In his influential theory of commercial society, F. A. Hayek deems philanthropy an atavism, a vestige of the Aristotelian imperative to do “visible good to [one’s] known fellows,” in contrast to the market ethos of “withholding from the known needy neighbors what they might require in order to serve the unknown needs of thousands of others” (Hayek 1978, 268 and 1979, 165). Markets, in Hayek’s view, are superior to philanthropy—economically, ethically, and epistemologically—because they “confer benefits beyond the range of our concrete knowledge” (Hayek 1988, 81) and thus provide “a greater benefit to the community than most direct ‘altruistic’ action” (ibid., 19). This article proposes a constructive revision of Hayek’s Great Society. Without abandoning Hayek’s theory of markets, the author draws upon the emerging literatures of positive psychology and Austrian social-capital theory to outline a post-Hayekian view of commercial society in which markets and philanthropy work together to enhance human freedom, flourishing, and voluntary social cooperation.

Introduction

Like many classical liberals of the Cold War era, F. A. Hayek was of two minds about the role of philanthropy in modern commercial societies. In digressions sprinkled throughout his published works, Hayek hailed philanthropy as a Tocquevillian alternative to the welfare state and praised voluntary associations for their uniquely effective “recognition of many [philanthropic] needs and discovery of many methods of meeting them that we could never have expected from the government” (Hayek 1979, 50).
At the same time, Hayek’s vision of a free society was based upon a radical critique of philanthropic action. He associates philanthropy with the Aristotelian injunction “to restrict our actions to the deliberate pursuit of known and observable beneficial ends” (Hayek 1988, 80). From Hayek’s perspective, this diminishes each individual’s capacity to assist others. Persons committed to finding “a proper cure for misfortunes about which we are understandably concerned” (ibid., 13) would do better to “[withhold] from the known needy neighbors what they might require in order to serve the unknown needs of thousands of others” (Hayek 1978, 268 and Hayek 1979, 165) because the latter “[confers] benefits beyond the range of our concrete knowledge” (Hayek 1988, 81) and thus provides “a greater benefit to the community than most direct ‘altruistic’ action” (ibid., 19). Altruism and philanthropy may always be with us, yet these “old instinctual responses” play no necessary role in modern liberal societies. They are, in Hayek’s view, “irreconcilable with the open society” (Hayek 1976, 168).

In this article, I propose a constructive revision of Hayek’s Great Society. I first examine the conceptual dualisms through which Hayek constructs the commerce-philanthropy relationship (e.g., modern versus tribal-socialist, Adam Smith versus Aristotle) and the historical-philosophical context in which they were formulated. This helps to illuminate the logic of Hayek’s approach and the ways in which this logic prevented Hayek from integrating philanthropy into his theory of economic and social order. Second, I explore the foundations of an Aristotelian liberal view of philanthropic action. This discussion is inspired by the pioneering work of Cornuelle (1993) as well as the emerging literatures of positive psychology (Seligman and Csikszentmihalyi 2000; Seligman 2002; Haidt 2006; Keyes and Haidt 2003; Gable and Haidt 2005) and Austrian social capital theory (Chamlee-Wright 2004, 2006, 2008; Chamlee-Wright and Myers 2008; Lewis and Chamlee-Wright 2008). Without abandoning Hayek’s theory of markets, I sketch a post-Hayekian view of commercial society in which markets and philanthropy (“voluntary giving and association that serves to promote human flourishing” [Ealy 2005, 2]) work together to enhance human freedom, flourishing, and voluntary social cooperation.

**The Hayekian Impasse**

In his 1947 address to the inaugural meeting of the Mont Pélerin Society, Hayek challenged his classical liberal colleagues to tackle the “great intellectual task” of “purging traditional liberal theory of certain accidental accretions which [had] become attached to it in the course of time, and facing up to certain real problems which an oversimplified liberalism [had] shirked or which [had] become apparent
only since it had become a somewhat stationary and rigid creed” (Hayek 1967). Among the chief items Hayek sought to excise from received liberal thinking were Aristotle’s ethics, politics, and economics (Hayek 1967 and 1988). The fatal conceit of modern socialism, Hayek argued, was its Aristotelian attempt to engineer large-scale economies based on the ethical and epistemological principles of an oikos: a face-to-face community in which order arises as “the result of deliberate organization of individual action by an ordering mind … and only in a place small enough for everyone to hear the herald’s cry” (Hayek 1988, 11 and 45–47).

Hayek’s critique of socialism included a critique of philanthropy. Both are rejected as Aristotelian roads to serfdom that enjoin us “to restrict our actions to the deliberate pursuit of known and observable beneficial ends” (Hayek 1988, 80). Hayek historicizes this ethic as a tribal morality, “obligations which are essential to the cohesion of the small group but which are irreconcilable with the order, the productivity, and the peace of a great society of free men” (Hayek 1978, 66). He underscores the latter point with the memorable claim that a social order in which “everyone treated his neighbor as himself would be one where comparatively few could be fruitful and multiply” (Hayek 1988, 13). Modern humanitarians should devote less time and money to charity and more to “earning a living” because the latter will provide “a greater benefit to the community than most direct ‘altruistic’ action” (ibid., 19).

Hayek’s view of philanthropy vis-à-vis commerce is thus structured by a series of binary oppositions (Hayek 1976, 1978, 1979, 1988):

<table>
<thead>
<tr>
<th>Commerce</th>
<th>Philanthropy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adam Smith</td>
<td>Aristotle</td>
</tr>
<tr>
<td>Great Society</td>
<td>Tribal Society</td>
</tr>
<tr>
<td>(modern, open, cosmos, cattalaxy)</td>
<td>(ancient, closed, taxis, community)</td>
</tr>
<tr>
<td>Modern Morality</td>
<td>Tribal Morality</td>
</tr>
<tr>
<td>(serving unknown others via markets)</td>
<td>(serving known others via gifts and solidarity)</td>
</tr>
</tbody>
</table>

One analytical cost of this approach was that Hayek is unable to provide a coherent liberal vision of how to enhance equality of opportunity outside of the market process. He embraced equal opportunity, albeit cautiously, by way of his quasi-Rawlsian notion of the common good: to “improve the chances of any member of society, taken at random, as much as possible” (1978, 62) through market, legal, and other social processes. Hayek opposed price controls and other market restrictions but favored public action (governmental or otherwise) “outside
the market” to “assist people who, for one reason or another, cannot through the market earn a minimum income” (1978, 92 and 64; emphasis added). For example, he endorsed universal education as a means to “place all of the young at the foot of the ladder on which they would then be able to rise in accordance with their abilities” (Hayek 1978, 142). However, Hayek advanced no theory of how this type of public action could or should occur.

This gap in Hayek’s theory of the Great Society was brought to light four decades ago by Cornuelle (1993). In *Reclaiming the American Dream: The Role of Private Individuals and Voluntary Associations*, Cornuelle outlined the structure and dynamics of a social subsystem he termed the “independent sector”: a pluralistic array of voluntary, noncommercial social institutions that “functions at any moment when a person or group acts directly to serve others” (Cornuelle 1993, 38). A maverick libertarian, Cornuelle sought to tether his Tocquevillian image of a self-organizing independent sector onto a Mises-Hayek theory of markets to forge “an alternative path to the good society other than those of the doctrinaire conservatives or the dogmatic liberals of the Cold War era” (Ealy 2002, 2; see also Cornuelle 1993, 3–19).

Interestingly, Hayek praises Cornuelle in volume 3 of *Law, Legislation, and Liberty* (Hayek 1979). He calls *Reclaiming the American Dream* an “unduly neglected book” and “one of the most promising developments of political ideas in recent years” (Hayek 1979, 186, and 51). He also laments his own inability to explore more fully “the actual and potential achievements of the independent sector”:

I wish I could write about the subject at length, even if it were only to drive home the point that public spirit need not always mean demand for or support of government action. I must, however, not stray too far from the proper subject of this chapter, which is the service functions which government might usefully perform, not those which it need not take upon itself. (Hayek 1979, 51)

Had Hayek’s image of the Great Society been less rigidly bound by the aforementioned dualisms, he might have been able to develop a richer liberal vision of civil and commercial society. This would have strengthened (and been strengthened by) other areas of his thought, for example, allowing him to produce a more nuanced interpretation of Adam Smith or a more cogent theory of how to enhance equality of opportunity outside of the market process (Hayek 1976, 132). As it was, Hayek’s dogged efforts to defend market processes against socialist critics placed philosophical constraints on his overarching narrative that made it difficult for him to explore this line of thought or to integrate philanthropy into his baseline concept of the Great Society.
Like Hayek in 1947, therefore, classical liberals in the post Cold War world face their own “great intellectual task” in seeking to enhance the humane possibilities of commercial society. Leading liberal scholars are increasingly turning away from Hayek’s narrow view of voluntary social cooperation (Murray 2006; McCloskey 2006; Gregg 2007), though most of our ingrained mental maps still tell us that commerce and philanthropy are antithetical orders that do not mix well. Thus, we continue to grapple with the Cornuelle question: how to theorize a “free and humane” liberal order comprised of market processes and “aggressive and imaginative voluntary action in the public interest” (Cornuelle 1993, xxxiv and 1992, 6).

In the next two sections, I address Cornuelle’s question by surveying the emerging literature of positive psychology. The positive psychologists’ concepts of human freedom, virtue, and happiness strike a fresh synthesis of classical (especially Aristotelian) and modern views of the human condition. Their approach offers a helpful corrective to Hayek’s Cold War liberalism and a valuable supplement to Cornuelle, whose Reclaiming offers a fruitful starting point for analysis but no formal theory of the human “hunger to serve others” (Cornuelle 1993, 62) and little attention to the complementarities between philanthropy and commerce. If successful, this interdisciplinary detour will open up new lines of liberal conversation regarding the nature and significance of philanthropy in contemporary commercial societies.

The Aristotelian Liberalism of Positive Psychology

Positive psychology emerged in the late 1990s as an internal critique of mainstream psychology, not unlike Cornuelle’s intervention into mainline libertarianism in the 1960s. Both laid claim to neglected regions of human action and benefaction by reasserting a “positive” view of human nature. Cornuelle’s faith in the self-organizing potential of the independent sector was based on his assumption that humans are driven by a “desire to serve others” that is “as powerful as the desire for profit or power” (Cornuelle 1993, 55–64). For their part, the positive psychologists have endeavored to offset mainstream psychology’s “inappropriately negative view of human nature and the human condition” (Keyes and Haidt 2003, 3), particularly its “obsession with pathology” (Haidt 2006, 167). Seligman, Csikszentmihalyi, Haidt, and others aimed to shift the emphasis of psychology from “disease, weakness, and damage” to “the study of happiness, strength, and virtue” (Seligman 2003, xiv), “the conditions and processes that
contribute to the flourishing … of people, groups, and institutions” (Gable and Haidt 2005, 103). As Seligman explains:

The disease model does not move us closer to the prevention of [many] serious problems. Indeed, the major strides in prevention have resulted from a perspective focused on systematically building competency, not on correcting weakness. Positive psychologists have discovered that human strengths act as buffers against mental illness…. The focus of prevention … should be about taking strengths—hope, optimism, courage, interpersonal skill, capacity for insight, to name a few—and building on them to buffer against depression. (Seligman 2003, xv–xvi)

The positive psychologists situate their project within the Aristotelian branch of the liberal tradition. This alone is an important contribution to Cornuelle’s philanthropic enterprise as Cornuelle does not provide an explicit philosophical rationale for his concept of the human. The positive psychologists’ commitment to an Aristotelian liberalism is reflected in their distinctive account of human happiness and its relationship to virtue.

Happiness for positive psychologists refers not to joys or pleasures of the moment but to each individual’s “enduring level of happiness” (Seligman 2002, 45), a sense of well-being achieved through “good living.” This is Aristotle’s eudaimonia: happiness as “activity in accord with virtue” (Aristotle 1999, 163; see also 1–17, 116–17, and 162–66) that “cannot be derived from bodily pleasure, nor … chemically induced or attained by any shortcuts. It can only be had by activity consonant with noble purpose” (Seligman 2002, 112). By making virtue a necessary condition for happiness, positive psychologists underscore the freedom and responsibility of each individual to discover and enact his or her own path(s) to greater happiness. Seligman, in fact, deems the role of voluntary action in the achievement and elevation of an individual’s happiness “the single most important issue in positive psychology” (2002, 45).

The positive psychologists also recognize the processual nature and contingency of each individual’s pursuit of happiness. The fruits of good living take time to emerge, and good living itself can never guarantee happiness. (Aristotle emphasizes the latter point in his discussion of happiness and fortune in book 1, chapter 10, of Nicomachean Ethics.) Seligman explains it this way: The perennial question, “How can I be happy?” is not the right question because, “without the distinction between pleasure and gratification, it leads too easily to a total reliance on shortcuts, to a life of snatching up as many pleasures as possible,” which he sees as a chief cause of depression (2002, 116). “The right question is the one Aristotle posed two thousand five hundred years ago: ‘What is the good life?’”
Haidt observes, similarly, that “happiness is not something that you can find, acquire, or achieve directly” (2006, 238). The pursuit of happiness is an emergent process in which:

Some of the conditions [for happiness] are within you, such as coherence among the parts and levels of your personality. Other conditions require relationships to things beyond you… It is worth striving to get the right relationships between yourself and others, between yourself and your work, and between yourself and something larger than yourself. If you get these relationships right, a sense of purpose and meaning will emerge. (Haidt 2006, 238–39)

Another contribution to the Cornuellian rethinking of philanthropy is the positive psychologists’ virtuous cycle model of personal growth and development. Building on the notion of happiness as an emergent effect of good living, their model depicts the pursuit of happiness as a long-term process of personal growth in which each person’s virtuous actions generate new psychological resources (knowledge, skills, character traits) that further expand his or her desire and capacity for virtuous action. This provides a rudimentary but robust starting point for analyzing the psychological, economic, and sociological elements of voluntary action and interaction beyond the commercial sphere. Schematically:

**Personal Growth Through Voluntary Action and Interaction**

Virtuous Actions → Psychological Capital and Lasting Happiness

![Diagram](image)

**Phase 1: Virtuous Action Feeds Psychological Growth**

Virtuous actions are variously defined by positive psychologists as gratifications (Seligman 2002, 116), excellences (Haidt 2006, 170), or flow activities (Csikszentmihalyi 1990): activities that “engage you fully, draw on your strengths, and allow you to lose self-consciousness and immerse yourself in what you are doing” (Haidt 2006, 170). In Haidt’s translation of Aristotle, “a good life is one where you develop your strengths, realize your potential, and become what it is in your nature to become” (Haidt 2006, 156–57). By linking virtue to each person’s unique strengths, the positive psychologists emphasize the subjective, discovery dimension of virtuous action. Virtuous actions are closely linked to happiness. Even if we do not experience them as pleasurable in the moment, virtuous actions may contribute to a lasting increase in our happiness by immersing us in tasks that are “challenging yet closely matched to [our] abilities” (Haidt 2006, 120–21).
We derive lasting happiness from such activities because they engage us at a deeply personal level, drawing upon and cultivating our unique strengths and interests. They generate positive feelings that we can legitimately call our own. “It is not just positive feelings we want, we want to be entitled to our positive feelings” (Seligman 2002, 8).

Seligman uses the economic metaphor of capital to describe the future benefits derived from virtuous action. Virtuous activities (as opposed to short-term pleasure-seeking activities) build our psychological reserves. They are “investments” that create “psychological capital for our future” (Seligman 2002, 116). This parallels Hayek’s broad economic definition of capital as “a stock of tools and knowledge … which we think will come in useful in the kind of world in which we live” (1976, 23). Like economic capital, psychological capital serves as a buffer against adversity and as a means of producing or acquiring additional resources. Our psychological capital is our capacity to pursue and attain happiness. It is our accumulated stock of psychological “tools and knowledge,” including our hard-won knowledge of which activities comprise our “signature strengths” (Seligman 2002, 125–64).

**Phase 2: Psychological Growth Promotes Further Virtuous Action**

In good Aristotelian fashion, positive psychologists see happiness as both intrinsically and instrumentally valuable. Happiness and psychological growth are valued ends in every human life; they signal the achievement of good living. They also beget or become tools and desires to engage in additional virtuous actions. In Seligman’s suggestive phrase, they enhance our “commerce with the world” (Seligman 2002, 43). Citing Barbara Frederickson’s path-breaking work, Seligman contends that psychological growth and its attendant positive emotions (feelings of happiness) make “our mental set … expansive, tolerant, and creative” and enable us to “build friendship, love, better physical health, and greater achievement” (ibid., 35–36 and 43). Psychological growth helps us to engage more effectively in the give and take of living and learning. Even in difficult times, our psychological capital provides the means to recognize and pursue new opportunities for win-win encounters—new opportunities to discover, exercise, and strengthen our capacities for virtuous (growth-generating) action. Positive psychologists therefore see each person as capable of achieving lasting increases in happiness by way of a self-sustaining process in which psychological growth is both a principal cause and a consequence of virtuous action.
Implications for Philanthropy

The positive psychologists’ model of human action and well-being carries rich implications for philanthropic theory. Seligman invokes these connections frequently, to the point of defining positive psychology as an attempt to “[move] psychology from the egocentric to the philanthropic” (2003, xviii). He and his colleagues view philanthropy as a uniquely effective form of “commerce with the world” that not only causes but is “caused by” happiness (Seligman 2002, 43 and 9; also Haidt 2006, 97–98).

For present purposes, let us consider a specifically philanthropic analogue to the positive psychologists’ model of virtue-centered growth and discovery—a virtuous cycle in which philanthropic action fuels the extension and refinement of our humane capabilities, and vice versa:

```
Philanthropic Actions  ➔  ↑ Humane Capital and Lasting  ➔  ↑ Happiness
```

This variation on the basic positive psychology model helps to illuminate the motives and mechanisms of voluntary action beyond the commercial sphere and thus offers a valuable underpinning to Cornuelle’s vision of a liberal philanthropy in which philanthropic action serves not just as a means of transferring resources but as a locus of mutual uplift and social learning between donors and recipients (Cornuelle 1993, xxxiv and Ealy 2005).

Seligman and Haidt each describe the first phase, in which philanthropic actions generate new humane resources, with compelling examples of the ways in which philanthropic action creates uplift for donors. Seligman describes “the exercise of kindness” as “a gratification, in contrast to a pleasure” because it “calls on your strengths to rise to an occasion and meet a challenge” (2002, 9). He and Haidt each cite experimental results showing measurable differences in the level and quality of happiness obtained from philanthropic actions versus activities that were considered “fun” (Seligman 2002, 9; Haidt 2006, 97–98 and 173–74), lending empirical support to the biblical adage that “it is more blessed to give than to receive.” Philanthropic actions thus expand our individual capacity and desire for philanthropic giving. In addition to material resources, “humane capital” includes the individual’s unique strengths and virtues, the local and tacit knowledge of where and how these strengths and virtues might most effectively be exercised, and what Kass calls the *philanthropos tropos*: a disposition to promote the happiness and well-being of others (Kass 2005, 20).
Humane capital can also be generated by and for recipients of philanthropic giving. Kass reminds us of this neglected dimension of the philanthropic process by describing gifts as mutually beneficial interactions (2005, 21). Because every giver requires a receiver, the receiver’s presence and receptivity are themselves a form of gift to the donor. Today’s receiver is also tomorrow’s potential giver, enriched by the resources she or he has received and inspired by the gratitude she or he feels in response to these gift(s) and guided by the philanthropic know-how she or he has gained in the process. Moreover, gratitude and other positive emotions make one more aware of one’s capacities and desires to give. This is a key element in Gunderman’s expansive vision of liberal philanthropy: the cultivation of each person’s “entrepreneurial” awareness of his or her unique capacity for giving. “The aim of philanthropic activity,” he argues, “should be to transform people in need into people who believe they have something important to share, and who want to share it” (Gunderman 2005, 7).

In the second phase of the philanthropic virtuous cycle, higher levels of humane capital and happiness among donors and recipients create greater potential for sustained giving and civic engagement (Gable and Haidt 2005). This phenomenon is well documented in the positive psychology literature. Seligman reports, for example:

> In the laboratory, children and adults who are happy display more empathy and are willing to donate more money to others in need. When we are happy, we are less self-focused, we like others more, and we want to share our good fortune even with strangers. When we are down, though, we become distrustful, turn inward, and focus defensively on our own needs. (2002, 43; see also Haidt 2006, 173–74)

In addition to this “happiness effect,” the growth of one’s humane capital also conveys (indeed, consists of) more skills and know-how for how to achieve mutual uplift by aligning one’s philanthropic actions with the needs and actions of others.

This simple model helps us to conceptualize philanthropy as a process of discovery, learning, and social cooperation in which our individual pursuit of happiness (not pleasure but Aristotelian/liberal flourishing) leads us to continually adjust our actions in response to feedback—to (re)invest our philanthropic resources in ways that are more rewarding to us and to the known and unknown beneficiaries of our actions. Put differently, it helps us to see philanthropy as a generative process of human betterment, creating positive-sum interactions among donors and recipients rather than one-way, zero-sum transfers. The model thus affirms and extends Gunderman’s vision of liberal philanthropy:
When we see philanthropy as part of a fixed-sum system, we perceive its mission in terms of redistribution…. [In contrast,] the most enlightened philanthropy aims at increasing non-fixed-sum relationships throughout a community. In other words, decreasing want is ultimately less important than increasing generativity, our capacity to contribute to our own flourishing. In this vision, philanthropy … enhances both our capacity and our inclination to make a positive difference in the lives of others. (Gunderman 2007, 41–42)

Beyond the Hayekian Impasse

Liberal thinkers in the twenty-first century are moving beyond the Hayekian impasse—the interlocking dualisms of commerce versus philanthropy, Smith versus Aristotle, and negative versus positive liberty—into new spaces of social inquiry where they can more effectively understand and enact the humane potentials of commercial society. This is the Aristotelian liberal task elegantly defined by McCloskey (2006): to recast commercial society as “a free society that leads to and depends upon flourishing human lives of virtue.” Commercial society on this view is much more than a market economy. It is an expansive space of benefaction in which individuals assist one another, intentionally and unintentionally, through various forms of voluntary action and interaction. This concurs with the Smithian premise that free markets and the rule of law are necessary but not sufficient for the achievement of happiness and “the liberal plan of equality, liberty, and justice” (Smith 1976, 664; Harpham 2006a and 2006b). Markets and philanthropy act as partners in this post-Hayekian commercial society, generating and enhancing human freedom, flourishing, and voluntary social cooperation.

Positive psychology adds a valuable voice to these emerging conversations, advancing an Aristotelian liberal psychology that is geared to “promoting the best in people” rather than “preventing the worst from happening” (Keyes and Haidt 2003, 5). Another locus of fresh thinking, unrelated but complementary to positive psychology, is the emerging literature on Austrian (Hayekian) social capital theory (Chamlee-Wright 2004, 2006, 2008; Lewis and Chamlee-Wright 2008; Chamlee-Wright and Myers 2008). Like the positive psychologists, these economists take seriously the notion that individuals are “socially embedded,” for example, that the characters and capacities of individuals are shaped by the social networks in which they exist (Lewis and Chamlee-Wright 2008). On this premise, they explore the ways in which networks of voluntary cooperation outside the commercial order are generated or sustained by social capital, defined as “informal networks of (noncontractual) relations that exist between people in society, and … the beliefs and norms—like trust and reciprocity—to which those
informal relations give rise and which govern the character of the networks in question” (Lewis and Chamlee-Wright 2008, 109).

This new Austrian work has much to offer to the positive psychologists. Those seeking to better understand and support positive institutions could benefit greatly from Hayekian and classical liberal thinking on the dialectical interplay between social institutions (formal and informal) and emergent processes of social cooperation. The epistemological open-endedness that is the hallmark of Hayek’s theory of human action could help to inform the positive psychologists’ accounts of each individual’s pursuit of happiness, for example, Seligman’s claim that “building strength and virtue is not about learning, training, or conditioning but about discovery, creation, and ownership” (2002, 136), suggesting that individual strengths and virtues are not given but are discovered by way of a process of moral entrepreneurship. In addition, the Austrian/Hayekian theory of individual action and market process could go a long way toward sharpening the incipient logic of the positive psychologists’ pursuit of happiness, in which individuals engage in ongoing process of specialization and discovery, seeking to identify and hone their signature strengths. Conversely, the Austrian social capital project could benefit enormously from the positive psychologists’ attention to the cultivation and consequences of virtuous and philanthropic action.

Both bodies of work are already fuelling the larger conversation—the post-Hayekian rethinking of the ends and means of commercial society—by articulating cogent, Aristotelian liberal concepts of human freedom as the negative freedom from coercion and the positive capability to pursue the good life as one defines it. On this premise, philanthropy becomes a vital means of cultivating our humane capabilities of “loving, befriending, helping, sharing, and otherwise intertwining our lives with others” (Haidt 2006, 134) and our freedom “to experience meaningful personal engagement in community life” (Ealy 2005, 4). Philanthropy becomes, in short, an engine of social and psychological capital, helping to multiply the number of “personal outlets for the service motive”—a powerful self-organizing process, like the market, able to address “complex modern problems” by harnessing as well as generating our humane desires and resources (Cornuelle 1993, 62).
Notes

1. Hayek (1978, 60) offers the following example: “When the early Neolithic traders took boatloads of flint axes from Britain across the Channel to barter them against amber and probably also, even then, jars of wine, their aim was no longer to serve the needs of known people but to make the largest gain. Precisely because they were interested only in who would offer the best price for their products, they reached persons wholly unknown to them, whose standard of life they thereby enhanced much more than they could have that of their neighbors by handing the axes to those who no doubt could also have made use of them.”

2. In his afterword to the 1993 edition of Reclaiming, Cornuelle laments that so few libertarians had embraced his vision of a flourishing voluntary community beyond the commercial sphere:

   Most of my libertarian friends were willing to discuss possible market solutions to public problems, but, lacking any analytical device but market theory, continued to believe that anything that could not be done profitably should probably not be done at all (1993, 186).

References


