Friedman's Legacy
How Milton Friedman's Doctrine Affected How People Communicated with and Ran Their Business

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Abstract:
When choosing the topic to fit under the theme, communication, there were a wide variety of topics and ideas to select from, and many questions I wanted to find the answer to and dive deeper into. One topic I was intrigued by was how businesses have evolved over time into what it is today. When I was conducting initial research just to decide on a final topic, I settled on Milton Friedman, specifically his Friedman Doctrine. I had been interested in business and economics for a long time, and Friedman is an important figure in business, so that is why I decided to use his doctrine for my topic. Friedman was an expert economist who was widely known for his economic theories and research on stockholders and consumption. When the brainstorming process was complete, the strategy was to find more broad sources about Friedman, as well as how businesses were being run at the time. After I found these broader sources from online databases and libraries, a lot of them had bibliographies with many other sources. These were sources specific enough to fulfill my needs and had what I was looking for, which was the connection between Milton Friedman, economics, and communication, the theme of this year's National History Day. It was overall a complicated but successful creation process and ended up well. For the communication angle of my paper, in the 1900s, there was a lot of communication happening due to the Friedman Doctrine when there were more discussions and debates between economists and business leaders when it came to Friedman's beliefs It was included in the paper that there were many discussions among economists about how the way businesses were being run could change in the future. Another important detail to acknowledge is that there were many economists that questioned and criticized his work, but still many others that supported it. Although there were disagreements, there was overall a development of knowledge when it came to the importance of shareholders and how businesses should be managed. The main historical argument I was looking to argue was that the Friedman Doctrine greatly impacted the way that people ran their businesses, especially since it encouraged business leaders to focus on shareholder returns. These shareholders are people that can be considered a member of the business that legally owns shares of the corporation, and they can partially own a part of the corporation. My topic is especially important in history because it is about how Friedman's doctrine changed the world of economics and how businesses saw their shareholders, which is and has been a large part of lives throughout history.

1 Introduction

Milton Friedman was a talented student born of Jewish immigrant parents who worked as dry goods merchants in Brooklyn, New York. He specialized in mathematics and economics at Rutgers University and completed graduate work in economics at the University of Chicago. In an interview with the

American economist, it was not a difficult decision to pursue economics, given the state of the economy in the 1930s. He explained that the circumstances of the time, such as unemployment, unused factories, and economic difficulties baffled him (Friedman, 2009). As an economist, he is known to support free-market capitalism and developed various free- market and economic theories known today (Ip and Whitehouse, 2006). In the 1970s, he introduced the Friedman Doctrine, which supports his belief that the social responsibility of business is mainly to generate and increase profit (Friedman, 1970). This doctrine has greatly influenced how people ran their business, as it encouraged business leaders to focus more on the maximization of profit and increasing shareholder returns while minimizing the use of resources for social purposes. Milton Friedman went against contemporary beliefs, which were centered around Keynesian economics and government spending. His main stance was that the only social responsibility of business is to participate in activities in order to gain profit. The introduction of the Friedman Doctrine encouraged companies to focused more on maximizing shareholder value rather than upholding the company's corporate social responsibilities. The impact of the Friedman Doctrine became enormous, such that Dees (1998) noted how even some nonprofit organizations have increasingly adopted business method strategies to generate revenue. Thisvalidates the near-universal acceptance of the Friedman Doctrine, which is the goal of maximizing profits and increasing shareholder value above all other organizational objectives (Tepper, 2020). Many business leaders became motivated to work for what they believed as the highest good, which is to ensure higher returns for shareholders

II. The McKinsey Global Institute

The McKinsey Global Institute created a series of lectures that discussed the ideas that Friedman brought up in his doctrine. Since the founding of the McKinsey Global Institute in 1990, it continuously shares relevant and fact-based information that helps business leaders in making decisions and managing businesses. The McKinsey Global Institute discusses in particular how there were a lot of changes and expansions in the way economists thought about the global economy. Because the Friedman Doctrine was so influential, it was very important to economists especially at that time, and there was an expanded economic view of the whole world, instead of just looking at each country individually. The people of the McKinsey Global Institute and other experts have been very critical but still intrigued by the ideas shown in the Friedman Doctrine. They recognized that the Friedman Doctrine has greatly influenced business leaders, in terms of management thinking, adoption of strategies, and corporate governance (McKinsey Global Institute, 2020). The knowledge about how this doctrine has influenced businesses is beneficial in many ways, including the fact that countries always interact with each other, especially in modern times. As countries began to rely on each other for goods economic growth, it would be much more effective to look at the global economy as a whole rather than each country on its own. In the midst of all the new and expanding ideas, a main focal point was to look into the future. Note that in the past few years, there appeared a shifting of global balance characterized by the rise of social challenges a populist politics affecting the system of governance in different countries across the globe. In an article published in the Harvard Business Review, Barton (2011) pointed out that with the impact of economic crisis, people and businesses are more likely to experience geopolitical rivalries, global security challenges, increased tension in trade, migration, and resource competition. Business leaders today are pressured to articulate where their organization stands on critical issues such as striking a balance between increasing profit and social responsibility.

III. The 1970s - Release of the Friedman's Doctrine

The 1970s was a confusing era for business leaders, as public confidence in business was reduced as a result of criticisms against profit-oriented corporate behaviors. The rise of advocacy groups such as consumer advocates, environmentalists, and civil rights leaders strengthened the idea that the pursuit of profits is immoral and must be controlled. Note that during the1960s the dominant company leadership image was for corporate managers to act in a socially responsible manner (Cheffins. 2020). For example, the founder of Merck and Co, a manufacturer of pharmaceutical drugs once said that medicine is for the people and not for the profits (Merck, 1950). A 1976 survey on CSR showed that corporate executives during the 1970s defined CSR partly as the ability to utilize the company to address a specific social need (Holmes, 1976). Friedman came to the executives' and business owners' rescue when he published his essay which chastised the notion that business executives should concern themselves, not only with generating profit but also in achieving social ends

The primary message of the Friedman Doctrine is for companies to focus more on increasing profit. It caused the re-orientation of managerial focus towards the maximization of shareholder value. According to Friedman, the CEO's greatest responsibility is to promote the shareholders' best interest, and therefore, must always endeavor to use the company's resources and engage only in activities designed to gain profit (Friedman, 1962). While businesses can have several goals, the Friedman Doctrine, otherwise known as the shareholder's theory suggests that businesses should focus more on profit maximization. He further elaborated that business people should not concern themselves with the community and social issues as this may lead to totalitarianism (Friedman, 1962). In line with this, business leaders and managers are bound to advance the best interest of their employer, which is to earn more profit. This theory holds that businesses are arrangements where "the stockholders, advance capital to another group, the managers, to be used to realize specified ends and for which the stockholders receive an ownership interest in the venture" (Hasnas, 1998). The managers are agents of the business owners, which means that their main responsibility is to promote the best interest of the latter

This doctrine supports the belief that businesses thrive mainly with the help of shareholders who are considered as the backbone of the entity. For Friedman, advancing the best interest of business owners and free-market capitalism are processes that also increase social welfare (Dunn and Burton, 2006). For one, Friedman questioned the ability of business executives in terms of their skills to discern and advance the general good, thus they should not take it as their responsibility to promote CSR (Carson, 1993). Rather than focus on corporate social responsibility, the company can best serve the owners and the public by doing business in the most efficient way possible. Friedman's expert perspectives on the sole social responsibility of businesses to maximize profit have greatly influenced businesses in the succeeding decades (Jemielity, 2020). For instance, the early stages since the publication of Frieman's controversial article reveal that his provocative theory reinforced a new phase in the American economy.

The Friedman Doctrine received substantial support from many business leaders and executives who found the doctrine extremely appealing (Poldre, 2020). It provided managers with a clearer view of how they will go about their business, which is to focus solely on making profits. Executives often find it challenging to strike a balance between different priorities, such that while balancing claims sounded good in theory, it tends to cause inconsistencies and ill- defined priorities (Dennings, 2017). The doctrine has helped executives by freeing them from having to create a balance between making a profit and catering to their social responsibilities. In 1976, the doctrine received support from a publication, which offered a quantitative economic rationale for shareholder value maximization. According to Jensen and Meckling (1976), "the firm is a black box operated so as to meet the relevant marginal conditions with respect to inputs and outputs, thereby maximizing profits". This relates to one of the significant impacts of the Friedman Doctrine during the 1970s which was for business executives to focus on a single goal, given that they can only choose one variable, which is to prioritize shareholder value (Denning, 2020). This resulted in the rise of shareholder capitalism and the substantial transfer of business assets and resources to existing shareholders. The goal to maximize shareholder value gained momentum in the 1970s, with many executives who considered it as the gospel of business

The Friedman Doctrine greatly influenced the share-holder first mentality, which became prevalent in Corporate America. His writings on the shareholder theory were influential during the 1970s to the extent that it helped shaped corporate governance in the country. There was an increased perception that shareholders were the most important stakeholders among others. For instance, it paved way for the explosion of employee stock-based compensation, which was expected, given the top executives' pursuit of shareholders (Rappaport, 2006). Thus, the rise of hostile management takeovers, which was perceived to threaten the well-being of non-investors. In his argument, Friedman pointed out that businesses lack the characteristics of a moral person, and therefore are not capable of carrying out moral and social responsibilities (Dunn and Burton, 2006). Inherent in this notion is the belief that managers should work to achieve the desire of the shareholders. That is, if the shareholders' desire profit, then it is the job of the manager to direct and use the company resources for this purpose

IV. 1980s - The Expanded Global View

The impact of the Friedman Doctrine during the 1970s extended to the following decade with the rise of the corporate elite and the exclusive focus of corporations on shareholder value (Mizruchi and Kimeldorf, 2005; Lazonick and O'Sullivan, 2002). The expanded view of the Friedman Doctrine paved way for the emergence of groups, who represent the new business knowledge elites. The business leaders in the 1980s capitalized on the shareholder theory, which states that as owners of the corporation, shareholders expect their employees to run the business in their interest (Taylor, 2015). Thus, according to Dobbin and Zorn (2005), in their managerial capacity, some members of this group manipulated large companies, engaged in hostile take- overs, and enriched themselves in the process by skimming from employees' pension reserves and investments of unknowing investors.

The Friedman Doctrine became more applicable in the 1980s with the emergence of a few giant corporations that dominated the US economy. With their enormous resources and capabilities, these corporations became influential and known for their 'retain and reinvest' corporate governance principle (Lazonick and O'Sullivan, 2002). This was based on the reasonable assumption in a capitalist economy "that shareholders have an implicit contract that the management will maximize their interests" (Vermaelen, 2012). An additional support for this concept was presented by Heilbron, Verheul and Quak (2014) who pointed out that the acceptance of the shareholder value theory became a double strategy for managers. For instance, managers can decide to shed off labor and sell off assets in cases where they deemed it necessary to meet the corporation's obligations and increase its stock's market value. The spread of the Friedman Doctrine in the 1980s placed managers in substantial control as they manage corporations under the premise that enhanced market capitalization is the primary measure of performance.

The impacts of the Friedman Doctrine became prominent worldwide as the maximization of shareholder wealth is rarely disputed (Jackson, 2011). Giving importance to shareholder value increased with the emergence of institutions such as the Council of Institutional Investors (2021), which was established in 1985 with the goal to increase the power of shareholders. Nonetheless, the diverse culture and global views also paved way for the emergence of arguments with regards to the managers' ethical responsibilities. While it is the company's primary objective to maximize shareholder value, it is also important for managers to adhere to laws and observe the highest ethical standards (Pontefract, 2016). In addition, the majority of corporate executives today supports that the creation of value includes understanding the different factors that drives the company's business (Dobbs, Huyett and Koller, 2011). A recent report published in The New York Times reveals that top chief executives share the common opinion that shareholder is no longer everything (Gelles and Yaffe-Bellany, 2019). Amazon, for example, started off with the business model of obsessive attention to customer experience (Bezos, 1999). In contrast to the age-old notion of profit maximization, top corporate CEOs recognized that serving the corporate purpose includes delivering value to all stakeholders (Fitzgerald, 2019). For instance, Schultz(2019) expressed that not all business decisions are economic, and that companies have responsibilities to multiple constituencies. This highly relates to the theory of business, which states that there are "assumptions that shape any organization's behavior" (Drucker, 1994). The Father of Management further expressed that the essence of a business organization is social and it must be analyzed in terms of the society it serves (Drucker, 1993). According to Drucker (2007) the specific purpose of a business enterprise is economic performance, but a modern business is also expected to produce results for society and its people. According to Nilsson and Robinson (2018), businesses have gone against what Friedman advocated and most have turned into socially responsible businesses. A recent TED Talk speech shows that in order to earn profit, businesses are forced to care about society (Edmans, 2015). Tim Cook emphasized this in his MIT Commencement address where he explained that Apple Inc company does not rely on ROI in the delivery of social services and said that "we do these things because they are the right thing to do" (Cook, 2018). That is, rather than solely pursuing profit, businesses are working towards promoting social good even as they seek financial gains.

V. Conclusion

The Friedman Doctrine is a theory that supports profit maximization, while finding ways to reduce costs. It motivates business leaders to develop ways to generate revenue, mainly with the goal to increase shareholder value. According to this doctrine, the managers are employees of the business and their greatest responsibility is to improve shareholder satisfaction. Therefore, they are required to perform and deliver according to the employers' expectations. In addition, this doctrine suggests that unless decided upon by the shareholders, business entities are not obligated to carry on any social responsibility. The shareholder theory has a significant impact in the business sector, with many business leaders who believe in the supremacy of shareholder value maximization rather than the company's corporate social responsibility. Nonetheless, recent developments in the business sector showed that business leaders should balance their priorities. Rather than single-mindedly focus on generating profit, businesses endeavor to create a balance to promote the best interest of different stakeholders. A balanced perspective with regards to the stakeholders will give businesses the opportunity to reach its potential in both the social and economic sphere.

ANNOTATED BIBLIOGRAPHY:

PRIMARY SOURCES

Bezos, J. (1999) On Amazon's plans before the dot-com crash. YouTube.

https://www.youtube.com/watch?v=GltlJO56S1g

This Youtube video shows Jeff Bezos' explanation on focusing on good customer service. This strategic approach used by Bezos helped me understand truly how influential the beliefs of Milton Friedman were, as Friedman focused on shareholder and customer value.

Cook, T (2018) Tim Cook clip about empathy and environment. YouTube.

https://www.youtube.com/watch?v=x3nFe7Ep-WAY

This Youtube video of Tim Cook's commencement address where he discusses an instance where he told shareholders that they should not invest in Apple if their values don't align with Apple's. This video helped me better understand the impacts of the ideas Milton Friedman's ideas had on modern companies.

Council of Institutional Investors (2021). About CII.

https://www.cii.org/about

This article is about CII, the Council of Institutional Investors. It describes what CII is and is a useful topic in my paper as it was created to give shareowners more say in corporate decisions and get more power and control.

Dobbs, R., Huyett, B., and Keller, T. (2011) The CEO's guide to corporate finance.

This article is the CEO's guide to corporate finance. This article goes in depth into the four principles that should help you make financial decisions when running a business. This source was useful as it gave me more details and information on what makes a business run successfully and what business leaders should responsibilities are.

Ducker, P (1993) The concept of the corporation. Routledge

This book by Peter Drucker explores the structure and functions of a business enterprise. This book includes analysis of the General Motors company and analyzes what the company is doing well. This source helped me get a good idea of what makes a successful company.

Drucker, P (1994) Theory of the business, Harvard Business Review,

https://hbr.org/1994/09/the-theory-of-the-business

This article from the Theory of the Business magazine in September 1994 discusses a variety of different topics that includes explanations of past instances of successful companies. This article helped me get an idea on what makes a successful business, and gave me some more background information as well.

Drucker, P (1999). Management: Tasks, responsibilities, practices. Taylor & Francis

This book by Peter Drucker explores what modern day business leaders should do to have an effective and successful business. The book also talks about different management issues in different countries around the world, and gives his view on how the problems could be solved. This book helped me get some more information on what writers thought about how a business should be run compared to Milton Friedman.

Drucker, P. (2007) Managing in the next society: Lessons from the renown thinker and writer on corporate management. St. Martin's Publishing Group

This book by Peter Drucker talks about the future of businesses in future societies. The author gives his opinions and thoughts on the constantly expanding business world and the higher roles the business leaders have in the future. This source helped me get a better understanding of how businesses should be handled in the future, as the world of business would be much different then.

Edmans, A (2015) The social responsibility of business. TEDx Talks.

https://www.youtube.com/watch?v=Z5KZhm19EO0

This YouTube video of a TED Talk by Alex Edmands discusses social responsibility, and challenges the idea that caring for society would lead to a decrease in profit. This source helped me better understand the importance of shareholders and that prioritizing shareholders doesn't mean profit would decrease.

Fitzgerald, M (2019) The CEO of nearly 200 companies just said shareholder value is no longer their main objective. CNBC News.

https://www.cnbc.com/2019/08/19/the-ceos-of-nearly-two-hundred-companies-say-shareholder-value-is-no-longer-their-main-objective.html

This article explains how many business leaders have rethought the importance of shareholder value. The article mentions that many of these leaders have rethought the importance of shareholder importance to companies and that they are no longer a main focus. This helped me gain a better understanding of people thinking differently from Friedman's ideas, and rethinking some of his ideas. It also let me gain an understanding of people with different and opposing viewpoints from Friedman.

Friedman, M. (1962). Capitalism and Freedom. University of Chicago Press.

This book written by Milton Friedman writes about his statement that competitive capitalism serves as both a tool for economic and political freedom. This helped me gain more knowledge about Friedman's beliefs and was a very influential piece of writing.

Friedman, M. (1970, September 13). A Friedman doctrine-- The social responsibility of business is to increase its profits. The New York Times - Breaking News, World News & Multimedia.

https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-socia l-responsibility-of-business-is-to.html

This article that includes the Friedman Doctrine discusses Friedman's idea of shareholder importance and how business leaders should run their businesses. The doctrine is a theory that supports profit maximization, while finding methods of reducing costs. This source helped me understand the Friedman doctrine and its ideas, as well as Friedman's beliefs.

Friedman, M. (2009). Milton Friedman and his start in economics [Video]. Interview by Young American's Foundation. YouTube.

https://www.youtube.com/watch?v=EhY-OtG2pt3w

This YouTube video shares Milton Friedman's story on how he became an economist, and he explains how he started up in economics. The anecdote from the video gave me more background information about Friedman, as well as his journey to become an economist.

Gelles, D., and Yaffe-Bellany (2019) Shareholder value is no longer everything. The New York Times.

https://www.nytimes.com/2019/08/19/business/business-roundtable-ceos-corporations.html

This article's main purpose is to talk about how many business leaders and executives, including leaders of large brands such as Pepsi and Apple, were rethinking whether or not shareholders should be the main focal point of a successful business. Another important detail included in the article was that these executives argue that companies should invest in employees as well.

Holmes, S (1976) Executive perceptions of corporate social responsibility. Business Horizons, 19(3)

This except from the book, Business Horizons discusses the topic of social responsibility. This source helped me better understand corporate social responsibility, which is an important business principle that I needed to know when writing my paper as it is a topic covered in the Friedman Doctrine.

McKinsey Global Publishing. (2020, September 11). From there to here: 50 years of thinking on the social responsibility of business. McKinsey & Company.

https://www.mckinsey.com/featured-insights/corporate-purpose/from-there-to-here-50-years-of-thinking-on-the-social-responsibility-of-business

This McKinsey Global Institute article discusses the lectures about corporate social responsibility and how businesses should be managed before the Friedman Doctrine was released. This was an important source as a big topic in my paper is about the McKinsey Institute, and this article helped me better understand the institute.

Merck, G (1950) Medicine is for the patient, not for the profits. Medical

This speech by George Merck talks about how "medicine is for the patient, not for the profits". This famous quote included in his speech signifies that in a business, the products and services are meant for the customers and consumers, not for the sole purpose of getting money. This helped me get a better idea of a different perspective on how businesses should prioritize their customers.

Pearlstein, S. (2013). How the cult of shareholder value wrecked American business. The Washington Post.

This article from the Washington Post gives a background and history of shareholders, and discusses whether or not companies should be run in a manner that maximizes the shareholder value. This article helped me gain a view and understanding of a different side that is critical of **Friedman's idea of a high shareholder value.**

Schultz, H (2019) My take on corporate social responsibility-clip #1. YouTube.

https://www.youtube.com/watch?v=CBipA4p1FO4

This YouTube video showcases Howard Schultz's story of joining Starbucks early in his career, and later creating a very iconic brand and shares about his childhood and past experiences. An important topic that was covered in this video was the instance of Schultz gaining profit without sacrificing any integrity of the company. This source helped me understand what business leaders go through, and gave me another viewpoint of a successful business leader.

Vermaelen, T. (2012). INSEAD Professor Theo Vermaelen on maximizing shareholder value [Video]. Interview by A. Dearnell. YouTube.

https://www.youtube.com/watch?v=MIBbOLJkz40

This YouTube video talks about financial scandals and them being blamed on the high focus of shareholder value. This video includes Professor Theo Vermaelen talking about maximizing shareholder value. This source helped me understand and get details for more different perspectives on the importance of shareholder value. This is important as Friedman's doctrine and ideas were based around his idea that shareholders are extremely important to a business.

SECONDARY SOURCES

Barton, D. (2011, March 1). Capitalism for the long term. Harvard Business Review.

https://hbr.org/2011/03/capitalism-for-the-long-term

This article by Dominic Barton discusses how after the Great Recession, business executives might have been tempted to return to normal business, and that this would be a big mistake for their businesses. I got to get a better understanding of an economic crisis, and how business leaders reacted to it.

Carson, T. (1993). Friedman's theory of corporate social responsibility. Business and Professional Ethics, 12(1).

This journal article by Thomas Carson is a "peer reviewed forum" for research that discusses the causes and effects of challenges when running a business. This source was useful because I got to know more about the challenges and decisions business leaders have to face throughout their careers.

Cheffins, B. (2020, April 16). Stop blaming Milton Friedman! The Harvard Law School Forum on Corporate Governance.

https://corpgov.law.harvard.edu/2020/04/16/stop-blaming-milton-friedman/

This Harvard Law School forum defends Milton Friedman and his beliefs and talks about the article, "The Social Responsibility of Business is to Increase its Profits" which was criticizing Friedman. The author of the forum page, Brian Cheffins, goes into great detail about reasons why we should stop criticizing Friedman's work. This source helped me understand what critics' reasons were behind discontent with Friedman's ideas.

Dees, G. (1998, January 1). Enterprising nonprofits. Harvard Business Review.

https://hbr.org/1998/01/enterprising-nonprofits

This Harvard business review article by Gregory Dees talks about the American Medical Association leaving a deal with the Sunbeam Corporation, which caused a feeling of discontent throughout the members of the AMA. This instance is one of many where nonprofits strive to become more like a business. This article was useful as I gained more knowledge about how businesses should keep the people supporting it satisfied.

Denning, S. (2017). Making sense of shareholder value. Forbes.

https://www.forbes.com/sites/stevedenning/2017/07/17/making-sense-of-shareholder-value-the-worlds-dumbest-idea/?sh=37f6edac2a7e

This Forbes article by Steve Denning explores the idea of shareholders being the priority of a successful business. The article talks about multiple instances where professionals claimed that the shareholder idea is not ideal and is not the way to run a successful business. This source helped me gain an understanding of opposing viewpoints from Friedman, as well as seeing how influential the Friedman doctrine was as many economists after Friedman talked about the ideas mentioned in his doctrine.

Dennings, S. (2020). Forbes.

https://www.forbes.com/sites/stevedenning/2020/01/05/why-stakeholder-capitalism-will-fail/?sh=6f5ff6a0785a

This Forbes article by Steve Dennings talks about why stakeholder capitalism will fail. This article is mainly against Milton Friedman's beliefs that shareholders should be the priorities of each successful and growing business. The article does a good job of defining stakeholder capitalism as well as helping me get a better understanding of why this would be such a bad idea, which helped me when writing my paper.

Dobbin, F., & Zorn, D. (2005). Corporate malfeasance and the myth of shareholder value. Political Power and Social Theory, 17.

This paper by Frank Dobbin and Dirk Zorn discusses why shareholder value is not the most important part for businesses to focus on when growing their business to be successful. This source was useful as I needed to know what other viewpoints were when not agreeing with Milton Friedman's theory of shareholder value.

Dunn, C., & Burton, B. (2006). Friedman's "The social responsibility of business is to increase its profits": A critique for the classroom. International Association for Business and Society.

This paper by Craig Dunn and Brian Burton discusses the topic of Milton Friedman's article, "The social responsibility of business is to increase its profits". The authors talk about the debate of whether Milton Friedman is actually correct or not in his beliefs and if they are actually effective. This source was helpful to me when I needed to know more information about the Friedman debate.

Hasnas, J. (1998). The normative theories of business ethics: A guide for the perplexed. Business Ethics Quarterly, 8(1).

This paper by John Hasnas gives a guide for business ethics and how the stockholder theory is out of favor in the business ethics community. The paper also mentions that the stockholder theory is neither flawed or outdated. This paper helped me gain more knowledge on people who believed that Friedman's theory was correct.

Ip, G., & Whitehouse, M. (2006, November 17). How Milton Friedman changed economics, policy and markets. WSJ.

https://www.wsj.com/articles/SB116369744597625238

This article talks about how Milton Friedman changed the world of economics. It mentions what Friedman did so well, as well as his impact on the future of economics. This source was useful because I needed to know what the Friedman Doctrine did to influence business leaders in the future of economics.

Jemielity, S. (2020). Milton Friedman, Revisited. Chicago Booth Stories.

This article by Sam Jemielity discusses Milton Friedman and the impact of his article, where Friedman declared that the social responsibility of a business is to maximize profits, and revisits this topic in the future to assess the impacts and success of this theory. This source helped me understand the impacts Friedman and his ideas had on the future and world of economics.

Jensen, M., & Meckling, W. (1976). The theory of the firm: Managerial behavior, agency costs and ownership structure. Journal of Financial Economics, 3(4).

This paper discusses many theories such as the theories of agency, property rights, and the ownership structure of a firm. This paper also provided a definition of a firm, and was useful to me as I needed to know more about the leadership structure of businesses and corporations.

Lazonick, W., & O'Sullivan, M. (2002). Maximizing shareholder value: A new ideology for corporate governance. In Corporate Governance and Sustainability Prosperity.

This written excerpt discusses how shareholder value has become an important topic and debate in the business world. This source was useful to me as it provided data and evidence to why Friedman's ideas were so important and influential.

Mizruchi, M., & Kimeldorf, H. (2005). The historical context of shareholder value capitalism. Political Power and Social Theory, 17.

This paper gives the history of shareholder value. It gives a summary and overview about American firms and changes on how they are being run. This paper was useful to me because I needed to expand my knowledge on how businesses were different back then and in modern times.

Nilsson, A., & Robinson, D. (2017, December 27). What is the business of business? Innovation policy and the economy: Vol 18. The University of Chicago Press: Journals.

https://www.journals.uchicago.edu/doi/full/10.1086/694408#

This paper is about socially responsible firms and entrepreneurs. It analyzes the conditions where organizations come first in place of normal charities. This source was useful to me because It talks about how the world of business had moved to the opposite direction of what Friedman was suggesting, which was useful information to me when I was writing my paper.

Poldre, T. (2020, September 10). The Friedman doctrine at 50: Happy birthday and R.I.P. Medium.

https://medium.com/reinventing-business/the-friedman-doctrine-at-50-happ y-birthday-and-r-i-p-77ae5a86340c

This article gives an overview on Milton Friedman's life and legacy. It talks about who Friedman was, and what his main beliefs were that made him such an important figure in the world of business. This was an important source to me when conducting my initial research and getting general information about Friedman and his beliefs.

Pontefract, D. (2016). Should companies serve only their shareholders more broadly? Forbes.

https://www.forbes.com/sites/danpontefract/2016/05/09/shareholders-or-stakeholders/?sh=6a58d2e913d2

This article talks about whether or not we businesses should serve and prioritize their shareholders, or also serve their stakeholders. The article gives many examples of different companies and industries that have shifted and expanded their beliefs on their consumers, and the author suggests that we continue going towards that direction. This source was important to my understanding of stakeholders vs shareholders, as well as understanding the constantly changing economy.

Rappaport, A. (2006, September 1). Ten ways to create shareholder value. Harvard Business Review.
https://hbr.org/2006/09/ten-ways-to-create-shareholder-value
This article talks about different methods for businesses to create shareholder value. The article goes into detail about how America's business leaders are so invested into the present, but failing to prepare for the future. This article was useful to me because it emphasizes the importance of shareholders, which are details that I need when writing my paper.

Strain, M. (2020). Bloomberg. Bloomberg - Are you a robot?.
https://www.bloomberg.com/opinion/articles/2020-09-18/milton-friedman-was-right-about-shareholder-capitalism
This article talks about how Friedman was correct in his theory about the importance of stakeholders. This article also talks about what Friedman was really trying to say in his 1970 admonition, and that critics misunderstood him. This source helped me understand how Milton Friedman's theory was misunderstood by people and what Friedman truly meant at the time.

Taylor, B. (2015). Reconsidering the rise of shareholder value in the United States, 1960-2000. Economic History Working Papers.
This paper talks about and analyzes different data to help come up with a definition of shareholder value. This was a useful source to me because I could see financial data and analysis from past years.

Tepper, T. (2020, September 16). Milton Friedman on the social responsibility of business, 50 years later. Forbes Advisor.
https://www.forbes.com/advisor/investing/milton-friedman-social-responsibility-of-business/
This article revisits the topic of Friedman on social responsibility. The article talks about how Milton Friedman's article, "The social responsibility of a business is to increase its profits", and how it was influential. This source helped me understand more about Friedman and his beliefs in a recent, modern perspective