

4.4.1 The impact of MNCs

Starter statement – do you agree or disagree?

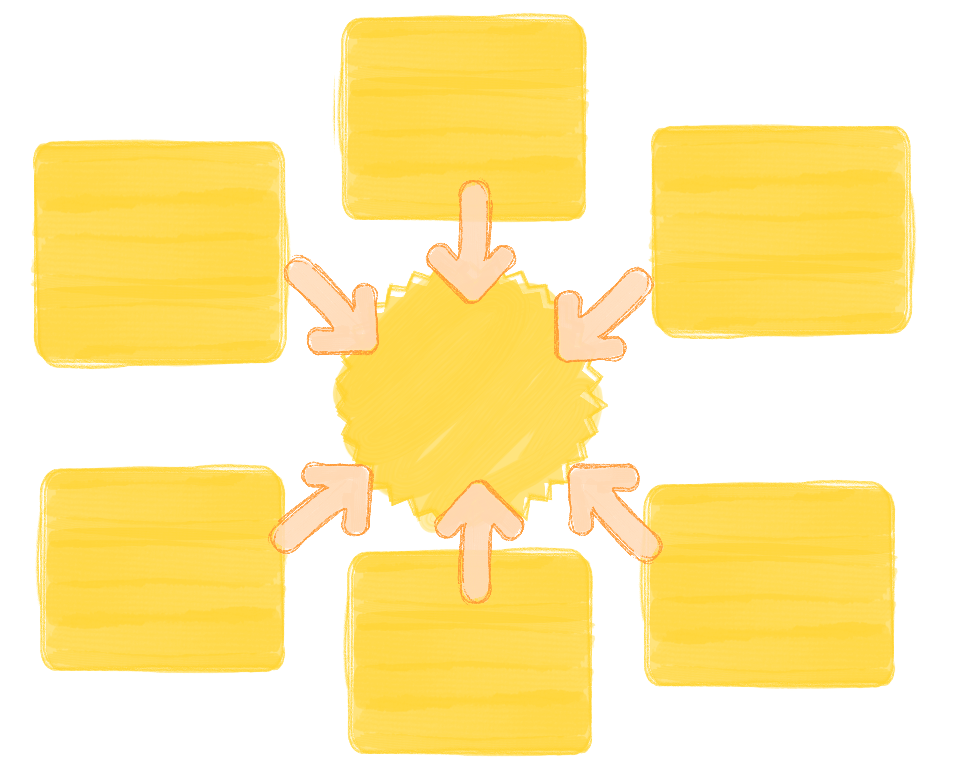
***MNCs are good for the developing nations that they trade or manufacture in***

|  |  |
| --- | --- |
| **Yes I agree** | **No I disagree** |
|  |  |
|  |  |
|  |  |
|  |  |

Write a definition of the term MNC here:

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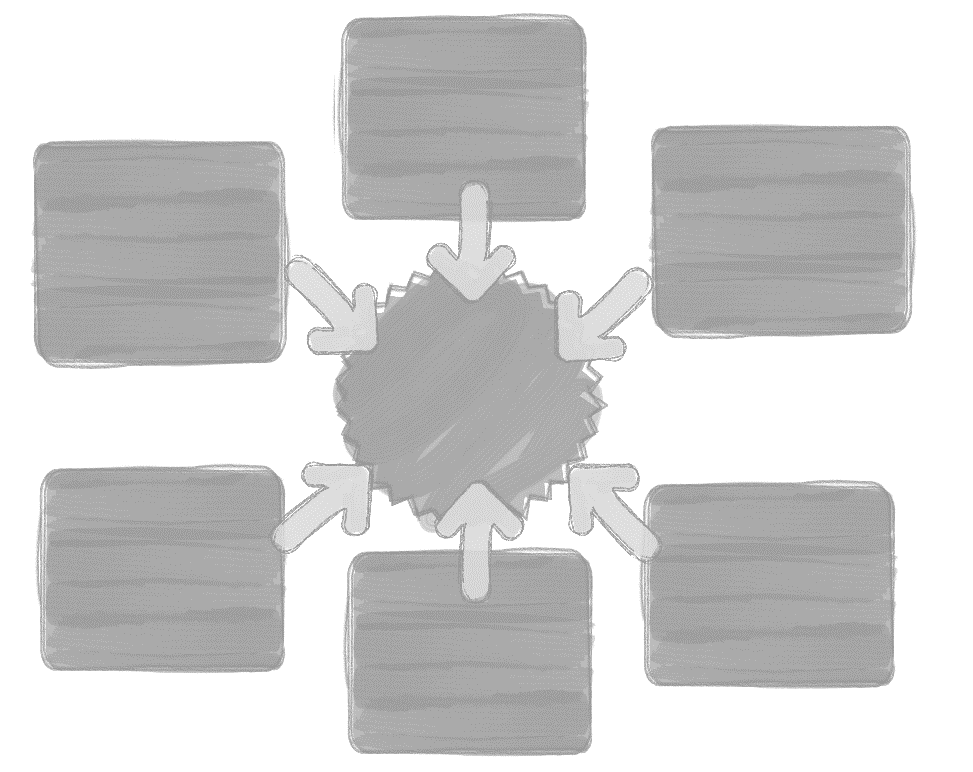
Positive effects of MNCs



Positive impacts

|  |  |
| --- | --- |
| Creates employment |  |
| Increases skills base |  |
| Increased standard of living |  |
| Raises country’s profile |  |
| Improves balance of payments |  |
| Improves infrastructure |  |

Negative effects of MNCs



Negative impacts

|  |  |
| --- | --- |
| **Profit leakage** |  |
| **Low paid jobs** |  |
| **Pull out quickly** |  |
| **Poor safety record** |  |
| **Increases urbanisation** |  |
| **Widens poverty gap** |  |

Impact on the local community / environment

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Impact on the local community / environment



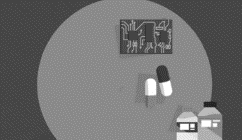
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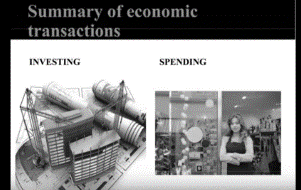
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**Impact of MNCs on national economy**

MNCs and FDI flows



MNCs and the balance of payments



MNCs and technology and skills transfer

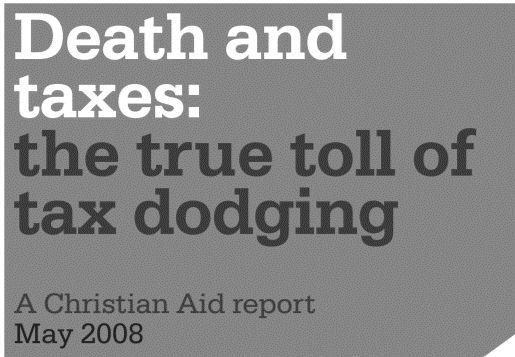
MNCs and technology and skills transfer

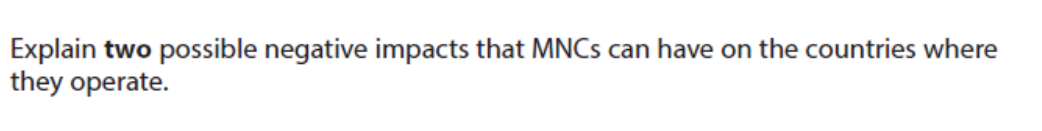


MNCs and impact on consumers

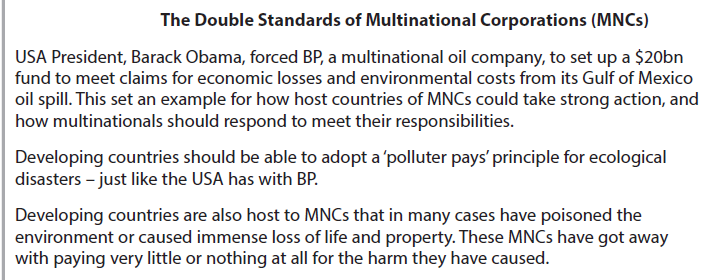
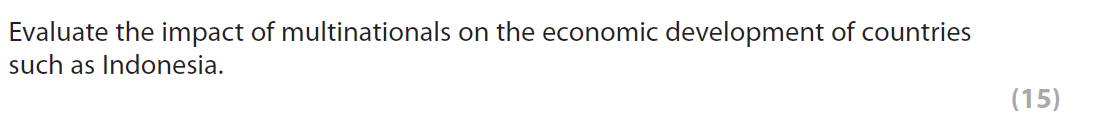
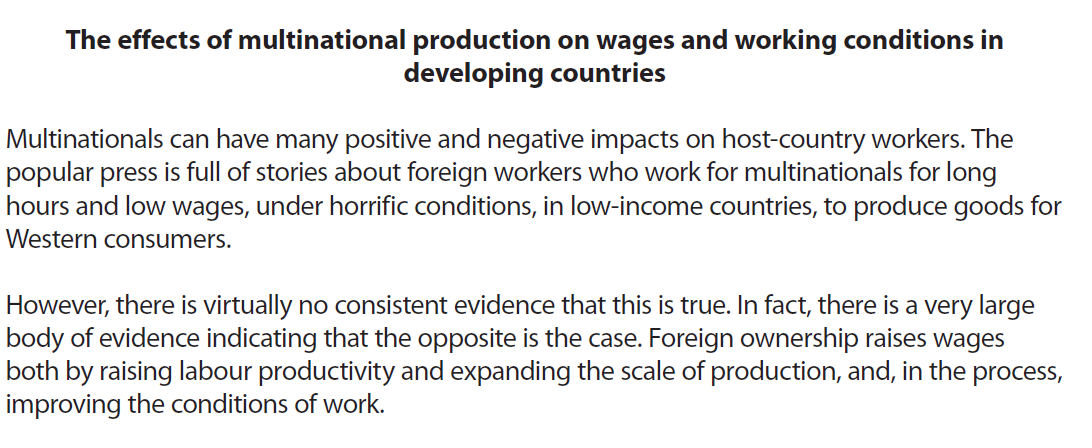


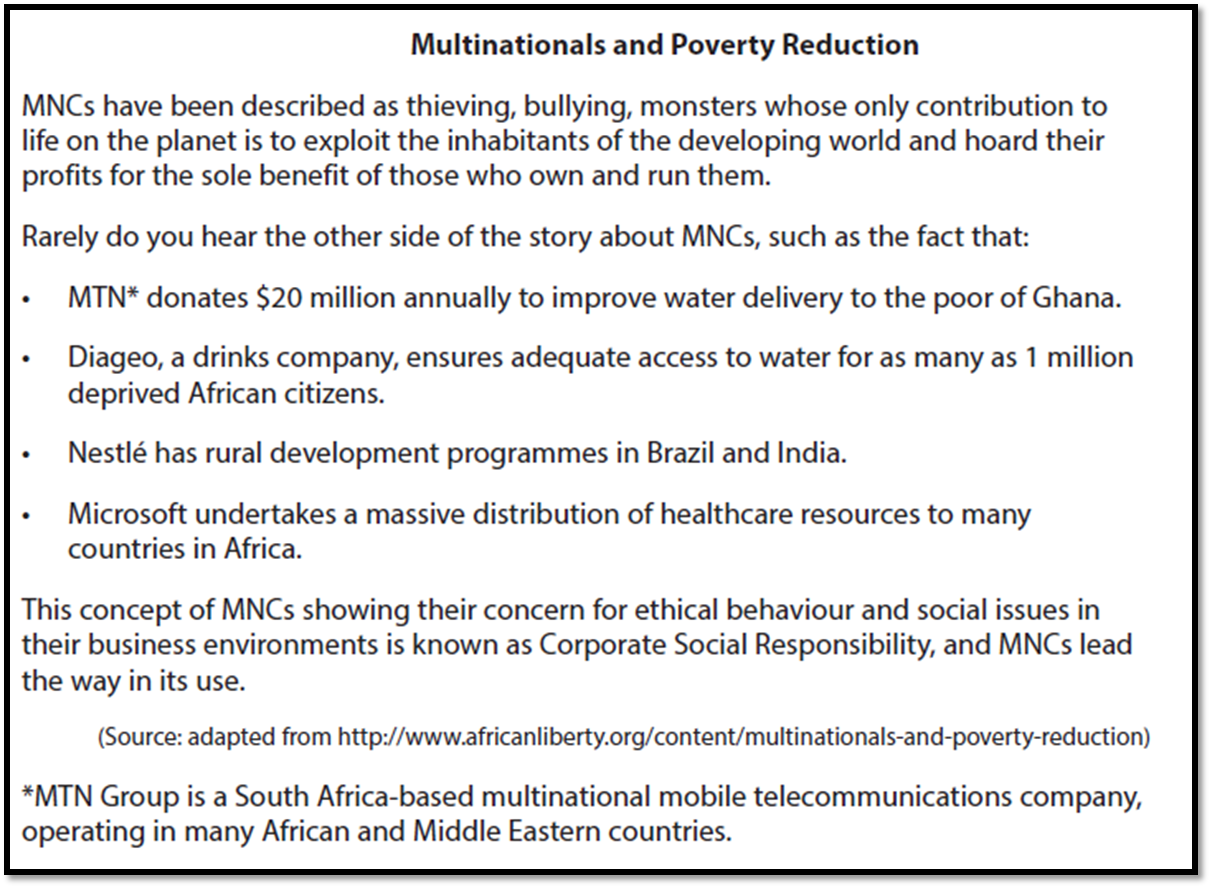


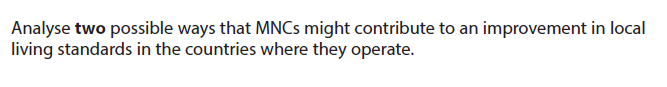




[6] No case study with this question







[8]