

multinational corporation

A **multinational corporation (MNC)** is a large company that owns or controls business operations in more than one country. It usually has its **headquarters** in one country and **branches, factories, or offices** in others.

Main Characteristics (Features)

- Global presence: Operate in several countries.
- Large capital : Have large financial resources (big capital).
- Centralized control : Make main decisions at the headquarters.
- Advanced technology : Use advanced technology in production and management.
- Skilled workforce : skilled workers from many countries.
- Produce and sell products globally.

Advantages of MNCs

1. Create jobs in host countries.
2. Bring new technology and management skills.
3. Increase international trade between countries.
4. Provide investment and improve local economies.
5. Improve workers' skills and training.
6. Offer global products with high quality.

Disadvantages of MNCs

1. Exploit workers by paying low wages in poor countries.
2. Reduce local business growth because small companies can't compete.
3. Take most profits back to the home country.
4. Cause pollution and environmental problems.
5. Spread foreign culture and reduce local traditions

key Vocabulary

Corporation: A large company or a group of companies that acts as one organization.

Multinational: A company that operates in more than one country.

Headquarters: The main office of a company, where major decisions are made.

Branch: A local office, store, or factory that belongs to a larger company.

Subsidiary: A smaller company that is owned or controlled by another larger company.

Investment: The act of putting money into a business to make a profit.

Profit: The money a company earns after paying all its costs and expenses.

Capital: The money or resources used to start or run a business.

Labor: Workers or employees who produce goods or provide services.

Globalization: The process of the world becoming more connected through trade, business, and culture.

Export: Selling goods or services to another country.

Import: Buying goods or services from another country.

Technology: The use of science, machines, and innovation to make products or improve processes.

Market: A place or system where people buy and sell goods and services.

Brand: The name, symbol, or design that identifies a company or its products.

Competition: The situation when different companies try to attract the same customers.

Consumer: A person who buys or uses goods and services.

Economy: The system of trade, money, and production in a country.

Developing Country: A country that is still growing economically and improving its standard of living.

Foreign Investment: Money that comes from another country to start or support a business.