

MULTINATIONAL CORPORATIONS AND IMPERIALISM

It has taken the deaths of at least 2540 people and the possible poisoning of a further 200 000 people in Bhopal in India to draw attention to the operations of multinationals in third world countries. Union Carbide is a case in point. It is a U.S. based multinational that manufactures, in addition to chemicals, Eveready batteries and plastic bags (In South Africa it uses the trade name Glad Bags).



WHY DO MULTINATIONALS EXIST?

Multinational corporations exist precisely because capital must grow and move to wherever it can make the highest profits. Production and investment are shifted to the neo-colonial countries where labour is cheap, and is often kept so at the point of a gun. Safety measures in industries in these countries are insufficient or non-existent.

LACK OF SAFETY MEASURES

That industrial accidents are a necessary, though unfortunate by-product of industrialisation is the argument used by Union Carbide. However the evidence clearly points to the contrary. A computerised safety system installed in a sister plant in the United States was not

installed in Bhopal. In the U.S. plant methyl isocyanate is stored in small stainless steel drums, while in Bhopal it was stored in tanks of at least 15 ton capacity. Workers in Bhopal complained about the lack of safety measures, but were ignored. In a Union Carbide factory in Indonesia, out of a workforce of 750, at least 402 were suffering from some kind of kidney disease. Union Carbide successfully led the lobby to exempt "Rhodesian" chrome from sanctions in 1972.

MULTINATIONALS AND IMPERIALIST COUNTRIES

What is clear is that these multinationals are backed by their respective countries. The poison Dieldrin which is

banned in Europe, U.S. and S.A. is still manufactured in these countries and exported to third world countries. This is in spite of the fact that at least 60000 people were killed in the third world as a result of pesticide poisoning. According to the World Health Organisation, at least 10 million people have died from water borne or water associated diseases, yet only the U.S. vetoed the manner of marketing milk powder in the 3rd World.

CONCLUSION

There is no doubt that workers and peasants in the third world live in extreme poverty. Unemployment is chronic, wages are low and rates of inflation high. As a result malnutrition, high mortality rates, disease and all features of impoverishment are widespread. Natural causes have very little to do with this state of affairs. It is the direct result of a global economic system in which wealth and power have become increasingly concentrated in the hands of multinational corporations in alliance with local capitalists at the expense of the working people.

The social cost of this system is most acute in underdeveloped or neo-colonial countries.

What is needed is a political and economic system which is in the interest of all the working people.