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**The effects of climate change on international business**

Climate change has impacted international business deeply since there have been strict global policies to stop the emission of gases to save the planet (Ihlen, 2009). There has been a scientific consensus that international corporations must look into each government’s country-wise regulations to sustain environmental safety.

For being an environmentally and socially responsible business, the firms have to comply with the international standards of keeping the global temperature below 2 degrees Celsius (Allen & Craig, 2016). Besides keeping just the temperatures low, there are specific concerns that the climate change policies have imposed on businesses lately, such as clean water, expensive energy, reduced use of fossil energy, etc.

The World Resources Institute has cited in its 2015 report that sea waters are rising due to global warming, which includes the challenges for the preservation of coastal freshwater reserves and sea animals’ population (Allen & Craig, 2016). There could be a severity in flooding risks, and serious harm to coastal living populations as a major part of the world’s population lives over the seashores. Moreover, food production requires a vast and systematic mechanism of water irrigation that would necessitate the abundance of water, for which companies have to be vigilant with the use of water. It is being projected that scarcity of food could worsen, other than food insecurity of a few countries and geographic regions, which could most likely result in the war for water and food (Allen & Craig, 2016).

Corporate responsive initiatives are expected from the international firms as they work in various countries and know the climatic conditions of each area, for example, Nike or Apple. Such companies are anticipated to play their parts actively for mitigating the effects of global warming and climatic change and find new ways for corporate sustainability, which is society’s right. The organizations need to move beyond profit-making strategies and consider this a serious global issue since resource exploitation would only leave them a fix. No circumstances would be left that could assist them later in conducting business or making money.

The stress that has been increasingly given here on corporate social responsibility (CSR) rests upon the international corporations to realize the grave importance of climate change and deem it as their ethical, legal, and social responsivity to abide by the pertinent rules. Therefore, CSR is considered an umbrella term that encloses the discussion of corporate citizenship and business ethics that require them to act as responsible firms for curbing the climate change situation.

It is becoming increasingly hectic for international organizations to handle the pressure from the governments and the community they serve. It is entirely up to the governments and the organizations who have a large part of the accountability towards climate change. The social contract that climate change has forced upon the organizations to fulfill the society’s expectations of battling climatic changes has put them in hardship (Unsworth, Russell & Davis, 2016). It is no denying that climate change occurs due to human activity, either individually or on an organizational level; however, convincing society about corporate responsivity and its perceptions has become more difficult than before as customers are more aware than before due to the internet technological advancements.

**Thesis Statement**

International companies should consider climate change an opportunity and not as a threat or risk. While scientists and businesses argue on the solutions needed to address this challenge, they both share a deep concern on the effects of climate change on international business. Two ways the climate change challenge can be addressed are cutting reliance on fossil fuels and using natural resources, like water.

References

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