GLOBALIZATION

Globalization means integration of countries through commerce, transfer of technology, and exchange of information and culture. In a way, it includes acting together and interacting economies through trade, investment, loan, development schemes and capital across countries. In a different sense, these flows include knowledge, science, technology, skills, culture, information, and entertainment, besides direct human resource, tele-work, and outsourcing. This interdependence has increased the complex tensions and ruptures among the nations. For the engineers, the issues such as multinational organizations, computer, internet functions, military development and environmental ethics have assumed greater importance for their very sustenance and progress.

MULTINATIONAL CORPORATIONS

Organisations who have established business in more than one country, are called multinational corporation. The headquarters are in the home country and the business is extended in many host countries. The Western organizations doing business in the less-economically developed (developing, and overpopulated) countries gain the advantage of inexpensive labor, availability of natural resources, conducive-tax atmosphere, and virgin market for the products. At the same time, the developing countries are also benefited by fresh job opportunities, jobs with higher remuneration and challenges, transfer of technology, and several social benefits by the wealth developed. But this happens invariably with some social and cultural disturbance. Loss of jobs for the home country, and loss or exploitation of natural resources, political instability for the *host* countries are some of the threats of globalization.

International Human Rights

To know what are the moral responsibilities and obligations of the multinational corporations operating in the host countries, let us discuss with the framework of rights ethics. Common minimal rights are to be followed to smoothen the transactions when the engineers and employers of MNCs have to interact at official, social, economic and sometimes political levels. At international level, the organizations are expected to adopt the minimum levels of (*a*) values, such as mutual support, loyalty, and reciprocity,

(a) the negative duty of refraining from harmful actions such as violence and fraud, and (*c*) basic fairness and practical justice in case of conflicts.

The ten international rights to be taken care of, in this context are:[1]

1. Right of freedom of physical movement of people
2. Right of ownership of properties
3. Freedom from torture
4. Right to fair trial on the products
5. Freedom from discrimination on the basis of race or sex. If such discrimination against women or minorities is prevalent in the host country, the MNC will be compelled to accept. MNCs may opt to quit that country if the human rights violations are severe.
6. Physical security. Use of safety gadgets have to be supplied to the workers even if the laws of the host country do not suggest such measures.
7. Freedom of speech and forming association
8. Right to have a minimum education
9. Right to political participation

Technology Transfer

It is a process of moving technology to a new setting and implementing it there. Technology includes hardware (machines and installations) and the techniques (technical, organizational, and managerial skills and procedures). It may mean moving the technology applications from laboratory to the field/factory or from one country to another. This transfer is effected by governments, organizations, universities, and MNCs.

Appropriate Technology

Identification, transfer, and implementation of most *suitable* technology for a set of new situations, is called *appropriate technology.* Technology includes both hardware (machines and installations) and software (technical, organizational and managerial skills and procedures). Factors such as economic, social, and engineering constraints are the causes for the modification of technology. Depending on the availability of resources, physical conditions (such as temperature, humidity, salinity, geographical location, isolated land area, and availability of water), capital opportunity costs, and the human value system (social acceptability) which includes their traditions, beliefs, and religion, the appropriateness is to be determined.

MNCs and Morality

The economic and environmental conditions of the home and host countries may vary. But the multinational institutions have to adopt appropriate measures not to disturb or dislocate the social and living conditions and cultures of the home countries. A few principles are enlisted here:

1. MNC should respect the basic human rights of the people of the host countries.
2. The activities of the MNC should give economic and transfer technical benefits, and implement welfare measures of the workers of the host countries.
3. The business practices of the multinational organisations should improve and promote morallyjustified institutions in the host countries.
4. The multinationals must respect the laws and political set up, besides cultures and promote the cultures of the host countries.
5. The multinational organisations should provide a fair remuneration to the employees of the host countries. If the remuneration is high as that of home country, this may create tensions and if it is too low it will lead to exploitation.
6. Multinational institutions should provide necessary safety for the workers when they are engaged in hazardous activities and 'informed consent' should be obtained from them. Adequate compensation should be paid to them for the additional risks undertaken.

Case Study: Bhopal Gas Tragedy

The Union Carbide had 51% and the Indian subsidiary UC India Ltd. had 49% of stock. In 1983, there were 14 plants in India manufacturing chemicals, pesticides, and other hazardous products. The Bhopal plant had a license to make Methyl isocyanate-based pesticides. In November 1984, they had decided to close down the plant. For quite some years before the production rate was going down.

In the history of chemical plants disasters, three other wake-up calls were reported. Flixborough accident in 1974 in U.K. when certain modifications carried out in the plant led to the leakage and explosion of *cyclohexane*, which killed 28 people. The Piper Alpha offshore oil platform disaster in 1988, near Scotland, killed 167 people and resulted in $ 2 billion losses. The third occurred in Toulouse, France in 2001, killing 29 people, and injuring thousands. A warehouse holding 300 tonnes of *ammonium nitrate* fertilizer exploded and damaged 10000 buildings, including schools, a university, and a hospital. But we have not learnt from the past.

1. Maintenance was neglected and the trained maintenance personnel were reduced as economymeasure. Need for quick diagnosis aggravates the situation by causing considerable psychological stress on the plant personnel.
2. Training activities for the supervisory personnel were stopped. This led to inadequate trainingof the personnel to handle emergencies.
3. Periodical Safety Inspection teams from U.S. which visited previously were also stopped. From the initial U.S. Standards, the safety procedures were reduced to low level Indian standards. The procedures had been deteriorating at these sites for weeks or months, prior to the accident. There was clear lack of management systems and procedures to ensure safety.
4. Vital spares for equipments and machineries were not available
5. Absence of capital replacement led to the stagnant economy of the plant.
6. The high turnover of the experienced engineers and technicians, who were demoralized by the lack of development.
7. Lack of experienced personnel to operate and control the vital installations.
8. They have not conducted a thorough process hazards analysis that would have exposed the serious hazards which resulted in disaster later.
9. No emergency plan was put in practice, during the shut down and maintenance.
10. Above all, the commitment of top-level management to safety was lacking. They have been paying only lip service to safety of people of the host country.

Technologically, the tragedy was caused by a series of events listed:

1. The safety manual of Union Carbide prescribed that the MIC tanks were to be filled only upto 60% of the capacity. But the tanks were reported to have been filled up to 75%.
2. The safety policy prescribed that an empty tank should be available as a stand-bye in case ofemergency. But the emergency tank was also filled with to its full capacity. These facts confirmed that the MNC had not followed and implemented appropriate safety standards of the home country in the host country. Can this be called as an example of ‘misappropriate technology’?

ROHINI COLLEGE OF ENGINEERING AND TECHNOLOGY
PALKULAM, KANYAKUMARI
OBSERVE OPTIMIZE OUTSPREAD