Do you think that multinational corporations have a moral obligation to observe (and perhaps respond to) “social justice” issues in the countries they wish to operate in, even if doing so could affect their profitability?

Multinational corporations are companies that have business operations in at least one country other than their home country and generate revenue outside of their home country (Chen,2024). While multinational corporations contribute to economic growth and innovation, they also face scrutiny and accountability for their impact on social, cultural, and environmental dimensions. These corporations have a huge influence on societal norms and values as many individuals support and stand by them. In the case of societal justice issues comes the question of moral responsibility on whether these corporations are obligated to observe and respond to social justice issues in the countries they wish to operate in so as to maintain their profitability. The aim of this essay is to argue whether multinational corporations are obligated to observe social injustices and how these actions could affect their profitability.

Firstly, different brands have different views on what they support, and some of the views that they support may result in them losing or gaining revenue. For example, in recent years, there was a rumour circulating all over the media that Nike had partnered with the artist Lil Nas X and released sneakers which contained a drop of human blood with a bible verse written on it. A lot of people all over the world where very unhappy and disappointed with the brand Nike as there was a lot of concern as to where the blood was coming from as well as why there was a bible verse on the shoe. As a result of the backlash Nike was receiving and a decrease in the amount of people supporting it, Nike was prompted to issue a statement clarifying its non-involvement in the design and release of such shoes. Nike released a statement in response to the controversy generated, saying "Nike did not design or release these shoes and we do not endorse them"(2021). This response helped the company regain support, illustrating the importance of addressing social justice issues to maintain profitability. Therefore, I agree that multinationals are obligated to respond to social injustices as this could affect their profitability due to people choosing to rather support the alternative substitute brand.

In addition, addressing social justice issues is not just a moral obligation for multinational corporations but is also essential for the sustainability of the business. Companies that address social justice issues are better positioned to attract more consumers thereby positively benefiting the business in terms of profitability.

However, as different brands have different views on what they support, this might also mean losing revenue. An example is how in the recent years Marvel released the movie Doctor Strange and was asked to change the scenes which included a gay character by the Saudi Arabia censors. According to Vivarelli, 'Marvel's “Doctor Strange in the Multiverse of Madness” won’t be playing in Saudi Arabia and several other Arab countries due to the inclusion of a gay character’(2022). Marvel refused to act on the requests of Saudi Arabia and so the movie was banned in Saudi Arabia as movies that contain homosexuality are not permitted in this region. As a result, Marvel’s profitability was negatively impacted by this ban.