

The dawn of a new millennium holds a lot of promise for the future of international human rights. The global trends have witnessed the growing prominence of human rights issues on the agendas of nation-states, and the proliferation of non-state actors in promoting the development of human rights norms and providing humanitarian assistance. Traditionally human rights were within the exclusive jurisdiction of states, premised on the principles of state sovereignty and non-interference. The increased visibility of non-governmental organizations has circumscribed the autonomy of states, and as some may argue, is displaying the signs of an emerging global civil society. Within this context multinational corporations (MNCs) have emerged as the single most powerful actor alongside the state in international relations. While MNCs are the "harbinger of jobs, investment and production"¹, they also have the potential for directly and indirectly affecting serious human rights violations and exacerbating conflict situations. As part of the increasing networks of the global economy and international political system, and by virtue of their status as non-state actors, multinational corporations can be considered important actors in the global civil society. The power accorded to multinationals carries with it an implied obligation and ethical responsibility to respect human rights and avoid activities that may protract conflicts with severe human rights violations. Within the broader framework of humanitarian efforts, multinational corporations can potentially contribute to the future protection and promotion of human rights, and should incorporate human needs as part of their business interests.

The impact of multinational corporations has focused on their role as agents of growth, and as a vehicle for the internationalization of the world economic system.² Both governments and civil society organizations have viewed multinational corporations on two dichotomous ends: either providing benefits or harms. Despite the substantial fears surrounding multinational corporations many countries have accepted foreign businesses for the benefits that they bring to host countries with respect to the mobilization and productive use of capital, transfer of technology and managerial skills, employment opportunities, and import substitution and export promotion. Proponents of multinational corporations argue that foreign direct investments are a mechanism for increasing economic efficiency and stimulating growth. By improving the factors of production, increasing levels of domestic investment, and filling the resource gap in technology and labour, all contributes to a positive effect on welfare and standards of living in developing countries.

The concentration on the economic effects of multinational corporations has largely diverted attention away from the direct or indirect impact of multinational activities on human rights. As public sensitivity on human rights violations have grown, the involvement of multinational corporations as allies of reprehensible regimes have come under close scrutiny and

¹ Meyer, William H. Human Rights and International Political Economy in Third World Nations. (Westport: Greenwood Publishing Group, 1998), pg. 5.

² Blake, David H. and Robert S. Walters. The Politics of Global Economic Relations. (New Jersey: Prentice-Hall Inc., 1987), pg. 90.