

Why do we need a new law?

Trade generates enormous wealth - trillions of dollars every year. And companies are powerful players. They are responsible for two-thirds of global trade and therefore have enormous influence over millions of the world's poorest people.

They can provide jobs, training and infrastructure in areas which currently have little economic hope.

But before Company Law, companies had no legal obligation to respect people or the environment in their activities overseas. The pressure to provide cheaper, faster goods means poor people could be exploited and environmental protection ignored.

We needed some form of basic regulation to encourage the good that companies can do and guard against the harm.

- [Back to index](#)
- [Next: How could the new law help poor people?](#)