

# [Corporate responsability with multinationals](https://assignbuster.com/corporate-responsability-with-multinationals/)

Topic B: Corporate Social Responsibility Towards Workers and CommunitiesMultinational corporations have installed themselves in Latin American since the 1990s, causing a great deal of issues for governments and workers. Most countries that have opened themselves to foreign investment have been forced to deal with threats to basic civil rights. Workers have been exploited by these multinational giants, often punished unjustly for doing what they are rightfully entitled to, such as organizing trade unions. Venezuela has not had to deal with these problems, especially since large industries in the country have been nationalized by President Hugo Chavez. The main ideas promoted by the Venezuelan government are, ??? an emphasis on the importance of education, the creation of civilian-military unity, Latin American integration, social justice, and national sovereignty.

??? It therefore becomes clear that the installation of such corporations would contradict with the values that the country is ruled by. Foreign investors would take advantage of natural resources, and cause various problems to society. The 1999 Venezuelan constitution increased protection to indigenous people and women, all of which would crumble at the hands of these MNEs and their recent conduct. The goal of the Pan American Development Foundation is to ??? empower disadvantaged people and communities in Latin America and the Caribbean to achieve sustainable economic and social progress, strengthen their communities and civil society.??? However Latin American nations have often been the target of already developed countries, dating back to their own colonization and the system that was put in place. Often forced to supply the needs of the more powerful, they have been exploited to their roots, and the people forced to pay with their lives. Venezuela refuses to allow such relation to continue. There is a list of countries that have submitted themselves to such treatment ??“ Costa Rica, Colombia, Ecuador, Nicaragua, Argentina, Honduras, etc.

??“ all of which have dealt with cases of law obstruction and even intimidation and violence towards workers who have stood up for their rights. It is recognizable however that these corporations may often bring benefits to a country, such as access to foreign capital, development of resources, technology and productivity improvement, and management and marketing skills. These benefits can also lead to, in the long-run, increased employment, skills and education,? entreprenurial Opportunities, and a broader range of consumer products and services. All of these outcomes may also occur through different measures however, such as the ones that the government currently has in place. This includes state-ruled businesses, such as oil companies. Since the government got control of the national oil company in 2003, real GDP has almost doubled. Also, in regard to human conditions and improvement, a series of Bolivarian Missions that hoped to insure public services to improve economic, cultural, and social quality of life have been able to fight illiteracy, poverty, and healthcare, as stated in a 2010 OAS report.

Apart from this impressive data, if multinational corporations were allowed in the country they would very possibly also lead to a decline in domestic suppliers, seeing as how they would be more specialized and therefore produce at lower prices. Although this would be good for consumers, it would also lead high levels of unemployment for Venezuelan workers. The choice of keeping these companies out is a protective one for the entire society. Sources: http://en. wikipedia. org/wiki/Hugo\_Chavez#Economic\_and\_social\_policyhttp://www. hcs. harvard. edu/~haciadem/ingles/english. html