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**Economic benefits of high tech investment in
developing countries are compromised by
environmental and health costs,
concludes new report**

For a full copy of the report see [the report](#).

(Berkeley, Calif.) - Despite voluntary efforts to reduce environmental impacts, semiconductor companies are not adequately grappling with the environmental, health and labor impacts of their production and assembly operations, especially in developing countries and global supply chains, according to a new report released today by the Nautilus Institute for Security and Sustainable Development.

Dodging Dilemmas? Environmental and Social Accountability in the Global Operations of California-Based High-Tech Companies, is based on case studies in five countries -- Taiwan, Malaysia, India, Thailand, and Costa Rica.

Multinational corporations operating in any of the five countries face both a 'regulatory gap'-the lack of adequate local government regulation and oversight-and an 'infrastructure gap', the lack of adequate waste management and environmental monitoring capacity. Companies may try to bridge the gaps by setting their own global standards, but these bump up against differing local realities that may make even "best practice" not good enough.

"The high tech industry enjoys a reputation for being 'clean and green', including with socially responsible investors," said Lyuba Zarsky, Senior Fellow at the Nautilus Institute and one of the authors of the report. "But we found plenty of evidence that the high tech industry can be 'toxic and mean'."

The report highlights four serious environmental and social problems:

- Highly toxic and hazardous chemicals and other materials used in production and assembly and embodied in consumer products;
- High intensity of water and energy in production;
- inadequate protection of workers' health and labor rights;

- Poor oversight of global supply chains.

Taiwan, for example is a hub for suppliers to top US computer makers, including Compaq and Hewlett Packard, Dell, and IBM. Water supplies there for both cities and farming are highly contaminated by high tech toxics. A group of former RCA workers have filed suit against the company, alleging that contamination of ground and drinking water at the company's facility is responsible for some 1375 documented cases of cancer among former workers, including 216 deaths.

"Getting a handle on these kinds of problems will take a coordinated effort, starting with a willingness by the companies to honestly examine the health and safety issues and to disclose information to regulators and the public " said Naomi Roht-Arriaza, a law professor of at UC Hastings and one of the report's authors. "The industry won't be able to do it alone - public policy is needed to complement and strengthen the industry's voluntary efforts."

The report was produced for the California Global Corporate Accountability Project, a collaboration of the Nautilus Institute for Security and Sustainable Development, Natural Heritage Institute, and Human Rights Advocates.

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Dodging Dilemmas? Environmental and Social Accountability in the Global Operations of California-Based High-Tech Companies

By Lyuba Zarsky, Naomi Roht-Arriaza, and Leif Brottem

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