

A transnational  
corporation



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Globalization can be described as the movement of people, money, resources, ideas, or culture across international borders; but can also be described as the process by which businesses or other organizations develop international influence or start operating on an international scale. Tents have both positive impacts and negative impacts, on both the home country and the host country; but are they responsible for helping or hindering these nations? The ways in which Tents operate have been under much scrutiny for many years.

They have been accused of exploiting their workforce by offering minimum wage or less, and by forcing them to work unfair and ridiculous hours. Tents have also been subject to much wider economic scrutiny. There are approximately 6000 Tents across the world, and the top 200 are accountable for 25% of the world's economic activity, but yet only employ 1% of the global workforce.

Economic experts have queried how this is possible, and many of the answers point towards exploitation, along with unfair and sometimes unlawful dealings. Tents have positive impacts on their host countries; one of these impacts is the number of jobs they provide.

One TNT which does this is The Royal Dutch Shell Group (Shell). Shell is an Anglo-Dutch TNT involved in energy production- primarily petroleum. Shell operates in 140 countries, and provides around 109, 000 jobs. One of its larger workforces is located in Nigeria.

Shell provides jobs in the Nigerian economy in various sectors, ranging from construction to research, and transport to surveying. This wide range of

employment opportunities diversifies the Nigerian economy, and also ensures that both low-skilled and high-skilled workers are able to be employed by the business.

However, Shell has come under scrutiny for the way in which they have acted during their time in Nigeria. During its 77 years in Nigeria, many environmental agencies and activists have criticized Shell for their lack of care for the environment. There have been over 4000 oil spills since 1960, for which Shell has been solely responsible; these oil spills have contaminated the Nigerian water and food supplies, as well as severely damaging the ecosystems and harming wildlife.

Shell has also been responsible for excessive gas flaring, which is where unusable gas is burnt; this has seen a considerable increase in air pollution levels.

TNCs also impact their respective home countries. One example of such a TNC is Tyson. Tyson was a company based in Wiltshire, England and provided over 800 jobs in the area. However, in 2002 the company upped sticks and moved their manufacturing base to Malaysia; this naturally caused uproar in England.

The loss of 800 jobs left these workers without a steady income, and it was difficult to find another job because Tyson was one of the very few manufacturing plants remaining in England, and so very few low-skilled jobs were available.

This in turn caused a economy, so the local businesses in-and-around Wiltshire also suffered due to the event of the manufacturing base to Malaysia. The movement abroad of Tyson, however, did bring some positives to the United Kingdom. It was estimated that the movement of production to Malaysia cut the firm's production costs by as much as 30%. This cut in costs subsequently improves the bottom-line of the business, meaning that the company earns more in profit.

This also means that the company- still with a WHQL in England-must therefore pay a higher amount of corporation tax, which is received by the I-J treasury.

This means that the UK government's fiscal efficient will be reduced. Another negative impact on a host country is the exploitation and poor treatment of the workforce; a TNT guilty of this is Nikkei. Nikkei is based in Beaverton, Oregon, USA. However, they employ a grand total of zero manufacturing staff in the USA, but over 650, 000 in Indonesia and China.

These workers, especially those in Indonesia, are paid well below minimum wage, and work far more hours than they are legally obliged.

There has also been a recent spate of industrial accidents, resulting in members of the workforce being severely injured and being feet unable to work. Nikkei could be said to be exploiting these workers; however, they are able to get away with such exploitation due to the fact that trade unions are illegal in Indonesia, so they face no opposition in what they are doing.

Also, due to lack of trade unions, Nikkei threatens to terminate the employment of any employee who challenges their working hours or pay. In conclusion, I believe the statement “ Despite much criticism, Tents are actually a force for good in the globalizes world” to be false. I agree that Tents do bring some positives to the globalizes world, in the arm of employment opportunities, but I think that these are by far outweighed by the negatives.

The environmental, social, and economic consequences of Tents are simply too negative; they are responsible for both local scale and global scale pollution, which has both short term and long term implications.

The exploitation of workers is on such a large scale that it is almost impossible to rectify, which will have lasting, damaging impacts on workers. Economically, Tents are more of a positive for the home country than the host, and subsequently does not assist the globalizes world.

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