

Reassessment of the Emission Reduction Responsibilities of Wealthy Individuals and Corporations: Considerations based on the Perspective of Resource Availability

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ABSTRACT

Minimizing emissions has become a crucial element in the fight against global climate change. This study will employ resource dependence theory to assess the participation of wealthy individuals and corporations in the worldwide effort to decrease emissions, particularly with regards to natural, human, and capital resources. The objective is to demonstrate the crucial role that affluent individuals and major corporations play in promoting climate action. In conclusion, we recommend enhancing the management of these organizations' resource utilization and implementing stronger environmental protection measures to prevent their economic activities from undermining the attainment of global climate objectives. This study offers fresh insights into comprehending and advancing more efficient worldwide strategies for reducing emissions, emphasizing the substantial influence of affluent individuals and major corporations who exploit resources in global emissions reduction endeavors.

KEYWORDS

Climate Change; Emission Reduction; Resources; Sustainable Development.

1. INTRODUCTION

The allocation of responsibilities for decreasing emissions has become a contentious issue in the worldwide endeavor to combat climate change. Proponents of shifting the paradigm contend that affluent individuals and organizations should be given greater consideration than governments [1]. This argument questions the conventional belief that environmental programs should be primarily led by national governments and asserts that individuals who possess significant financial resources have a unique responsibility to decrease emissions [2].

2. LITERATURE REVIEW

Climate change is the most significant and influential problem of the 21st century. Despite endeavors initiated since the United Nations Conference on the Human Environment in Stockholm in 1972 and the subsequent adoption of the Kunming-Montreal Global Biodiversity Framework in 2022, emissions persistently increase [3,4]. Conventional measures that prioritize states have not been very effective, so we suggest a fresh approach: redirecting our attention from states to affluent individuals and organizations in order to address emissions. To enhance the attainment of global targets, it is advisable to entrust the leadership of the carbon emissions campaign to organizations and individuals in the top percentile of wealth. The IPCC emphasized that a modification in lifestyle is needed for the globe to attain the 1.5°C warming objective. A study conducted by Oxfam and SEI revealed that the

wealthiest 1% of the world population is responsible for 15% of total emissions, which is twice as much as the emissions produced by the bottom 50% of the population, who contribute only 7% of emissions [5,6]. Their extravagant and resource-intensive lifestyles, characterized by the ownership of several residences, private aircraft, and luxurious yachts, result in significant and detrimental effects on the environment [7]. These groups should be assigned the responsibility for the environmental consequences of their lifestyles.

3. THEORY FRAMEWORK

Resource Dependence Theory (RDT) offers a robust analytical framework for examining the role of wealthy individuals and corporations in lowering emissions. Jeffrey Pfeffer and Gerald R. Salancik systematically developed the theory in 1978 in their book "The External Control of Organizations". This theory explains how organizations depend on crucial resources in the external environment to maintain their operations and accomplish their strategic objectives. According to Resource Dependency Theory, the ability of organizations to control and safeguard important resources, which can be either tangible (such as raw materials, finance, and technology) or intangible (such as information, knowledge, legitimacy, and social reputation), is crucial for their survival and development [8].

Resource dependence theory can provide insights into how the affluent and major corporations exert influence and affect emissions reduction plans by controlling resources such as energy, land, and technology. Having control over this resource grants them significant leverage in shaping and executing environmental policies. Consequently, they have a distinct obligation in managing resource distribution and ensuring environmental responsibility. Given the growing need for sustainable resource management, it is imperative for businesses and individuals in control of resources to contemplate ways to minimize adverse environmental effects while maximizing resource utilization efficiency.

4. RESOURCES

4.1. Natural Resources

Different countries or regions are endowed with a wide variety of natural resources, including, but not limited to, sunlight, coal, and wind energy. The different distribution of these resources provides unique opportunities for energy utilization in different regions. Therefore, when exploring the topic of emission reduction, we should focus on large corporations and wealthy individuals, rather than limiting ourselves to the national level.

4.1.1. Differences in Natural Resources

Internationally, every nation or geographic area possesses distinct varieties and quantities of natural resources, which directly impact its available choices for energy use [9]. According to the journal Nature, the diversity of natural resources in different regions has a significant impact on the development of renewable energy sources [10]. At high latitudes, solar power is less viable due to low insolation; while at low latitudes, the benefits are more significant [11].

4.1.2. Realistic Considerations of Energy Substitutability

The utilization of high-emission energy sources in places without access to clean energy alternatives cannot be solely attributed to their negative environmental impact, as these countries have no other viable energy options at their disposal. The0. Vakulchuk et al. highlight that certain places continue to strongly depend on coal because of physical location and limitations in resources [12]. Meeting emission reduction targets in these areas poses a challenge due to the need for alternate energy sources or enhanced coal usage technology. For instance, in regions with adequate sunshine, the possibility

of implementing solar power projects to substitute high-emission energy sources is feasible. However, this is not a realistic option in high latitudes like Finland and Sweden. If a region possesses a surplus of coal resources and exclusively relies on coal for heating purposes, there is absolutely no justification for criticizing the inhabitants of the region for utilizing coal as a heat source, unless there is a sincere intention to assist them in enhancing their heating infrastructure or offering alternative, cost-effective heating resources. Major corporations and affluent individuals frequently have significant influence on innovation and sustainability. By shifting the emphasis of emissions reduction towards these entities, they can encourage innovation and technological advancement, offer more scientific solutions to the issue of energy substitution, and consequently alleviate the overall environmental impact [13]. In contrast, regular individuals lack the ability to influence this matter.

4.2. Human Resources

Furthermore, human resources. On a global scale, the evaluation of human resources is crucial in developing strategies to reduce emissions. Two significant indicators used in this assessment are population size and educational attainment [14]. There are significant variations in the population sizes of different countries. By emphasizing the variations in human resources, we may effectively direct our efforts towards fostering innovation, advancing technology, and significantly contributing to the attainment of global sustainable development and emission reduction objectives. Hence, it is imperative to prioritize emission reduction efforts towards large corporations and affluent individuals rather than solely focusing on the national level. This approach is justified by the following reasons.

4.2.1. Relationship between Population Size and Emissions

Empirically, there is a positive correlation between the level of carbon dioxide emissions and the proportion of highly educated individuals in a country's population [15]. The demographic profile will have a direct impact on the country's level of technology and innovation, which is crucial for achieving sustainable development and emission reduction targets [16].

4.2.2. Relationship between Educational Attainment and Emissions

Large companies usually gather many highly qualified people, who usually have strong research and development capabilities and an elevated level. These individuals possess specialized knowledge in advanced industries such as electric vehicle manufacturing, research and development of alternative energy sources, and enhanced power generation technologies [17]. They play a crucial role in driving innovation and promoting sustainable development. Thus, by directing our attention towards major firms and urging them to take responsibility for their past actions in terms of reducing emissions, we might potentially encourage greater innovation and advancements in technology, leading to more sustainable industrial development [18]. On the other hand, it is comparatively challenging for the general population to engage in relatively specialized domains of invention. Hence, by directing our efforts towards prominent multinational companies and individuals with advanced education, we may more effectively concentrate on fostering innovation, advancing technology, and making a substantial impact on global sustainability and the achievement of emissions reduction objectives.

4.3. Capital and Productive Resources

In modern societies, it is common for large corporations and wealthy individuals to dominate most capital and production resources. Amount the combined wealth of the entire bottom 90% of the population [19]. These entities have a global monopoly, which enables them to exert a considerable influence.

4.3.1. Historical Problems of Capital Accumulation

Throughout history, a significant amount of the initial buildup of a country's wealth came from the exploitation of colonies. This exploitation further solidified the unequal distribution of wealth and

resources. Some of the first buildup of capital is connected to past colonialism. By exploiting colonies, prominent firms and affluent individuals amassed significant capital, so gaining greater dominion over global resources. The historical impact has significantly shaped the current disparity in resources [20].

4.3.2. Emissions from Production Shifts

Many large firms frequently evade their environmental obligations by transferring high-emission, high-polluting industries to regions like Southeast Asia or Latin America [21]. This technique is subject to ethical controversy and has a detrimental effect on the global environment. The mobility of capital poses a significant obstacle to global endeavors aimed at reducing emissions. Large firms engage in "carbon footprint outsourcing" by transferring carbon-emitting industrial processes to underdeveloped countries. This practice allows them to shift the blame for their emissions without actually reducing world emissions as a whole [22]. The concentration of capital and control over the means of production, which enables major firms and wealthy individuals to evade their environmental obligations by exploiting their financial advantages, is both ethically and empirically illogical [23]. The global goal for reducing emissions should prioritize addressing this irrational behavior and employ suitable policy instruments to hold these monopolistic organizations accountable for their environmental impact.

5. CONCLUSION

This research aims to reevaluate the involvement of wealthy individuals and businesses in the global obligation to decrease emissions, focusing specifically on the utilization of resource dependence theory to comprehend this matter. We observe that the affluent and major businesses possess a distinct obligation to reduce their impact on the environment, as they have significant control over crucial natural, human, and capital resources. Moreover, this control grants them substantial power to shape environmental policies and tactics for reducing their impact. The report highlights that although national-level initiatives to decrease emissions are crucial, affluent individuals and major corporations play an indispensable role in spearheading climate action due to their abundant resources and advanced technological capacities. We stress the importance of holding the rich and companies, who have substantial resources, accountable for their environmental obligations to attain fairer and efficient global emissions reduction targets.

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