

# Student Worksheet 2.7

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## Activity 2.7 Multinationals in Context

In this activity, you will select and research a multinational corporation (MNC) of your choice. Your instructor will tell you whether to choose a MNC in the local or regional area or whether to choose one in a global context. You may want to choose one that has been in the news recently, one that has a plant located nearby, one where many people in your town work, or one that is particularly important to the regional economy (e.g., a car manufacturer, a fertilizer producer, a food processor, etc.). Using any available resources, including those suggested by your instructor, answer the following questions:

- Where is this corporation's headquarters located? (Who earns the bulk of the profit?)
- What countries are involved in this venture?
- What does this corporation do/produce/distribute?
- What's the degree of vertical and horizontal integration?
- What is the socioeconomic, political, and environmental context in which the MNC operates its production plants? In other words, why did the MNC locate in our town/region? (Be sure to include issues like age and gender of workers, wages and benefits for laborers, natural resources, environmental regulations, level of prosperity, tax rates and other incentives, size of potential market, etc.)

Other items may be important to consider depending on the local or regional context of the MNC. For example, you may investigate an accident, a strike, a case of uncovered fraud, major civil rights violations, marked environmental pollution, or, on the positive side, increasing economic prosperity and -- by way of attracting other industries -- economic diversification, and general increase of attractiveness of a location. If you are researching a MNC in a global context, consider some of the following questions:

- How do *we* profit from [this MNCs] operation in [...] (fill in an example, and a host country)?
- Why should I worry about the slack environmental regulations and enforcement in Tanzania? -- All I want is a cup of coffee ...
- So what's the connection between my lunch (a McDonald's hamburger) and the global climate?
- How many people does it take to drill a hole in the wall with a Black & Decker drill? (This is not a joke, but a question to stimulate critical and relational thinking.)
- I drove to school this morning with my Kawasaki motorcycle that had Exxon gas in the tank and Firestone tires on the wheels. How many countries were involved in getting me to class on time?

You should try to find information on the company of interest from a variety of sources, e.g., you could request annual reports including employment data from the company; you could talk to people in environmental or other relevant action groups; or you could look for information at the Chamber of Commerce. Your instructor can also point you toward other sources of relevant information.

You can choose to present your findings in a variety of ways -- writing a critical op-ed piece, or a “glossy” brochure on the city/region that is meant to allure MNCs to locate in the region, a performance report on a MNC to the Office of Technology Assessment or the Environmental Protection Agency, a poster presentation, or a film script for a documentary on the MNC.