

Field of environmental protection

[Business](#), [Management](#)



The government, business, and consumers all have an important role to play in the field of environmental protection. The three components should form an interrelated system in which the government and consumers exert pressure upon businesses to act ethically in environmental matters, and business executives are committed to the issues of sustainable development that forms part of corporate social responsibility.

Alan Larson in his remarks on corporate social responsibility addressing the National Policy Association Conference noted that although he believed in profit maximisation as the CEO's primary objective, "in a global marketplace where reputation matters deeply, shareholder value depends more than ever on corporate values" (Larson 2001). Thus, corporations cannot be interested in profits as the only priority; instead, they should be interested in the situation on the planet in general.

Just as "sustainable development" is an appropriate measure for social progress, so "sustainable profits" should become part of the accounting vocabulary indicating that the corporation can "increase shareholder value by communicating to shareholders, employees, customers, regulators, and the general public how it is practicing environmental stewardship and social consciousness in its operations" (Larson 2001). Thus, business has an independent incentive to act ethically. However, Larson notes, the government can enhance this incentive by offering, for instance, the Award for Corporate Excellence only to environmentally conscious companies.

Another way is to include the government regulations into guidelines of state structures, for instance, OECD Guidelines on Multinational Enterprises or guidelines of the World Bank and the International Finance Corporation (IFC).

Consumers in the 1980s and later decades became aware of the influence of their purchasing choices upon the environment. Their responsibility to the environment, among other things, was included for discussion at the 1992 Earth Summit in Rio under Agenda 21 (Yu). Their role in sustainable consumption has to be defined through a range of consumer initiatives.

Thus, the three parties can cooperate in enhancing environmental protection. References Larson, A. (2001, June 11). Role of the U. S. Government in Promoting Global Corporate Responsibility. Remarks to the National Policy Association Conference. Retrieved November 25, 2005 from <http://www.state.gov/e/rls/rm/2001/3526.htm>. Yu, N. (n. d.). The Green Consumption Movement: The Roles of Government, Business, Academia, NGOs and Consumers. Retrieved November 25, 2005 from http://www.apo-tokyo.org/gp/e_publi/gsc/0315RES_PAPERS.pdf.