

# The Role of Transnational Corporations in Health Inequalities in Developing Countries

**Supervisors:** <u>Dr Michael Ngoasong</u>, Department for Public Leadership & Social Enterprise, Faculty of Business and Law and <u>Dr Dinar Kale</u>, Department of Development Policy and Practice, Faculty of Arts and Social Sciences

## **Project Description:**

The key aim of this project is to explore the role of transnational corporations in influencing local policies and practices that seek to address health inequalities in developing countries. We see a number of arenas through which influence on policies and practices can be uncovered, such as through the design and implementation of local content development programmes (Ngoasong, 2015), corporate social responsibility initiatives (Kale, 2020) and innovative business activities that promote inclusive business development (Halme et al., 2012; Tashman et al., 2018). These programmes are critical in view how Covid 19 warrants building the resilience of healthcare systems of the developing countries.

Kale (2020) reveals how multinational enterprises, civil society organisations and development agencies are engaged in development activities through various forms of partnership with of public and private firms in developing countries. Technological innovations by private enterprises pursuing market-based system are contributing to the resolution of intractable societal challenges in African countries (Halme et al., 2012). New frameworks of engagement for private sector and the emerging ideas and models around inclusivity and social justice that incorporates the needs, interests and knowledge of low income populations and capabilities of private sector, provides opportunities to create appropriate solutions for intractable social challenges (Kale et al., 2013). According to Ramani and Mukherjee (2014:295) a research gap exists in 'discussions on or examples of breakthrough technological or social innovation from CSR tackling issues of health inequality. Health inequality debates are also seen in research on global partnerships between pharmaceutical companies, UN agencies and national governments to increase access to medication for the poor (Ngoasong, 2011).

Developing country governments are embracing CSR and local content development through policies and legislations. In India CSR investments have been modified since the enactment of the Section 135 of the Indian Companies Act, prescribing mandatory CSR in the country. Our hypothesis is that whereas some companies may be re-investing their profits in a symbolic way, others may be tapping their core knowledge via inclusive innovations; that is, innovations that create or enhance opportunities to improve the wellbeing of those at the bottom of the pyramid (George et al., 2012). We are interested in proposal that look inside the black box of social

innovations. We are also interested in proposals that explore tensions and dilemmas (Ngoasong et al., 2020) that managers of healthcare companies have to understand and work with to effectively adapt their products and services to the local healthcare market. We see this project as an opportunity to critical examination of the potential of inclusive innovations to provide a way forward to improve the development and delivery of physical technologies in the area of healthcare needs. key questions include:

- In what ways does local content development or corporate social responsibility promote the development of inclusive innovation targeted at resolving health inequalities by MNE's in and from emerging countries in developing countries?
- What contrasts are found in local content or CSR practices between Indian MNCs and Western MNCs towards the development of inclusive innovations in India and African countries?
- What role does inclusive innovations developed through local content and CSR routes play in addressing the healthcare needs of the poor in the developing country markets?

## **Applicant Specification:**

We welcome proposals that intend to pursue either qualitative, quantitative or mix methods and where the empirical research setting is Indian and/or an African county and foreign MNCs operating in the India and Africa and where the broadest range of stakeholders, such as senior managers, industry associations, civil society organisation and recipients associated are included as study participants.

#### **About the Supervisors:**

**Dr Michael Ngoasong** is a Senior Lecturer in Management. His research interest is in entrepreneurial practice in business enterprises and how the international activities of firms positively impact local communities/groups in developing countries. Key publications include the local content development by multinational enterprises in petroleum-producing developing countries (*Energy Policy*), the growth development paths of women-owned businesses (*Journal of Small Business Management*), how MNE subsidiary managers implement global business models (*Management and Organisation Review*), how global health partnerships influence policies and local practices in African countries (*Health Policy and Practice*) and informal microfinance institutions in tourism entrepreneurship (*Tourism Management*).

**Dr Dinar Kale** is a Senior Lecturer in International Development & Innovation. His research interest is in the area of innovation management in healthcare technology industries with extensive research on industrial innovation, industrial-health policy linkages and health access in developing countries. He is currently working on a project exploring role of corporate social responsibility in resolving health inequalities in developing countries. Over the years he has published research in leading journals in the area of business, development and Innovation, such as, *British Journal of Management*, *Research Policy*, *World Development*, *Industrial and Corporate* 

Change, Technological Forecasting and Social Change, Innovation and Development, and Technology Analysis and Strategic Management.

### References:

- George, G., McGahan, A. M., & Prabhu, J. (2012). Innovation for inclusive growth: Towards a theoretical framework and a research agenda. *Journal of Management Studies*, 49(4), 661-683.
- Halme, M., Lindeman, S. & Linna, P. (2012). Innovation for Inclusive Business: Intrapreneurial Bricolage in Multinational Corporations. Journal of Management Studies, 49, 743-784.
- Kale, D (2020). Transnational corporations, Corporate Social Responsibility and the environment. in Humphreys, D. and Jehlicka, P. (eds) *Environmental Issues and Responses*, Milton Keynes, The Open University.
- Kale, D., Hanlin, R. and Chataway, J. (2013). New drugs and health technologies for low-income populations: will the private sector meet the needs of low-income populations in developing countries? *Innovation and Development*, 3(1), 121-137.
- Ngoasong, M.Z. (2011). Transcalar Networks for Policy Transfer and Implementation: The Case of Global Health Policies for Malaria and HIV/AIDS in Cameroon, *Health Policy and Planning*, 26 (1): 63-72.
- Ngoasong, M.Z. (2014). How international oil and gas companies respond to local content policies in petroleum-producing developing countries: a narrative enquiry. *Energy Policy*, 73, 471-479.
- Ngoasong, M. Z., Wang, J., Amdan, R. P., & Bjarnar, O. (2020). The role of MNE subsidiaries in the practice of global business models in transforming economies. *Management and Organisation Review*. 17(2), 254-281.
- Ramani and Mukherjee (2014) Can break through innovations serve the poor (CSR) and create reputational (CSR) value? Indian case studies, *Technovation*, 34, 295-305.
- Tashman, P., Marano, V., & Kostova, T. (2018). Walking the walk or talking the talk? Corporate social responsibility decoupling in emerging market multinationals. *Journal of International Business Studies*. Online since 06 August 2018.