

## Milton Friedman (1912-2006) and the “Chicago School”

- Generally known as a founder of **monetarism** (as against **Keynesianism**), under which exists “a natural rate of unemployment”, and as the architect of ‘shock therapy’ in Pinochet’s Chile to rein in inflation and **stagflation**
- Opposed to governmental regulations of various types, from the draft to education to libertarian social issues
- “the government solution to a problem is usually as bad as the problem and often makes the problem worse.”
- “There is no place for government to prohibit consumers from buying products [which will] harm themselves.”
- “Only a crisis—actual or perceived—produces real changes. When that crisis occurs, the actions that are taken depend on the ideas that are lying around.”

## “The Social Responsibility of Business is to Increase its Profits” (NYT, 1970)

- **Corporate social responsibility** (CSR) is, in Friedman’s view, “preaching pure and unadulterated socialism.”
- “What does it mean to say that “business” has responsibilities? Only people can have responsibilities.”
- Distinguishing the corporate executive’s principal responsibilities from those he or she carries out as an agent
- What are some examples of ‘responsible’ behavior with which Friedman finds fault (in context)?
- What does it mean to imply that CSR is a form of ‘taxation without representation’? Do you agree?
- Does Friedman’s argument, as stated, only apply to publicly held companies?
- Does it make any difference if the company in question caused the pollution to be mitigated?
- “If they are to impose taxes and make expenditures to foster “social” objectives, then political machinery must be set up to make the assessment of taxes and to determine...the objectives to be served. This is the basic reason why the doctrine of “social responsibility” involves the acceptance of the socialist view that political mechanisms, not market mechanisms, are the appropriate way to determine the allocation of scarce resources to alternative uses.”
- What, *if anything*, does Friedman propose as an alternative?
- “The doctrine of social responsibility is frequently a cloak” (see, for example, ‘greenwashing’)
- CSR as a form of “shortsightedness” – do you agree? Are there other short vs. long-term risks here?
- How does Friedman distinguish between “the political principle that underlies the market mechanism” and that underlying the political mechanism.” Do you agree?

## Ayn Rand (1905-1982)

- How is Rand’s personal history tied in to her philosophy?
- The relationship between **objectivism**, **libertarianism**, and **anarcho-capitalism**? (there are many answers to this...)
- “My philosophy, in essence, is the concept of man as a heroic being, with his own happiness as the moral purpose of his life, with productive achievement as his noblest activity, and reason as his only absolute.” (From *Atlas Shrugged*)
- Why is objectivism often dismissed as **pseudophilosophy** by academics, but is so popular with the general public?
- More controversially...is it defensible to question whether Ayn Rand was a sociopath? Why or why not?
- Tenets of objectivism: (metaphysics) objective reality; (epistemology) reason; (ethics) rational self-interest; (politics) individualism and capitalism

## *The Virtue of Selfishness* (deals primarily with the ethics and politics of objectivism)

- Why does Rand seek to ‘redeem’ selfishness (and how does she define selfishness)?
- Rand values Aristotle and Aquinas over all other philosophers—do you see their influences?
- What, for Rand, are the problems of ‘the ethics of altruism’? Is it fair to say that “altruism declares that any action taken for the benefit of others is good, and any action taken for one’s own benefit is evil”?
- “The objectivist ethics holds that the actor must always be the beneficiary of his actions and that man must act for his own *rational* self-interest. But his right to do so is derived from his nature as man and from the function of moral values in human life—and, therefore, is applicable *only* in the context of a rational, objectively demonstrated and validated code of moral principles which define and determine his actual self-interest.”