

U21 Profits and social responsibility, p. 125, questions referring to the text:

1. How did large American corporations start to behave in the 1920s? Why did they behave in this way? What name do we use to denote this style of behaviour?
2. In what context is the classical economic theory of perfect competition mentioned here?
3. Why did companies introduce welfare capitalism? What did they realize?
4. Who disapproved of welfare capitalism?
5. What was M. Friedman's opinion on companies making expenditures on reducing pollution to a larger extent than required by law?
6. What is the stakeholder model outlined e.g. by J.K. Galbraith? Who is it a stakeholder?