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**gLAWcal
COMMENT**

#370

**GLOBALIZED
CORPORATIONS**

Based on

**J. Letnar Černič “Corporate Accountability Under Socio-Economic Rights” ,
gLAWcal Book Series, Routledge Publishing (New-York/London), 2018, ISBN
9781138288782.**



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Global Law Initiatives for Sustainable Development

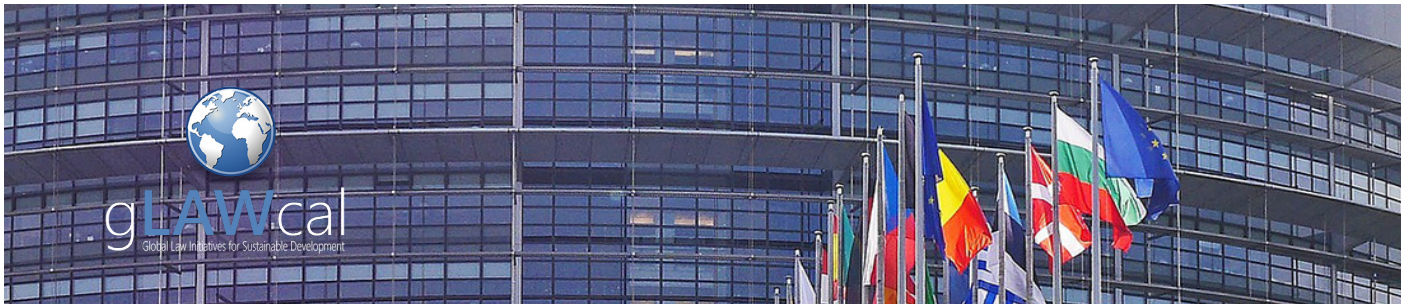


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A gLAWcal comment on J. Letnar Černič "Corporate Accountability Under Socio-Economic Rights", gLAWcal Book Series, Routledge Publishing (New-York/London), 2018, ISBN 9781138288782.

Globalized corporations, or multinational corporations are prevalent in the modern era as telecommunication and worldwide trading practices have allowed companies to produce products and host services that operate across many nations. This provides a uniquely challenging regulatory burden on the national governments. First, it may be difficult to truly even understand which nation has jurisdiction over the corporation to begin with. With the speed at which a corporation can incorporate in another nation, it may be difficult to pin down this responsibility with any meaningful speed. The corporate responsibility may vary greatly amongst the different nations they do business in, providing a complexity that is not seen in single nation corporations. If one nation demands that a corporation allow for certain benefits to their employees in that nation, and there is another section of that same

company that does not require those same benefits, it may detract from the improvements of the first nation, as the corporation may take advantage of the more relaxed labor laws in the second. International policymakers should allow for the investigating the ability for corporations to escape responsibility simply by moving which nation their headquarters are in. Often called a corporate-inversion, a company of one nation may change their incorporation of another nation to avoid a host of regulatory burdens, taxes, and socio-economic responsibilities of a given jurisdiction. This trick may work in the short term, but provides for a race to the bottom for regulatory efforts, especially when the regulators are often nationalized and not international, except in certain cases.



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The gLAWcal comments are insight and short analytical pieces written by the gLAWcal team. The gLAWcal comments are based on, and inspired by, the books and chapters published within one of the [gLAWcal book series](#) published by Routledge Publishing (New York/London).

gLAWcal is an independent non-profit research organization (think tank) that aims at providing a new focus on issues related to economic law, globalization and development, namely the relationship between international economy and trade, with special attention to a number of non-trade-related values and concerns. Through research and policy analysis, gLAWcal sheds a new light on issues such as good governance, human rights, right to water, rights to food, social, economic and cultural rights, labour rights, access to knowledge, public health, social welfare, consumer interests and animal welfare, climate change, energy, environmental protection and sustainable development, product safety, food safety and security.

OUR MISSION

To collaborate with Government, Civil society and business community to balance the excess of globalization with Non Trade Concerns.

OUR GOALS

To influence policymakers, to raise awareness over Non Trade Concerns, to encourage stakeholder participation, and to disseminate gLAWcal's publication results.



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