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## **MULTINATIONAL CORPORATIONS IN THE GLOBAL SOUTH**

### **AGENTS OF DEVELOPMENT OR INSTRUMENTS OF EXPLOITATION?**

**-BY AISHI BANERJEE**

#### **ABSTRACT**

This research paper seeks to review the proper role of Multinational Corporation in the Global South as agents of development or instruments of oppression. In the development of the economies of the global system, MNCs have been seen to play a vital role when it comes to creating employment opportunities for their citizens, transferring technologies and putting down infrastructural facilities in the developing regions of the world. Nevertheless, their functioning provokes many doubts concerning the usage of people's labor, employment of the detrimental impact to the environment, and the overall overdependence. In reference to the positive and negative influences of MNCs to the Global South, this paper's assessment as offers clear-headed opinions on the firm's contributions to sustainability, equitable development, and future prospects of South-South cooperation. This paper finds that MNCs have the potential to positively impact growth and development in the less developed countries if only the legal systems would be sharpened considerably and business operations supervised and managed more ethically so that expatriate capital can improve the people's welfare in a sustainable manner.

**Keywords:** Multinational Corporations, Global South, Globalization, Neocolonialism, Economic Growth, Exploitation

## INTRODUCTION

*“I know what it’s like to have these big multinational corporations invade your land and promise jobs and promise it’s gonna be safe and then you see the consequences.” — Mark Ruffalo (interview with Mother Jones)*

Globalization’s accelerating pace has led to an increase in the number of Multinational Corporations all over the world, but more in the Global South due to a large number of factors such as availability of raw materials, cheap labour, expanding consumer markets. These MNCs with their vast resources, developed and advanced technologies, employment opportunities are often seen as a source of advancement of the low and middle income regions of the world, i.e., the Global South and seen as a key player in shaping their economy. However, the relationship between the Multinational Corporations and the Global South is perceived mostly by suspicion as the Global South perceives the MNCs as capitalistic and exploitative, on the other hand, the MNCs sometime view the Global South countries as politically and economically unstable. Thus, the role of MNCs in the Global South remains highly contested and this research aims to provide a comprehensive analysis and a balanced perspective on whether the Multinational Corporations act as an agent of development and prosperity or as an agent of exploitation in the Global South countries.

Given the historical context of post-colonialism and neo-colonial practices, this topic is relevant to understand contemporary global order. Most Global South countries, having experienced a history of colonial exploitation are concerned that the MNCs might continue this historical order of oppression and resource exploitation under the disguise of globalization. This research will analyse that if the suspicion of the Global South is true or the MNCs has evolved to become more responsible actors in the global arena.

Additionally, the research aims to explore and study the cases where MNCs have been criticized in the Global South for poor labour practices and environmental concerns. However, there has been increasing pressure on the MNCs to align themselves with international protocols like the SDGs to adopt more environment- friendly and ethical practices. The questions on how these initiatives have created a meaningful impact in the Global South still remains unanswered. Moreover, the research highlights the varied experience across countries and sectors of the Global South.

The question whether the Multinational Corporations are exploitative or do they really contribute to the public spirit in Global South is one of the crucial questions which needs to be analyzed to understand contemporary global economic dynamics. However, there lacks a nuanced approach in understanding and analyzing the perspectives as there is a polarized perspective present in the existing literatures. This needs to be dealt by incorporating case studies, theoretical analysis and empirical evidence to present a multifaceted view.

## **RESEARCH METHODOLOGY**

This research employs a qualitative research approach to understand the development impact of MNCs in the Global South and exploitation by these firms. The method adopted in the study comprises literature review and secondary data analysis. In the first step, a literature review of books, journals and publications by scholarly authors, the World Bank and ILO is undertaken. FDI, labour practices, environmental issues, dependency and modernization theories form the basis of ideas explored in this review. Second, secondary data contains numerical values of FDI flows, employment impacts, and effects on the environment of MNCs. This analysis looks at a number of factors providing economic impacts as well as concerns regarding MNCs. Finally, a comparative analysis investigates North v/s emergent MNEs defined as MNCs from the developed world in the Global North and those originating from emerging economy countries in the Global South, exploring the emerging changes on the world economy. Last and most importantly, a content analysis of the corporate sustainability reports conducts an assessment of the MNCs working under different ethical standards and sustainability indexes.

## **RESEARCH QUESTION**

1. With respect to employment, income distribution, and technology transfer, what are the principal about the economic effects of MNCs in the Global South?
2. What is the relationship between CSR systems adopted by MNCs and needs/expectations of communities in the countries of the Global South?
3. How do legal systems in nations of the Global South impact MNCs' practices with regards to employment conditions and ecological responsibly?

4. How have MNCs of the Global North and MNCs of the Global South differ in their operations and effects on development?

## **REVIEW OF LITERATURE**

Multinational corporation's role in overall development of a country still remains a matter of debate and discourse. Some scholars like Lumun et al. (2020) suggests that MNCs play a balanced role in the global south, both as detractors and contributors<sup>1</sup>. Their key findings indicate that MNCs while playing a significant role in generating employment, poverty alleviation and infrastructural development, they are also responsible for factor such as repatriation of profits, exploitation of local workers. Their study thus recommends to create such economic policies that will not only attract MNCs, but also will safeguard the rights of their citizens. However, their study lacks analysis of specific case studies that could have provided insights in the effects of MNCs locally.

Eric Palmer in his article highlights the responsibilities of the Multinational Corporations in the Third World which emerged after the World Wars which in his words, "Areas of ethical concern have grown in variety and complexity as understanding of development has changed from such narrow economic treatment in the era following World War II to the present" (Palmer, 2016). It focuses on ethical concerns such as exploitation of workers, corruption, unsustainable practices, warfare specifically on areas such as telecommunication, garments industry and so on, and concludes by suggesting ethical practices for MNCs in current global order<sup>2</sup>. However, the paper lacks a broader implication as it focuses on specific sectors which overlooks other significant sectors where MNCs operate.

Dass and Jamal (2018) critically analyses current literature on the relationship between MNCs and Foreign Direct Investments (FDI) highlighting on how they play a key role in underdevelopment in the third world countries. Their study indicates that MNCs, often viewed as agents of imperialism, contribute to the underdevelopment in the peripheral states as stated by Marx in his Underdevelopment Dependency Theory<sup>3</sup>. They suggest that while MNCs can create employment opportunities, they never facilitate real technology transfer as the technology they provide are generally outdated. However, the paper completely generalizes MNCs behaviour and while drawing oversimplified conclusions from them. The paper also

lacks specific case studies which could have provided a better understanding of the arguments presented in the paper.

Savchenko et al. (2023) provides a balanced view while systematically analysing the complex dynamic of MNCs operating in the global south. On the positive aspect, the MNCs significantly increase development by lowering production costs generating employment opportunities, they also act as an agent of exploitation by provide lower wages and poor working conditions<sup>4</sup>. However, while the paper discusses the immediate effects of the MNCs in the developing countries, it fails to address the long-term benefits or disadvantages that MNCs pose on the third world such as environmental degradation and cultural changes.

Ondabu (2014) critically examines and highlights how MNCs have grown from small businesses to major business entities and how this change is significant to understand their role on the developing countries, as it helps analyse potential threats such as capital flight<sup>5</sup>. Another reason for these threats, according to the author, is poor policy frameworks in the developing nations. Thus, the author pleads for careful policy consideration to the governments in relation to the MNCs. However, the paper fails to suggest actionable policy recommendations which may limit the applicability of the study's conclusion to the policy makers.

## **EVOLUTION OF MNCS IN GLOBAL SOUTH**

The evolution of MNCs in global south is deep-rooted in the region's colonial past and its economic evolution after gaining their independence. MNCs have played a key role in shaping the economy and political arena of the global south countries, particularly in Asia, Africa, Latin America and Asia. The engagement of foreign companies or corporations in the Global South during the colonial era was primarily focused on resource extraction and trade. This laid the foundation for the development of MNCs post-independence in the Global South when newly independent nations faced challenges in their economies particularly in industrial sector due to limited infrastructure, and overly relying on commodity exports. Thus, the entry of MNCs in the Global South was seen as an important step towards their integration into the global economy.

The post world war II period indicated a significant shift in role of MNCs all over the world. The Bretton Woods institutions, especially the IMF and the World Bank played a prominent role in facilitating the expansion of MNCs in the Global South.<sup>6</sup> Countries welcomed MNCs

and adopted state-led development models while developing their own national industries. Thus, MNCs played a key role in the economic modernization of these countries particularly in India, Brazil and South Korea, contributing to the development of their infrastructure such as ports, roads and power plants.

The 1980s and 1990s were a period of market liberalization in the Global South—a wave sparked by the Structural Adjustment Programs (SAPs) advocated by the IMF and the World Bank. The established emphasis was on deregulation, privatization, and liberalization of trade barriers. The expansion of MNCs into foreign investment happened in conjunction with free trade, giving MNCs a growing influence over domestic policymaking and effectively turning them into key players in national economies when a wide liberalization of trade policy led to a very liberal environment. However, this was the time when MNCs were increasingly viewed with great disdain. Critics argued that the low costs of labor and relatively weak regulatory framework afforded great advantages to MNCs while failure to materialize development outcomes were predominant. MNCs were instead accused of generating economic dependency and widening the gap of inequality, as the profits found their way back into the Global North<sup>7</sup>.

These days, MNCs remain an important player in the Global South, but this landscape has changed a lot. Apart from being home to MNCs, these countries are hosts to powerful multinational firms of their own, large players in the game. These 'South-South' multinationals are contesting the long-held position of Western dominance over global economic space. As stated above, the history of MNCs in the Global South is complex, governed by colonial legacies, post-colonial transitions as well as globalization<sup>8</sup>. MNCs have, of course, been part and parcel of economic development, contributing to it, but as they are known to do throughout much of the world, their contributions have often been mired in controversy, as the thin line separating development from exploitation remains an ever-constant motif in the history of their engagement with the South.

## **ECONOMIC CONTRIBUTIONS OF MNCs: AGENTS OF DEVELOPMENT?**

MNCs have often been hailed as pivotal in helping developing countries in the Global South achieve economic growth. Supporters contend that MNCs inject foreign direct investment (FDI); create jobs; transfer technology; enhance infrastructure to spur economic growth in developing countries. However, developing countries are still debating the actual contribution

of MNCs to long-term development over the much-desired, instant profit extraction. Among MNCs in Global South, one of the foremost contributions is the creation of jobs. Very often MNCs set up manufacturing operations on varying scales in agriculture, mining, and services, providing local employment. MNCs have created millions of jobs in Bangladesh's garment industry, thus raising the GDP of Bangladesh and cutting down poverty.

Critics argue that they tend to hire workers at very low wages while exposing them to deplorable working conditions and poor career development prospects. MNCs are claimed to exploit a lower labor force in Global South, where wages are often the local average but far below that in the global industry<sup>9</sup>. Therefore, it is questioned whether MNCs are really assisting in sustainable development. Technology transfer is another advantage often attributed to MNCs. By creating subsidiaries in the Global South, MNCs can license advanced technologies, such as management practices and business models, that are often missing in the local industry. The transfer of technology could essentially lead to better productivity, innovations, and competitiveness in a local industry<sup>10</sup>.

MNCs have played a crucial role in upgrading the technological capabilities in telecom sectors, automobiles, and pharmaceuticals in host countries. For instance, in countries such as India and China, the presence of MNCs in IT and other technology sectors has supported the development of an environment conducive for innovation and skill acquisition, ultimately leading to the establishment of world-class technology hubs. Such investments will not only facilitate the operations of the MNCs but also spill over into the broader economy.

Wherever energy MNCs have been invested in Nigeria and Angola, major improvements had been made to the national infrastructure in the form of pipelines, electricity grids, and transportation networks. In other instances, agribusiness MNCs have invested in infrastructure, such as irrigation and transportation logistics, which have helped to modernize agriculture in several African and Latin American countries. FDI can underpin broader growth in trade by integrating host countries into global supply chains and FDI. MNCs have largely driven Vietnamese and Mexico's economic growth, with exports mainly in the electronics and automotive manufacturing<sup>11</sup>.

However, while MNCs have made life considerably better in the Global South in terms of job generation, technology transfer, infrastructure building, and economic growth, such benefits come with major levels of drawbacks. The quality of jobs, equitable distribution of technology, the long-term sustainability of infrastructure projects, etc., would determine whether MNCs are



bringing about meaningful development. The balanced path between profits of MNCs with short-term benefits on one hand and the development of host/plaintiff nations on the other remains at the center of this debate.

## **MNCs AND EXPLOITATION: A CRITICAL PERSPECTIVE**

While Multinational Corporations (MNCs) are often awarded for development assistance in the Global South, there is increasing evidence that they tend to exploit the countries that host them for profit while at the same time, exacerbating inequalities and threatening local economies. The nature of such operations is profit-oriented and mainly in the interest of shareholders, thus leading to exploitative techniques in labor, resource extraction, environmental degradation, and continuing economic dependency. This chapter reviews the diverse aspects of exploitation associated with MNCs in the Global South.

Among the strongest pundits attack against MNCs is their tendency to get slave labor out of the Global South. They choose a country only further away, with even lower labor costs, to reduce production costs and, hence, profit. However, in doing so, they usually get a cost advantage at the expense of worker needs-also concerning work - safety, working hours, and rates of pay. Workers are often subject to most living wages, job contracts, security, and benefits in such sectors as garment manufacturing, electronics, and agriculture. Factories found in countries like Bangladesh, Vietnam, and Cambodia are regarded as some of the most hazardous working environments, and tragedies such as the 2013 Rana Plaza collapse in Bangladesh killed over 1,000 garment workers. Such incidents put a human face on the often one-sided costs of the MNCs being so spurred on to produce cheap<sup>12</sup>.

These industries have become synonymous with massive environmental degradation and pollution that are commonplace around the world. In many countries of the Global South, there is an obscene disregard for environmental and ecological sustainability, leading to the clear-cutting of forests, contamination of fresh-water resources, and loss of biodiversity in some places. Generally speaking, they have ruined rural and indigenous communities, taking place mostly in third-world countries historically known for their reliance on natural ecosystems for subsistence now dependent on selling off these same ecosystems to MNCs. MNC oil spills in Niger Delta have caused large-scale environmental devastation<sup>13</sup>, resulting in pollution of waterways and agricultural lands. Similarly, large-scale mining operations in Latin America

and Africa have inflicted severe environmental harm, generally with limited measures taken to remedy the situation. Sometimes, MNCs are accused of taking advantage of lax environmental regulations or bribing local officials for overlooking violations of environmental laws.

MNCs are often branded with guilt for perpetuating forms of neo-colonialism whereby the economic dependency of the Global South on the Global North continues. Therefore, because of the commercial sectors of technology, pharmaceuticals, and finance where these MNCs dominate, they wield considerable power to intervene in local markets and to define the economic trajectory for the host country. All of this blend is potent and, in one stroke, has decimated the ineffable local competition opportunities; thereby heralding the path of monopoly for some foreign corporations over key industries.

One striking case of dependence that stamps stereotypical ideologies unfolded when medical corporations were financed by the MNCs' uptight check by an extraordinary phalanx of The Global North while offshore-tolling exorbitantly for life-saving treatments for contrarily sick people in the Global South. Throughout the COVID-19 pandemic, for instance, the inequitable distribution of vaccines further demonstrated how the MNCs chose profits over some of the most basic needs of all for the wider population under a health disaster with low-income countries suffering the bane of limited access to vaccines produced by pharmaceuticals.

MNCs have also been found to have acted against the very spirit of community, conquering land for use in agriculture, forestry, and mining. Often, aggrieved farmers lose their land, forced out of their homes. Sizeable tracts of land are allocated to global firms for large industrial agricultural or mineral recovery projects that vastly benefit corporations while leaving the indigenous locals marginalized. MNCs exert a powerful influence on the political process in their host countries such that they have been able to influence laws and policies in their favor. Certainly, lobbying, contributions to political campaigns, and alliances with local elites are common means MNCs use to get favorable conditions that shield them from tighter regulations and totally unchecked by anybody while maximizing their profits<sup>14</sup>.

The more MNCs are heralded as engines of economic prosperity in the Global South, the more they are alleged to run exploitative enterprises affecting local communities for the worst, polluting the environ, and perpetuating economic dependence. MNCs are profit-driven, and, coupled with the very environment that supposedly constrains them: weak regulatory frameworks in many host countries, they facilitate exploitation at its worst. Greater

accountability, transparency, and just practice are essential keys towards development that any MNC must integrate into its core value systems in the Global South.

## **SOCIO-CULTURAL IMPACT**

Multinational corporations (MNCs) have steadily emerged as dominant agents of change in the global South that penetrate not only the economic structure but also social-cultural formations of such societies. Their operations bring about numerous cultural transmission processes and alterations of culture, life styles, and social values – which are likely to have some beneficial and some deleterious effects. It is crucial to appreciate these socio-cultural effect so as to evaluate the general effect of MNCs to developing nations.

A major implication of MNCs is change in consumer products and services which may transform local consumers' behavior and their way of living. While the globalization process brings local practices and products in contact with global brands, the latter are presented as more modern and attractive than the former. Such shift can eventually result into reduction of locally producing industries and ARTs which is an act of discouraging the culture. For example, the food chains have changed people's eating plans in countries such as India from natural and home made foods to ready foods. It is clear that although this may well provide convenience and choice it does so at the expense of a decreasing variety of regional cuisines and traditions.

On the other hand, MNCs also make remarkable contributions to initiating and enriching cultural change and creation. It commonly enables the dissemination of knowledge, technology and expertise to support local knowledge and innovation. For instance, cooperation between local craftsmen and foreign companies results in using elements of traditional and postindustrial design thus satisfying local and global consumer needs. This mingling of culture may lead to a revival or rediscovery of indigenous culture on the one hand, and at the same time introduce a new angle of economic revenue on the other<sup>15</sup>.

Moreover, it is the existence of the fact that MNCs finance the development of communities – they support social reforms, develop education, health care, infrastructures, etc. These investments can bring the improvement of indicators of local community development and the raise of the quality of life. In terms of employment, the MNCs can contribute to this through providing training, employment nature, and skills development programs. Yet, it is important

to mainstream these initiatives with the objective of conforming to local contexts and not to merely support external agendas, which are insensitive to local textures.

However, these are likely to bring with socio-cultural effects that may result in social exclusion and inequality within the local communities. More foreign investment and skilled personnel may result in some strata reaping big while the rest of society including the underprivileged are left out. In conclusion, the paper argued that MNCs have both positive and negative effects on socio-cultural integrity of the Global South countries.<sup>16</sup> They hold the potential for stimulating socioeconomic development and promotional intercultural interactions; however, they are hardly without problems regarding local cultures and values. Jan/2014 Dec/2013 Blacks in America The positive effects of foreign investment must be achieved without compromising on the need to conserve cultural identity for optimal development. Local people need to be involved when establishing policies that govern cultural differences, spear headed by policy makers who need to come up with policies that would facilitate the positive impact that MNCs. By promoting continual presence of independent traditions and ideas along with globalizing orientations, Global South can reach for the strategic negotiations of the intricate terrain created by MNCs, without losing cultural diversity in the process of globalization<sup>17</sup>.

Furthermore, MNCs always try to impose their western culture on other nations and organizations and thus have a negative impact on the culture values of the host nation. Currently global marketing themes often promote values, life standards, and patterns of consumption that stem from the western world – a process referred to as cultural imperialism. In most of these contexts, youthful populations of the Global South develop tendencies of imitating the lifestyles of the American celebrities and brands, and hence a shift in values and hopes. This can generate a division between generations, traditional and modern, with the older generations giving way for the younger generations in what represent a contrast between local communities' formed by traditions and consumer societies, which can cause specific conflictive moments inside the families and local groups.

## **THE FUTURE OF MNCS IN THE GLOBAL SOUTH**

Emerging dynamics are determined by the changing global power relationship, the rise of new economic agents, a growing demand for sustainability and ethical business conduct, and changing expectations from host governments and local communities. This chapter describes

a few emerging trends, challenges, and opportunities that will define how MNCs engage with the Global South.

The concept of sustainability is attaining a more global following, characterized by the increasing concern over climate change, environmental degradation, and social inequality. Accordingly, multinational corporations are thus narrowing down on many aspects of sustainability and ethical business models concerning their market operations in the Global South, where lengthy complaints have been filed on them for exploitative practices. Most MNCs are now embracing corporate social responsibility (CSR) and environmental, social, and governance (ESG) work, narrowing their task to reducing their carbon footprint, cutting down wastage, and providing fairer working conditions<sup>18</sup>. Some advocates point to the social responsibility and environmental awareness of consumers of the Global North who view company support through a prism of its ethics, whereas in many of those countries in the Global South, governments are beginning to adopt tougher standards of laws on labor and the environment to force foreign corporations to act responsibly.

In the past, MNC-based enterprises of the Global North (the US, Europe, and Japan) served as bulwarks for the economic interests of the Global South, but in recent times, the dynamics of international business in the Global South have changed as emerging market MNCs from China, India, Brazil, and South Korea have entered the fray.

Global South Cooperation involves trade, investment, and development partnerships among countries of the Global South. Since that time, the growth of South-South relations has accelerated, with Chinese multinational corporations becoming more invested in Africa and Latin America—targeting the areas of infrastructure, energy, and technology. Corporations such as Huawei and Simi have found strong footholds in markets across the Global South, while state-backed Chinese firms have built up as key players in the construction of large infrastructure projects, targeting ports, highways, and railways in Africa and Southeast Asia.

Regional groups, like the African Union (AU), the Association of Southeast Asian Nations (ASEAN), and the Southern Common Market (MERCOSUR), are expected to play a more crucial role in influencing the trajectory of MNC activities. Their urging for governments to invoke stricter regulatory frameworks to effectively confront the exploitative tactics of foreign corporations while, at the same time, promoting foreign investment that can sustain development strikes one as odd. The African Continental Free Trade Area (AfCFTA) was launched in 2021 in a bid to formulate the largest free trade area in the world with an aim at

initiating the intra-African trade and investment development while providing a unified platform where African countries can negotiate vis-a-vis foreign MNCs. The regional efforts strengthen the bargaining power of such countries of the Global South so that they may receive better deals for MNC interventions, including higher labor standards, environmental protection, and equitable sharing of revenue<sup>19</sup>.

The geopolitical struggle for power and the contest between global powers, such as the American and the Chinese rivalry, have very significant implications for MNCs operating in the Global South. These companies would find themselves in the workaround since these two superpowers often compete to erect their influence on a backdrop of peculiar regional political and economic variables in areas like Africa, Latin America, and Southeast Asia. For instance, Chinese MNCs aggressively expanded into Africa, constructing infrastructure and extracting natural resources. In contrast, MNCs from the United States and Europe attempted to counterbalance this influence by encouraging investments in sectors such as technology and finance. Mutuality in competition could create new opportunities for countries in the Global South to draw foreign investment. However, it also poses a risk of increased dependence on powerful foreign actors, thus exacerbating neo-colonial dynamics.

MNCs in the sectors of technology, telecommunications, and e-commerce are beginning to play a key role for the digital change in the Global South. Countries like India, Nigeria, and Brazil see a sharp rise in digital innovation, primarily because of MNCs investing in fintech, e-commerce, and digital infrastructure. The expansion of digital platforms and services by MNCs such as Google, Amazon, and Alibaba has a huge potential to sustain economic growth, create new jobs, and allow small and medium-sized enterprises (SMEs) to access global markets. However, this digital transformation also raises concerns about data privacy, the concentration of market power into the hands of a few global tech giants, and the digital divide between urban and rural areas<sup>20</sup>. The future of MNCs in the Global South will be shaped by a patchwork of forces, including the demand for sustainable business practices; the rise of multinationals from emerging markets; stronger regional regulatory frameworks; geopolitical competition; and technological innovation. While these trends provide opportunities for creating more equitable and sustainable development, there is an equal risk of exploitation and dependency. Global South countries will need to find ways in which MNC engagement can protect their economies, environments, and societies from exploitation and foster long-term, inclusive growth.

## **CONCLUSION**

The function of Multinational Corporations (MNCs) in the Global South continues to provoke heated controversy today – they are seen as developers and as exploiters at once. In this research, we have referred to MNCs as double-edged swords; on one hand, these firms advance economic growth, technology, and infrastructure, but on the other hand, they perpetrate labor injustices, pollute the environment, and perpetuate recipient economy dependency. On the same side, foreign direct investment has been invested by MNCs, employment opportunities have been provided, and technology has been transferred to the developing nations. As players in manufacturing, technologies, and services, they have brought supply chain, advanced infrastructure, and training into the Global South. On the other hand, the exploitative orientation is visible, evident in areas that touch on bad and exploitative labour condition, inadequate or lack of decent environment protection standards in resource Exercise sectors, and general centre of power and fortune in the hands of MNCs.

This paper has illustrated the intricate balance that defines the current nature of the MNCs and how the two regions are likely to remain engaged in the future the establishment of the relationship between MNCs, the Global South, and the future is going to be centred on how to promote foreign investment while preventing the exploitation of local economies and communities. As the corporate citizenship expands on the global level, MNC is likewise faced with expectations to go through ethical and sustainable management, as well as to interact more actively with local governments, businesses, and other communities. In conclusion while MNCs can be engines of development at the same time they also have the capability of destructive parasitism on the host countries. For the Global South it is to derive the positive from MNCs while putting in place and enforcing effective mechanism and standards of regulation, environmentalism and distribution that would popularize prosperity a little more. Balancing these factors is central to making sure that MNCs cannot merely become improvements to world imbalance however partners in development.

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