

This thesis examines the role of transnational corporations in preventing human rights abuse and conflict, along with the limits to proactive strategies and engagement with host governments. It concludes by applying these principles in a case study: the oil and gas industry in Burma. The issue is approached both practically and theoretically from economic, legal and political approaches. In some cases it is possible for companies to avoid or mitigate risks by adopting proactive strategies that might include training and community development programs. A firm that recognizes these issues and adopts a socially responsible strategy may justify their presence in a given country based on the overall effect it has, despite some negative consequences, such as financing a corrupt regime. Furthermore, it can be assumed in many cases that a firm that withdraws will quickly be replaced by another firm, which may be less sensitive to these concerns. Based on these grounds, a company might argue that their presence in a country where the government does not respect human rights represents constructive engagement with the host country's regime. While this line of reasoning is certainly valid, and while this strategy is feasible in some cases, there are certain boundaries that firms should not cross. Firstly, any complicity in human rights abuses or any actions that directly lead to violence are unacceptable on both a legal and ethical basis. This holds true despite the sincerity and extent of the efforts made. Secondly, if the preventative measures or programs designed to benefit the community require the company to take on a role that is inappropriate for a private actor, in that it involves responsibilities that are normally reserved for governments or civil society, the company should choose not to invest. After coming to these conclusions from a comparative approach, they are applied to the oil and gas industry in Burma, where companies have gone to great lengths to prevent abuses from occurring in connection with their operations. Despite this, some violations of rights persist. Likewise, firms have initiated extensive social programs, which have made some positive differences. However, implementing a strategy that would successfully justify investments on these grounds would require firms to take on more responsibility than they should, and wield influence that is not appropriate for private actors.