

Good transnational corporations (benefits and negative impacts) critical thinking...

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Transnational corporations, also referred as multinational companies, are firms or organizations that serve successfully on an international level. They design their strategies, vision, and goals for international market. There are a number of benefits associated with transnational corporations. Firstly, the transnational corporations extensively use technological means for solutions' development. For instance, the renowned Walmart use renewable energy in about eleven thousand stores. Secondly, the employment of advanced technology results in increased productivity as time is saved. Similarly, advances in technology within transnational corporations increases opportunities of employment for people. As a consequence, there is substantial growth in the economy of the region where they operate (Wood, 2014).

However, there are several negative impacts of transnational corporations as well. TNCs usually move to developing countries because of less strict environmental regulation in these countries (Wood, 2014). It means that transnational corporations contribute in the pollution increase. It is not an untold secret that TNCs use " the Third World as a place to relocate the dirtiest and most hazardous production processes, as ' pollution havens'" (Redclift & Benton, 1994). TNCs consume resources in an extensive way. They contribute in the depletion and degradation of natural resources, including water, minerals, soil, etc. In addition, transnational corporations also produce toxic waste. As a consequence, they play a major role in damaging the natural environment. They also generate health problems for people because of the production and usage of radioactive materials, organic compounds (volatile), and asbestos. It is extremely necessary to implement

and enforce international standards in order to solve the TNCs-related problems for people and environment. Public awareness is also necessary as education may help people to realize, understand, and respond appropriately to the negative impacts of transnational corporations as they inflict some major hazards (Wood, 2014).

References

Redclift, M., & Benton, T. (1994). *Social Theory and the Global Environment*. London: Routledge.

Wood, M. (2014). *Fiduciary Obligations and Corporate Citizenship: The Ethics of Outsourcing to Nations with Lower Environmental Standards*. University of Waterloo.