

Economics from the Ground Up

Application exercise: Class debate on globalisation and MNCs



To conclude consideration of the topic of multinational corporations in the context of globalisation, your class may wish to hold a debate.

Two possible debate topics are:

While the economic benefits of MNCs are indisputable, the negative social, ethical and environmental effects of these companies are enough to justify increased regulation by global agencies and governments.

OR

The economic benefits of MNCs are indisputable, and therefore they outweigh the other negative side-effects of MNCs on some countries.

You can take any position you like, but a great way to consider contentious economic issues is to look at them from a particular person's perspective, sometimes one that is different to your own. Below is a list of possible stakeholders in debates around the operation of multinational corporations, and you could create a position based on the perspective of one of these stakeholders.

- A customer wanting to buy an iPhone in Australia
- A shareholder in a multinational that makes mobile phones
- A member of an environmental group
- A local farmer of cocoa in Ghana
- The owner of a large international confectionary company that has signed up to Fairtrade
- The owner of a large international confectionary company that hasn't signed up to Fairtrade
- The owner of a mine in the Congo River Delta in Africa
- A worker in a large mobile phone factory in a special economic zone in Guangdong, China
- A big fan of McDonald's Big Macs and western music who lives in Malaysia
- A worker in a water-bottling factory in Fiji
- The Treasurer of the Fijian government
- The Treasurer of the Australian government
- A farmer who grows palm oil on her plantation in Borneo, on land cleared of rainforest
- The parents of a young woman who has migrated from her rural Chinese village to work in a factory in the Special Economic Zone in Fujian
- A shareholder of BHP Billiton