

Assignment 07

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Career field	Consultant
Country	China
Topic	
Final Choice	Community Engagement and Philanthropy

1. Read Globberman, S. (2022, November 22). *Friedman and his ESG critics (ESG: Myths and realities)*. Fraser Institute. <https://www.fraserinstitute.org/studies/friedman-and-his-esg-critics-esg-myths-and-realities>. Use this reading to:

- 1.1. Identify the differences between a corporate shareholder and stakeholder.

corporate shareholder - as owner of the company, mainly interested in profitable business with adequate ROI, however, CSR interest is increasing, since shareholders are stakeholders too

stakeholder - mainly interested in sustainable profitable business (sustainable return for the nature of stake) and mostly interested in the positive effect on the relevant nature of stake (e.g. community)

- 1.2. Determine how introducing the stakeholder into the corporation equation with an ESG initiative impacts the pursuit of profits.

effect on profits by introduction of stakeholder engagement

should be positive after the initial investment, given a healthy market with educated stakeholders and a significant need coupled with governmental drives towards it

- 1.3. Explain how entrepreneurship and innovation are impacted by the introduction of the stakeholder.

stakeholder introduction - effect on entrepreneurship and innovation

entrepreneurship as well as innovation should already be driven by the stakeholders in and around the market, therefore, the effect can only be positive, as entrepreneurs and innivators will gain a considerable niche due to the nature of

their economic activity (business) as well as their business flexibility (e.g. size) and head-start by time compared to established key players within the industry

1.4. Analyze the net impact on economic growth and prosperity considering opportunity costs.

net impact on economic growth and prosperity towards opportunity cost

net impact should be highly positive and sustainable as a major issue related to all stakeholders is addressed, with prosperity and most of all, a future for all

given the nature of the situation, there should be no question about opportunity cost anyway as there is, in effect, no choice - the planet is dying and the situation may become irreversible soon

2. Use the work above to analyze the net impact of introducing ESG initiatives.

2.1. Buttonwood: The tenacity of ESG. (2022, Nov 19). The Economist, 445, 74.

Retrieved from <https://www.proquest.com/magazines/buttonwood-tenacity-esg/docview/2737740446/se-2>

2.2. Refurbishing the boardroom. (2023, Feb 25). The Economist, 446, 67-68.

Retrieved from <https://www.proquest.com/magazines/refurbishing-boardroom/docview/2779944732/se-2>

net impact by introduction of ESG initiatives

the impact should be massive and positive, as this is not the right way to go, but the only way to go

3. Given your ESG dilemma, summarize the isolated actions that can be taken by each of the following entities to address it. Present two alternatives per entity.

3.1. Government

Alt-1: community engagement (e.g. education, awareness, motivation)

Alt-2: legal framework

3.2. Markets and prices

Markets

Alt-1: philanthropy

Alt-2: consumer activism

3.3 Corporations with an ESG commitment

Industry

Alt-1: CSR

Alt-2: self-regulated research & development

4. Provide two credible sources of information or scholarly works on each entities role in addressing that dilemma. Properly cite.

4.1. Government

<https://digitallibrary.un.org/>

<https://www.weforum.org/reports>

4.2. Market

<https://www.hbs.edu/faculty/research/publications/Pages/default.aspx>

<https://sdgacademy.org/>

4.3 Industry

<https://iccwbo.org/>

<https://www.mckinsey.com/mgi/our-research/all-research>

5. For the capstone project, prepare to analyze each alternative for the capstone project using economic reasoning and analytical reasoning. You will be asked to take an informed stance with a fully developed rationale. The capstone project should be written as a paper.