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Neoliberalism and Environmental Justice: A Critical Examination of Corporate Greenwashing

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Abstract: This paper critically examines the neoliberal economic model and its role in enabling corporate greenwashing, a practice where corporations deceptively market themselves as environmentally responsible while continuing harmful environmental practices. Through a rigorous focus on the neoliberal emphasis of free markets, deregulation, and minimal government intervention, this paper explores how these policies have set the stage for corporations to externalize environmental costs and engage in superficial sustainability initiatives. Within this framework, companies often bypass meaningful environmental reform, opting for strategies that enhance their public image without addressing their actual environmental impacts. The paper also draws on the works of critical theorists Theodor Adorno, Max Horkheimer, and Herbert Marcuse, particularly their critiques of capitalist society and its tendency to commodify social values. This paper argues that neoliberal capitalism has commodified environmentalism, transforming genuine ecological responsibility into a marketable product. Through corporate social responsibility initiatives, corporations have created the illusion of sustainability while masking deeper environmental harm. Under neoliberalism, these initiatives often serve as public relations tools rather than genuine commitments to environmental justice and sustainability. This commodification has become particularly dangerous because as it manipulates consumer perceptions and diverts attention away from the structural causes of environmental degradation. The analysis also examines how greenwashing practices have disproportionately affected marginalized communities, particularly in the global South, where environmental costs are often externalized. As these corporations promote their "sustainability" in wealthier markets, these marginalized communities bear the brunt of their pollution, resource depletion, and other forms of environmental degradation. This dynamic underscores the inherent injustice within neoliberal environmental policies, as those most vulnerable to environmental risks are often neglected, as companies reap the benefits of corporate sustainability efforts at their expense. Finally, this paper calls for a fundamental transition away from neoliberal market-driven solutions, which prioritize corporate profit over genuine ecological reform. It advocates for stronger regulatory frameworks, transparent third-party certifications, and a more collective approach to environmental governance. In order to ensure genuine corporate accountability, governments and institutions must move beyond superficial green initiatives and market-based solutions, shifting toward policies that enforce real environmental responsibility and prioritize environmental justice for all communities. Through the critique of the neoliberal system and its commodification of environmentalism, this paper has highlighted the urgent need to rethink how environmental responsibility is defined and enacted in the corporate world. Without systemic change, greenwashing will continue to undermine both ecological sustainability and social justice, leaving the most vulnerable populations to suffer the consequences.

Keywords: critical theory, environmental justice, greenwashing, neoliberalism

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