Occupy Wall Street” are forcing corporations to account for the stakeholders and not just the stockholders (Lakshman, 2011).

The stakeholder perspective of organisation has implication in the definition of distributive justice, sources, frequency and intensity of conflicts between the stakeholders and approaches to conflict resolution (Crul & G.M.Zinkan, 2008).

Distributive Justice can be better implemented by inclusive economic development that encourages growth of employment commensurate with economic growth. But what has been the relationship between economic growth and employment in India? The Gross Domestic Product (GDP) (Factor Cost 2004-05 prices) of India grew from Rs 35.64 trillion in 2006-07 to Rs 52.22 trillion in 2011-12 amounting to a Compounded Annual Growth Rate (CAGR) of 6.56%. However, according to the results of the National Sample Survey Organisation (NSSO) (66<sup>th</sup> Round), the employment growth rate declined at a CAGR of 0.34% in rural India and rose at the rate of just 1.36% in urban India during the corresponding period (Chandrasekhar, 2011). Thus, the belief that “growth creates employment” is questionable.

### **Macromarketing and Distributive Justice, the Nexus**

American Marketing Association (AMA) statement of Ethics lists fairness as one of the six ethical values for marketers; AMA defines fairness as balancing justly the needs of the buyer with the interests of the seller (American Marketing Association, 2012). But, in reality, the practice could be different. For illustration, when a large retailer is able to provide an extremely competent price, the benefit to the consumer might have come at the expense of small suppliers and family owned retail competitors (Fishman, 2003). Fairness requires that all the players in the supply chain are fairly compensated. Distributive justice, as already cited, is defined as addressing how a community treats its members in terms of distribution of benefits and burdens according to some standards of fairness. Hence,

distributive justice is a fundamental ethical tenet while evaluating the social dimensions of marketing practices (Laczniak & Patrick, 2006).

DJ and macromarketing have a strong nexus for it is often the marketing system (or subsystems such as retail, wholesale, vertical systems) that skews the outcome of market transaction towards an unfair outcome for certain parties. For example, use of gas guzzling, oversized sports utility vehicles (SUVs) may cause the issue of resource consumption and safety to others issues which cannot be tackled by legislation but are the integral part of the design of the marketing system itself. Layton and Grossbart (2006) in their survey of macromarketing literature have identified articles that specifically address DJ. They have identified 12 challenges in macromarketing research dealing with competition and markets, marketing ethics and distributive justice and marketing and development. They support the view that “marketing is a significant social institution” and that “there is a growing concern about the impact of business decisions on society and the environment” (Layton & Grossbart, 2006). Macromarketing literature takes the view that “From a political economy view, marketing economic efficiency issues should not be divorced from polity, distributive justice, and equity issues”. The 12 challenges referred to earlier “are grounded in macromarketing intellectual and normative traditions and its interest in marketing systems’ multiple roles, responsibilities and consequences. They deal with the interaction of marketing and society and the working of marketing systems at different levels of aggregation”.

Dixon (1982) refers to the micro-macro dilemma, “what is ‘good’ for some producers or consumers may not be ‘good’ for society as a whole”. They conclude that “though man’s self-interest is the primary factor in explaining the operations of society, differences arise in the way in which private interests are integrated with those of the public” (D.F.Dixon, 1982).

Laczniak (1999) using the platform of an article by Karpatkin (1999), raises the questions of lack of distributive justice for vulnerable groups such as the elderly and children affected by marketing transactions and suggest adoption of ethical marketing based on Catholic Social Teachings (Laczniak G. R., Distributive Justice, Catholic Social Teaching, and the Moral Responsibility of Marketers, 1999).

Marketing has not only economic dimension but also societal dimension. Wilkie and Moore (2003) have explored the marketing thought in the “4 Eras” and have dealt with “how the treatment of societal dimensions of marketing has fared in each period”. Era I (1900-1920), “Founding the Field of Marketing”, was characterised by “Marketing as distribution”. The societal focus was on how “the accepted system of distribution contributed to the progress of civilisation”. Era II (1920-1950), “Formalising the Field”, was characterised by the “acceptance of Principle of Marketing”. The societal focus was on exploring “Marketing not primarily as a means for garnering profits for individuals. Means for providing fare compensation for the (marketing) activity and incentives needed to stimulate constant improvements in the marketing methods. Era III (1950-1980),

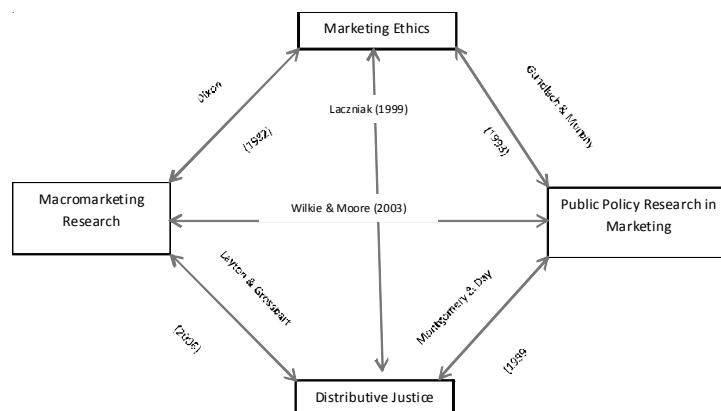
“A Paradigm Shift in the Marketing Mainstream -Marketing, Management and the Sciences”, was characterised by the “managerial viewpoint” which deviated from the “macro-view”. The market was in boom, driven by the “baby boom”. In the first half, the accent on societal issues declined and emphasis was on “help managers to undertake successful marketing programs”. In the second half, due to social unrests, the emphasis on social responsibilities of business began to gain ground. Though the proportional representation of marketing and society articles was lower during Era III, but the absolute number of marketing and society articles was much higher, and again it was a major topic of interest to the marketing field. Era IV (1980 – Present), “The Shift intensifies – A Fragmentation of the Mainstream”, was characterised by short-term financial focus, downsizing, globalisation and reengineering. The application of managerial view points led to fragmentation and brought in most significant decline in marketing and society line of thinking. But, journals such as *Journal of Macromarketing* and *Journal of Public Policy and Marketing* were focusing on the larger aspect of marketing and society (Wilkie & Moore, 2003).

Day and Montgomery (1999) have raised several questions and the question concerning “What are the contributions of marketing to organisational performance and societal performance is central to the question of nexus between macromarketing and distributive justice. They raised the question that “At societal levels, there are serious doubts about the costs of marketing and the values that are

espoused and the continuing questions about the need for regulation and legislation to counter the perceived abuses".

Gundlach and Murphy (1993) have highlighted the role of ethics and law in exchanges and examine the interrelationship of contract law and ethics for building and sustaining marketing exchanges. They identify dimensions of ethical exchange such as trust, equity, responsibility, and commitment as fundamental building blocks for fair and open exchanges to occur. The notion of equity or fairness is widely recognised as essential for mutually satisfying exchanges and tied to the concept of distributive justice (Gundlach & Murphy, 1993).

The nexus or the tie between the several members of the group is illustrated in Figure 1.



**Figure 1: The Distributive Justice Nexus**

Adopted from (Laczniak & Patrick, 2006)

Unlike the More Developed Countries (MDCs), in the Less Developed Countries (LDCs), most commodities and resource markets are highly imperfect, consumers and producers have limited information, major structural changes are taking place in both the society and the economy and disequilibrium positions often prevail, that is, prices do not equate supply and demand (Todaro, 2000). Therefore, the marketers who are conscientious must be concerned with macromarketing and not just micromarketing. Thus, there is strong nexus between macromarketing and DJ. The nexus between DJ and marketing ethics, research in public policy research in marketing is also evident from the above discussion.

### **Small and Medium Enterprises as Lynch Pins of Marketing Systems**

Recollect the earlier cited definition of Marketing System as a network of individuals, groups, and / or entities linked directly or indirectly through sequential or shared participation in economic exchange that creates, assembles, transforms, and makes available assortment of products, both tangible and intangible, provided in response to customer demand. MSMEs play an important role in provisioning for the goods and services. MSMEs are important players in the marketing system as they are the important part of production systems.

In India, it is estimated that in terms of value, the Micro, Small and, Medium Enterprises (MSMEs) account for about 45% of manufacturing output and 40% of the total exports of the country (Government of India, 2012). A better

distributive justice along the supply chain ensures better marketing systems and therefore study of distributive justice is an important component of macromarketing. Distributive justice depends upon how the risks, benefits and rewards of supply chain participation are shared. The supply chain participants have to perceive that they are justly compensated for their functional performance. This helps in developing trust. (Bowersox, Closs, & Cooper, 2008)

In noting the conditions for economic development, development of market is seen as a contributory factor. For the market to develop there must be incentives; inequities in the distribution of economic gains stifle the individual and corporate efforts necessary for economic growth (A.Klein & Nason, 2009).

It is often argued that in large factories the wages and facilities are better. Then, why should one consider labour intensive MSMEs as agents of distributive justice rather than large scale, capital intensive units? To quote J.C. Kumarappa (1958), “If we would save man from being degraded into a beast or an automaton, we have to face this situation and find a solution, wherein work will cease to be a means for concentrating wealth and power but will become means of distributing wealth”.

### **Why are MSMEs Agents of Distributive Justice?**

The virtues of MSMEs in creating employment (which is so vital for labour surplus countries like India), their ability to decentralise, offering social and political benefits and their ability to draw out latent reserves have already been discussed earlier.

In addition, it may be interesting to note that MSMEs have an advantage over large firms from the environmental point of view. Quoting Schumacher, “Ever bigger machines, entailing ever bigger violence on the environment do not represent progress; they are a denial of wisdom”. As quoted in the same book by Schumacher, Leopold Kohr has written about the relevance of small enterprises to the economics of permanence: “small scale operations, no matter how numerous, are always less likely to be harmful to natural environment than large-scale ones, simply because their individual force is small in relation to the recuperative forces of nature” (Schumacher, 1993).

Social justice is one of the avowed policies of any democratic government. Of the several avenues to the government in ensuring social justice, supporting Small and Medium Enterprises (MSMEs) can be the option closest to the market.

J C Kumarappa has argued as to why distribution of wealth is better in less capital intensive production such as the one occasioned in MSMEs:

*(In capital intensive production) owing to the heavy investment, a large portion of the selling price has to be reserved for replacements, profits, and interest, and only a small percentage goes to distribute purchasing power as wages. Indeed, the effort of capitalists is directed at reducing wages. This leads to curtailment of purchasing power among the masses and thus limits their power to*

*consume. Hence we witness under-consumption or relative overproduction and consequent economic depression.*  
(Kumarappa, 1958)

Distribution will increase the wealth of the nation even if the money value is the same. There is always an argument that the capital is invested to provide more opportunity and employment. But the truth is that most investment is directed towards producing the articles by which the largest profit can be made rather than meeting man's primary requirement. Therefore, the poor man's needs are forgotten while there is a glut in the rich man's luxuries.

### **Concluding Remarks**

Macromarketing is an important branch for marketing scholarship. Distributive justice is fundamental to all other marketing ethics. MSMEs facilitate distributive justice.

The paper has examined the question of what macromarketing and distributive justice and established the nexus between the concepts. The role of MSMEs as agents of DJ is also established. Innovation in MSMEs should be directed towards decreasing drudgery but should not mean replacement of human skills with machinery.

Study of contribution of distributive justice by MSMEs is an important macromarketing issue worthy of study. MSMEs are not a burden to the economy. Labour surplus countries like India need MSMES.

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