



In 1970, Milton Friedman (who would later receive the Nobel Memorial Prize in Economics) kicked off a firestorm of debate when he claimed in a New York Times editorial that the social responsibility of business is to increase its profits. This was in direct conflict with many who called for business

same people calling for corporate executives to practice social responsibility would be appalled at lawyers who attempted to do the same thing.

Why don't we want attorneys to be socially responsible? Attorneys practice their craft in an institutional setting where opposing lawyers represent both sides of a dispute, and a judge oversees the fairness of the proceedings. When the system is working properly, attorneys are practicing social responsibility when they defend their clients vigorously, but within rules established by centuries of legal procedure. The trial mechanism of opposing generates justice without the individual attorneys directly pursuing it. Justice as a social good is a byproduct of the self-interested actions of the attorneys as they vigorously pursue their client's interest. Individual lawyers are not supposed to take the law into their own hands by violating their fiduciary duty to their client. The social responsibility of lawyers is therefore to pursue self-interest aggressively within the bounds of the law. Justice as a social good would actually go down if attorneys pursued "social responsibility" rather than pursuing the private interest of their clients.

Likewise, corporate managers are also generating the social good, or discharging their "social responsibilities" when they pursue profit as their goal. However, the balancing mechanism that is explicit and visible in the courtroom is implicit and invisible in a market setting, but it is no less effective because of this difference. Adam Smith used the metaphor of the "Invisible Hand" to describe this implicit system which transmutes the self-interest of market participants into the public good. From Smith we read,

every individual owns themselves, and therefore their own labor. From this self-ownership, Locke argued that anything that a person appropriates from unowned nature also belongs to him. In the next logical step, he claims that if you voluntarily trade with someone else (i.e., make a contract) that other person become the legitimate owner of the traded item. At least, if you damage the person or property of another you owe them compensation. From these simple assumptions and logical arguments, Locke lays out the underlying principles of the free market system. Similarly to the trial rules discussed earlier, these same concepts determine the limits on market participants' actions. No one may take the property of