ISSN: 2455-8761

www.ijrerd.com || Volume 05 – Issue 05 || May 2020 || PP. 21-26

# Is Environmental Ethics important for Business?

## Srijan Shrestha <sup>1,2</sup>, Ru Guo <sup>3,4</sup>

<sup>1</sup>College of Environmental Science and Engineering, Tongji University, Shanghai, PR China <sup>2</sup>UNEP-Tongji Institute of Environment for Sustainable Development. <sup>3</sup> Institute of Environmental Planning and Management, College of Environmental Science and Engineering, Tongji University, Shanghai, China <sup>4</sup> Shanghai Institute of Pollution Control and Ecological Security, Shanghai, China

**Abstract:** Environment and business are deeply interconnected. The whole article examines the environmental impact of business and illustrates the significance of environmental ethics. This paper analyzes the different aspects of a business that have affected the natural environment. Environmental moral leadership ought to be shown by business and must be governed by rigorous regulations and rules. The Entire planet itself is impacted by the business via the eradication of life forms, the contribution to climate change, etc. The business has a natural, non-reciprocal responsibility toward natural beings affected by its functioning. This paper illustrates the impact business has created in the natural world and urges business and environment ethicists to promote a broader and deeper moral perspective.

**Keyword:** Business, Environment ethics, Pollution, Regulation

#### Introduction

Environmental ethics is delineated as the study of human interaction with nature. In a business sense, environmental ethics is concerned with a company's responsibility to protect the environment in which it operates. Community awareness of the damage caused to the environment by human activity has driven a call for legislative regulations directly affecting the ability of trades to conduct their operations. Corporate response to legislative regulation is a primary area of concern in environmental business ethics. [1]

The fundamental principle of environmental ethics is that nature has intrinsic value.[2]This sounds simple enough, but it is quite a realsetback of centuries of anthropocentric thought. For eras, it was easy to consider that nature existed for human beings to exploit. The more trees cut down and convert into magnificent buildings, the better our quality of life. The more coal we mine for fuel, the more energy we had available to power factories and produced more life-enhancing goods. Besides, best of all, no matter how much we used, there was always plenty more available.

It is nevertheless apparent that this is no longer valid over the past decades. While our economies have expanded, our environmental effect has risen to the point of diminishing available resources, causing thousands of animal species to be exterminated and altering our planet's atmosphere.

Nevertheless, several companies run on the conventional model. Environmental ethics seeks to challenge the fundamental belief that nature is in our favor. If nature has intrinsic value, how does that affect the way the business is using electricity, packaging its goods, or handling animals? This can have tremendous consequences for companies.

A common assumption in business is that businesses only have obligations towards people and that Environment entities are not worth moral consideration. Even if it is accepted that protecting the environment is essential, the business should take care of it and value the ethics of the environment for sustainable business.

## **Impacts of Business in Environmental ethics**

Businesses have been damaging the environment when natural resources are extracted from the Earth and dispose of waste. All of this is done within the natural environment, a kind of ecological system or ecosystem. Many organizations launch waste into water bodies, like rivers, ponds. Occasionally this is comparatively harmless to the ecosystem, but growing the quantity of waste will become too toxic for some of the organisms. If the pollution kills particular vegetation in a pond, then many fish should die. Business transactions are not always just transactions among two people in the course of the trade. Sometimes other people and nonhuman animals are also harmed by commercial enterprise transactions.[3]

Some of the pollutions are destroying the environment for the benefit of money, and not valuing environmental risks are:

## **Air Emissions**

The industry is a significant cause of air pollution, since the operation of factories results in the emission of pollutants, including organic solvents, irrespirable particles, sulfur dioxide (SO2) and nitrogen

ISSN: 2455-8761

www.ijrerd.com || Volume 05 – Issue 05 || May 2020 || PP. 21-26

oxides (NOX). These pollutants can harm public health and damage the atmosphereby leading to global trends such as climate change, greenhouse effects, ozone hole, and rising desertification.

#### II. Wastewater

The sources of effluent (treated or untreated wastewater) that are discharged into surface waters - are numerous and diverse. Effluent can come from industrial channels, treatment plants, and drains. Industrial effluents are only a small fraction of the Israeli state's waste (about 17 percent), but their environmental damage may be higher than that of domestic (municipal) wastewater. Untreated wastewater can cause environmental woes, including pollution of groundwater reservoirs, damage of transport and wastewater treatment systems, and degradation of treated wastewater and sludge such that it would disqualify them from being used for agricultural purposes. Hence, it is essential to reduce wastewater pollutants such as salts and heavy metals, which could damage vegetation and contaminate soil and groundwater.

#### III. Land Pollution

Chemical and energy industry leakage, as well as hazardous material sectors, are Israel's leading causes of land pollution. Examples of soil pollution sources are oil refineries and pipelines transporting gas, oil depots, gas stations, garages, metal treatment and coating factories, chemical plants, dry cleaning businesses, printing businesses, the textile industry, and sites where hazardous materials are stored. Soil contamination is caused by direct exposure to the pollutant, leakage of toxic gases into buildings, and groundwater pollution. The properties of soil result in contaminants remaining in the ground long after the pollution incident.

#### IV. Marine Pollution

Marine contamination occurs when chemicals, pollutants, manufacturing, agricultural, and residential waste, noise, or the spread of invasive species result in harmful effects. 80% of Ocean emission comes from land. Air pollution also leads to getting pesticides or soil into the ocean. Chemical from factories, deep-sea mining, ship pollution is the main cause of pollution, and it has a direct effect on the environment and marine creatures. It is against the right of environmental ethics. For the benefit of the company, they are discharging the waste to the oceans.

#### V. Solid Waste

Solid waste is generated wherever there is a human activity and is characterized by several sources with different characteristics and components. These include agricultural, toxic, and organic waste.

### VI. Radiation

The community and the environment are atrisk from exposure toionizing radiation and non-ionizing radiation (sources include electrical installations, mobile broadcasting centers, and lasers). The purpose of the license conditions is to protect the environment and the public from radiation exposure and to regulate the establishment and operation of radiation sources. Discoveries of holes in the ozone layer caused by use of chlorofluorocarbons drove a message through rapid and dangerous cutting and burning of the primitive forest at a field of one football field a second to make furniture's and sell it for the motive of earning money not only have deforestation but also causing ecological and habitats to live. Another problem is vulnerable to greenhouse gases like carbon dioxide and eliminating scores if irreplaceable species daily. Consequently, it is essential to take attention environmental ethics when doing business. It is not ethical to deforest and cause an imbalance in the environment.

For many small businesses, the cost is a concern. One research found that 78% of small businesses had no ecological management system. Despite that, most business owners required to decrease their environmental impact nonethelessremained held back by "resource constraints" as well as other issues like lack of support or guidance. [3]

Another barrier is competitive pressure. If competitors are importing low-cost goods with no regard for environmental sustainability, they will be at a disadvantage if they maintain the highest ethical standards. These are valid concerns. Even if a company isn't about profit, it needs to make a profit to survive. Besides, although some environmental policies can also have a positive bottom-line impact. The important is to look at the overall implications for the business, including the positive effects onthe environment.

#### 2. Duties of Business in Environmental Protection

The environment is everything we depend on. Whether the trees give us oxygen, the land we live upon, and the rivers that provide us with water. The environment is crucial for civilization and businesses together.[4] We all have a responsibility to conserve and protect the environment. Moreover, whether it be governments, businesses,

ISSN: 2455-8761

www.ijrerd.com || Volume 05 – Issue 05 || May 2020 || PP. 21-26

consumers, workers, or other members of society, each contributes to stopping the environment from polluting further. Governments must start programs to ban the use of hazardous products such as plastic carry bags. Consumers, workers, and society can support environmental protection by not using these dangerous products or other products that are not environmentally friendly.[5]

There are numerous benefits to being a business that stands for something other than profit. They may enjoy a positive brand image so that customers will buy products even if they are a little more expensive than competing ones. For example, Organic food in china is quite costly and hard to find in the regular market place. Still, customers prefer to have organic food even though it is expensive because it is believed it has a good effect on health and has not caused an impact in an environment. Another example is a UK company Brothers Stand sells men's clothing that comes with a full failure of the social and environmental impact of its production. One can easily find cheaper shirts from retail chains with looser standards, but many customers will pay more for the peace of mind of buying something that matches their values'.

The company can also attract better workers if, for ethical and financial reasons, they refer to their ideals and reputation as a great place to work. Reviews found that millennials, in particular, are more driven by values than money.[6]

Companies could consider whatthey can do to put environmental ethics into practice at the company. The answers may vary depending on what kind of company it is and what industry it is, but there are some common threads. Here are ten critical issues that can be considered, with ideas on what could be done to improve environmental practices.

## I. Energy Efficiency

Reviewing energy usage and identifying ways to be more efficient business, can help the environment while also saving money. Just need to check office, shop, factory, or another workplace for compliance with basic energy common sense. For example: If energy-efficient lightings are used, if thermostats properly control heating and cooling systems, the first item was about rethinking the big picture business; this one is about small wins, which can result in significant savings and prevent from wasting unnecessary energy.

### **II. Energy Sources**

There are adequate alternatives to fossil fuels these days, and we could switch to an energy supplier that produces energy from renewable sources.[7] For example, in the world now, several companiessupply electricity for homes and businesses utilizing wind turbines and solar panels. These kinds of providers exist in other countries, too. This is another simple way to reduce the business's environmental impact and carbon footprint. In response to environmental concerns, many companies have made changes in their product materials, ingredients, and packaging. Advances in green technology have resulted in the production of more sustainable materials and production methods.

#### III. The Supply Chain

When businesses look atthe impact of the environment, they often focus on their direct contributions. However, as we have seen, environmental ethics demands a more holistic approach. [8] So, examine the entire supply chain: all of the companies that provide all of the components for final products. There are few points to be kept in consideration like how are components built and transported, what does the entire process look like from starting to the end and product reaching to its consumer, if they have, they followed the environmental ethics rule while supplying the good or not. Every step of the process and can identify the full environmental impact at each stage and then look for opportunities for improvement. If a supplier does not want to comply with the best environmental practices, leave it, and look for one that will.

#### IV. Packaging

Earth Day is considered in ending plastic pollution. Plastics ends up in oceans, where it breaks into small pieces that destroy marine life. [9]Microplastic particles are more than 51 trillion in the sea, 500 times more than the number of stars in our galaxy. Much of this is due to unnecessary packaging or storage, for example, Americans discard an estimated 100 billion plastic grocery bags each year, with each bag being used for just 12 minutes. The business should think if it'sethical withthe environment and contribute to plastic pollution or help to alleviate it. If its contributing, then there are some of the alternatives like cutting out unnecessary packaging of products, replacing packaging with eco-friendly materials that will decompose quickly or, ideally, durable containers that can be reused, run campaigns, or provide incentives to encourage customers to reuse or recycle packaging.

ISSN: 2455-8761

www.ijrerd.com || Volume 05 – Issue 05 || May 2020 || PP. 21-26

#### V. Pollution

Business likely creates pollution in multiple ways, from the energy that uses direct pollution from manufacturing processes. For example, look at ways to manufacture the products with fewer emissions or reduce overall carbon footprint by implementing the energy changes, On the other hand, if the organization cannot reduce pollution, we could look into using offsets. These are donations that they make to invest in clean energy or to plant trees to offset the damage they have done. One example is at Carbonfund.org, where it can calculate a company's footprint and make a charitable donation to cancel it.

#### VI. Transportation

Transportation is a significant source of pollution and other adverse environmental effects, so examine the way people and products are transported within the company. Reducing the need for transportation or switch to more eco-friendly vehicles, encouraging members to use eco-friendly transport. [10] For example, some organizations provide incentives for their staff to commute to work via public transport instead of a private vehicle, or to share a ride. One can always make savings (both environmental and monetary) by holding more meetings via videoconference instead of flying people to different locations. Also, allowing people to work from home can avoid pollution from the commute.

#### VII.Resource Usage

The packaging is one of the things every business does to make their product look different from their competitors. Companies use many resources in the name of packaging. So, observe practices and see where and what can be done to make the product look more sustainable. For example, if we can recycle more items, if it canbe used lessor go with paper-free in offices or at least minimize unnecessary paperwork.

#### 3. Benefits of an environmentally friendly business

Running an ecologically friendly business helps to diminish the impact on the environment and preserves natural resources. Businesses can help the environment in many ways. It can be done by using goods that reduce natural resource dependency(e.g., rainwater tanks, solar hot water systems), using recycled content goods(e.g., office supplies made from recycled plastic, furniture made from recycled rubber) or by reviewing business activities to see if anything can be done differently (e.g., reducing air travel by holding conference calls instead of internal meetings).[11]

There are many businesses that have accepted environmentally friendly business-likeTOMS, Patagonia, Beyond meat, Lush cosmetics, Apple, IKEA, and many more.Making business environmentally friendly not only benefits the environment but can also save money.

#### I. Good practice can attract new customers

Encouraging environmentally friendly approaches can set the business apart from competitors and attract new clients who want to buy products and services from an ecologically friendly business-like TOMS, Beyond meat. Many more companies are attracting their customers because of their motives towards the environment.

## II. Improves sustainability

Dropping the environmental impact of business will improve the sustainability of the business. Less reliant on natural resources than competitors are and have ways to deal with increasing charges due to climate change, businesses will have a higher chance of long-term success. As creating a higher material standard of living, consumers use oil, coal, wood, metals, land, and other natural resources. With more people on Earth and more industrialization to produce more goods to have a higher standard of living, consumers use more and more natural resources to turn them into the goods consumers want. One of the problems with this is running out of these resources.

ISSN: 2455-8761

www.ijrerd.com || Volume 05 - Issue 05 || May 2020 || PP. 21-26

## III. Recycle the resources/ Circular Economy



Figure 1: Circular Economy

The economy that is restorative or regenerative by intention and design is known as the circular economy. It swaps the end-of-life concept with refurbishment, modifies towards the use of renewable energy, removes the toxic chemicals, which helps to reuse and return to the environment, and purposes for the elimination of waste through the more magnificent design of materials, products, and systems [12]The circular economy is already in practice throughout the world. The trick is to know how it can be profitable, if possible, for companies to be part of the recycling process. As a way to make this happen, the Government can do more research to find new ways to recycle and reuse our resources. Besides, the Government can give tax incentives to new businesses that want to go into the recycling business as a way to make money. Thus, using the profit motive to help solve our environmental pollution depletion problem; stop unreasonably using resources. minimize materials excessively, recycle by shredding, composting, or mulching and using alternate resources instead of existing resources. Instead of relying on oil and coal to generate much of our electricity, we could do more research to find ways to use wind, water, and air resources that would not bring carbon dioxide and sulfur dioxide in the air.[13] These kinds of energies of the sun, the wind, and waterpower are not used up, can be used repeatedly, and do not hurt the environment. If we especially want to address the problems of global warming and acid rain, we will need to use less oil and coal and more solar, water, and wind power. As evidence is already beginning to shift to more wind power, Kansas, Nebraska, and other states are providing the traveler with visible evidence of windmills cropping up seemingly everywhere in what are historically miles and miles of wheat fields and grasslands.[14] As a result, these lands are not only producing wheat but also generating electricity that neither pollute nor depletes.[15]

## 4. Steps to solve environmental problems:

Business enterprises should lead toresolving environmental subjects. It is their accountability to check the consequences of their actions and to protect environmental resources. Some enterprises, which can be taken by business enterprises for environmental protection are:[16]A sincere promise by the company's top management to develop, maintain and advance work culture for environmental protection and emissions reduction—confirming commitment to environmental protection is expressed by all workers of all departments—developing clear-cut strategies and programs for acquiringdecent quality raw material, using the latest knowledge, using specialized techniques of discarding waste management and to advance the skills of the employees for the determination of pollution control. To familiarize to the laws and regulations passes by the Government for the prevention of pollution. Contribution in government programs concerning the management of hazardous substances, clearing up of polluted water bodies, plantation of trees and to decrease deforestation. Valuation of pollution control programs in terms of costs and aids to increase the progress concerning environmental protection. Also, businesses can arrange workshops, give training material, and share technical information and involvement with providers and customers involving them in pollution control programs. It is encouraging green energy that diminishes the use of fossil fuels.

ISSN: 2455-8761

www.ijrerd.com || Volume 05 – Issue 05 || May 2020 || PP. 21-26

#### Conclusion

About environmental, ethical issues in business, it means how it can be applied to the business world.[17] The environment is one of the most critical moral matters not only because harming the environment often violates our right to live a healthy life but also because environmental damage has been Extremely toxic to both society and the environment. Many environmental issues can generate more devastation situation in the future, such as the possible depletion of the world's resources to future generations because of business and neglecting environment and environmental ethics.[18]

The status of the environment not only shows traditional failures of business inthe past or in present-day, but it also helps to clarify the importance of externalities and the environment.[19] Businesses traditionally showed no need to pay for attention for ethics and moral of environmental externalities. Still, now we know that externalities are of grave importance and are often a matter of life and death. Businesses traditionally saw no need to respect natural habitats, but many moral environmentalists and businesses no longer see reasons to value ourselves over other environments and natural law.[20]

The particulars can vary a lot for different companies in different industries. Still, everyone who comes under nature environmentalists, organizations, and the Government should work on environmental ethics and develop environmental policies that can correlate business and environment.

#### References

- [1] Cannon T. Corporate Responsibility a Textbook on Business Ethics, Governance, Environment: Roles and Responsibilities. 1994,
- [2] Callicott JB. Intrinsic value, quantum theory, and environmental ethics. Environmental ethics, 1985, 7(3): 257-275
- [3] Turner RK, Paavola J, Cooper P, et al. Valuing nature: lessons learned and future research directions. Ecological economics, 2003, 46(3): 493-510
- [4] Pritwani K. Book Sustainability of business in the context of environmental management. CRC Press, 2019
- [5] Sadler B. Book Environmental Assessment in a Changing World. Evaluating Practice to Improve Performance-final Report, 1996
- [6] Levy DL, Newell PJ and Gasser L. Book The business of global environmental governance. MIT press, 2005
- [7] Meyer JE. Renewable Energy Learning Curve, The Renewable Energy Transition. Springer, 2020: 117-159
- [8] Kendall G and Rich M. The Future-Fit Business Benchmark: Flourishing Business in a Truly Sustainable Future. Sustainable Development Goals: Harnessing Business to Achieve the SDGs through Finance, Technology, and Law Reform, 2019: 235-252
- [9] De Vita RLG, Anna Giunone. Plastic marine pollution. Prosperitas, 2019, 6(3): 23-33
- [10] Sun D, Zeng S, Lin H, et al. Can transportation infrastructure pave a green way? A city-level examination in China. Journal of cleaner production, 2019, 226: 669-678
- [11] Ginsberg JM and Bloom PN. Choosing the right green marketing strategy. MIT Sloan management review, 2004, 46(1): 79-84
- [12] Geissdoerfer M, Savaget P, Bocken NM, et al. The Circular Economy–A new sustainability paradigm? Journal of cleaner production, 2017, 143: 757-768
- [13] Covert T, Greenstone M and Knittel CRJJoEP. Will we ever stop using fossil fuels? 2016, 30(1): 117-38
- [14] Smith AF. Book Food in America: The past, present, and future of food, farming, and the family meal. ABC-CLIO, 2017
- [15] Black JA and Boal KB. Strategic resources: Traits, configurations and paths to sustainable competitive advantage. Strategic management journal, 1994, 15(S2): 131-148
- Ostrom E. Polycentric systems for coping with collective action and global environmental change. Global Environmental Change, 2010, 20(4): 550-557
- [17] Kolk AJJoWB. The social responsibility of international business: From ethics and the environment to CSR and sustainable development. 2016, 51(1): 23-34
- [18] Clayton T and Radcliffe N. Book Sustainability: a systems approach. Routledge, 2018
- [19] Schaltegger S and Burritt R. Book Contemporary environmental accounting: issues, concepts and practice. Routledge, 2017
- [20] Crane A, Matten D, Glozer S, et al. Book Business ethics: Managing corporate citizenship and sustainability in the age of globalization. Oxford University Press, USA, 2019