Abstract
This thesis assesses the theories of Milton Friedman, arguably the most influential economist of the 20th and 21st centuries. His core argument, that an economy populated by profit maximising businesses and largely unregulated by government will be driven by market forces to maximise the overall wellbeing of society, has been highly influential, both in government regulatory and economic policy and in management theory and practice. These arguments depend in large part on Friedman's own particular conception of Adam Smith's 'Invisible Hand', whereby individuals acting only in their own self interest incidentally benefit others by way of an exchange economy and thus maximise the overall good of society as well as the level of individuals' personal 'freedom'. The influence of Friedman's ideas has largely endured since its rise to prominence in the 1970s, despite the proliferation of what many would deem to be corporate malfeasance, the production of unsafe products, the creation of unsafe or oppressive labour practices, deleterious pollution which threatens the very support system upon which human society relies, as well as systemic instability as shown spectacularly with the recent financial crisis. Friedman's work has not been without criticism, and indeed there is in many ways a comprehensive body of literature which provides convincing arguments against elements of his theory. However, while Friedman provided a broad, comprehensive meta-theory informed by these elements, the counts to the elements of his work remain atomistic, often indirect, and in many ways isolated from one another; obscuring the whole. This thesis aims to synthesise and expose the impacts that the heedless and unregulated pursuit of profit produce and then draw a holistic picture complemented by an alternative vision of a thriving system. The thesis draws together economic theory and its practice in management and suggests a different model to follow. This thesis aims to fill a gap in the discernment and the literature, to 'see' the true nature of the 'Invisible Hand'.
In 1976, he was awarded the Nobel Prize in Economics for his achievements in the fields of consumption analysis, monetary history and theory, and for his demonstration of the complexity of stabilization policy. He was an advocate of economic freedom. According to The Economist, Friedman "was the most influential economist of the second half of the 20th century...possibly of all of it". Former Federal Reserve Board chairman Alan Greenspan stated, "There are very few people over the generations who have ideas that are sufficiently original to materially alter the direction of civi