Business ethics has been around a long time, in fact, as long as there has been business in the world. The ancient Greeks were concerned about it, although it must be admitted that they were not particularly sympathetic to business, which was considered a grubby and parasitic way to make a living. (The much better way to make one's fortune was to inherit it or, even better, to loot it from a conquered adversary.) The early Romans, who were much more sympathetic to business, worried at some length about fair trade practices. Cicero, for example, expressed a contemporary concern about whether someone who was selling a house or a horse was obliged to tell the potential buyer of its existing flaws and de-fects. (The familiar warning, caveat emptor—"buyer beware"—is in Latin, after all.) And throughout the ages, the main concern of business ethics has remained the lure of profit as opposed to larger social responsibilities, one's loyalty to one's country, for instance, or the local consequences of a business deal. That question, what is now called (since the nineteenth century) "the profit motive" as
opposed to broader social responsibilities, including questions of fairness as well as patrio-tism and consequences, still occupies a large part of business ethics. Civic-minded corpo-rate executives worry about how they can maximize the bottom line without breaking the rules of their society and without betraying their own integrity. Small businesses fight to keep up with the competition while keeping in mind their obligations to their customers and the local community. You, no doubt, want the best job you can get, but there are all sorts of lines you do not want to cross—breaking the law, acting contrary to your religious beliefs, violating your own personal morality, turning your friends and neighbors against you. So the question is, what are your social responsibilities, and how do they tie into your own sense of personal worth and morality? How much can you serve and fulfill what you take to be your social responsibilities (responsibilities to your family, your friends, your neighbors, your religious group, your country, the world at large) and at the same time make the kind of living that you would like to make? In the past 50 years, business ethics has gotten a great deal of mileage out of a polemic
that Nobel prize–winning economist Milton Friedman published in the New York Times Magazine (September 1971). Friedman took on the rising chorus of demands that busi-nesses, now the wealthiest and most powerful segment of society, have a greater sense of social responsibility. (That demand can be traced back to a medieval notion, noblesse oblige, the obligation of the most powerful and most privileged members of society—whether the Church and the clergy or the army and its officers or the aristocracy and its nobles—to use some of their wealth and power to benefit the whole society.) But Friedman said no, the demand is misplaced, and business is not in a position to do more than it is created to do. Business is not social work, although a business is a valuable source of jobs and livelihoods. Business is not an educator, except in business. Business is not an arbiter of artistic taste, although what it sells may well be in better or worse taste. The business of business is, in short, business. That is what it can do well, and the benefits of a prosper-ous business community, Friedman says, will spill over into benefits for the whole society. (This part, the reader will note, comes directly from Adam Smith and his classic treatise on the benefits of the free market system.) But business does not—and should not—aim at this result. It will follow naturally, not by design. What Friedman actually wrote—the now-famous title of his piece—was that "The Social
Responsibility of Business Is to Increase Its Profits." He was immediately pounced on by business ethicists—and by a great many businessmen—who insisted that his pronounce-ments were themselves irresponsible and misleading, as well as insulting to the many busi-ness leaders,

managers, and employees who took their sense of social responsibility seriously, and as business leaders, managers, and employees, not just as citizens. The question was raised whether business would have the benign effects that Friedman predicted if everyone in business did, in fact, follow his prescription and think of nothing but profits. It was pointed out that businesses do have and recognize any number of other responsibilities and obliga-tions, for example, to their employees and to their customers. Friedman responded, predict-ably enough, that they had to treat their employees decently, or the employees would quit their jobs and work for somebody else and that they had to treat their customers well, or the customers would buy from someone else. In other words, the free market would take care of such things. The owners of a business or the leaders of a corporation know full well that to be profitable, they must treat their employees and their customers well, and therefore they can and should just focus on profitability. The market will take care of the rest. Needless to say, the debate did not stop there. The question became whether the obliga-tion of a corporation to its stockholders was indeed its primary obligation or rather just one of many obligations to its stakeholders, that is, all those who are affected by the actions of a company, whether they had any market power or not. The question turned to the nature of profits and how they could be distinguished, nonarbitrarily, from income and assets in general. And the question remained just what was meant by that red-button phrase, social responsibility. Just what is the social responsibility of a business? Is it just to pay its debts and make a good-quality (or, at least, a not unexpectedly dangerous) product? Is it to clean up any mess it makes, whether pollution or increased traffic around a site? Is it to help educate the people it will or, at least, may employ? Is it to solve such social problems as poverty and racial tension? Is it to enrich the society through its support of the arts and various cultural events and institutions? Of course, we recognize that many corporations do all these things, but then the question turns to the motive for doing so. Friedmanites will insist that companies have found that it is good publicity and good public relations to be associated with such projects. Anti-Friedmanites will say that this shows that corporations (or their leaders) do have a conscience and a sense of social responsibility that goes beyond their insistence on profitability. And that is where the question still stands. Following Friedman's piece is a rebuttal by University of Southern California professor Christopher D. Stone from his book Where the Law Ends. It doesn't make any sense to say that corporations have social responsibilities if it doesn't make sense to say that they have any responsibilities at all, that is, if they are not agents who can be praised or blamed for their actions, a widespread view in the business community. But Peter A. French, in "Cor-porate Moral Agency," takes issue with this notion and claims that corporations are agents in the appropriate sense and can indeed be praised or blamed for their actions. Kenneth J. Arrow then approaches the social responsibility question from a different angle, that of economic efficiency," in his "Social Responsibility and Economic Efficiency." Richard Parker asks whether the very notion of corporate social responsibility is in crisis, and Alexei Marcoux raises an attack on stakeholder theory. Finally, Paul Argenti looks at cor-porate social responsibility for millennials.