

MNCs and Organized Business

It is often assumed that MNCs have an overwhelming influence on global politics through their privileged position in the economy, or that MNCs in particular cases engage in directly leveraging political institutions when interests are at stake. However, MNCs have many other opportunities to further or stall public policy, and at different territorial levels business tends to work through various intermediaries, such as business associations that are able to speak for business interests in representative ways. This paper analyses the changing patterns of participation of MNCs in global business associations that represent various sets of collective interests. Usually, many global business associations work as federations, i.e. entities that have national associations as members but an increasing number of global business associations have provided opportunities for direct-firm membership or special forms of participation. This paper provides empirical insights into these practices and discusses the multiple reasons for the introductions of such mechanisms and the consequences for the MNCs themselves as well as for the associations, and evaluates the broader theoretical impact of these changing roles of business in global politics.