
CULTIVATING CONVERSATIONS

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Conversations on Philanthropy is a Cornuellean legacy. As a catholic forum for reflection on the ends and means of voluntary cooperation, it advances Richard Cornuelle's vision of a free and humane society. Dick's celebrated gifts as a writer flowed from his generosity as a listener. He stirred readers' minds by giving them (and his subject matter) his full attention and respect. He believed in the transformative liberality of conversation and bore witness to his faith through generous support for the Critical Review Foundation, the Fund for the Study of Spontaneous Orders, and the dialogical enterprise from which *Conversations* emerged: The Project for New Philanthropy Studies.¹

I reflect here briefly on a bright potential trajectory for *Conversations*, through the lens of Dick Cornuelle's first journal project, *Critical Review*, whose unexpected growth in the wake of the Cold War offers an instructive model. Historical events may prove auspicious for *Conversations* as well. As the mission and scope of welfare states everywhere become objects of intense public scrutiny in the years ahead, serious discussion of civil society alternatives will be in high demand. In this historic moment, *Conversations* could become a leading forum on the role of philanthropy and voluntary association in American life, much as *Critical Review* flourished as an outlet for broad-spectrum libertarian and liberal debate in the late 1980s and early '90s. By leveraging the multiple networks of its contributors and retaining its signature commitment to open inquiry, *Conversations* is well-poised for a similar expansion of its audiences and contents.

Commerce and community:

Separate spheres or heterogeneous catallaxy?

One vehicle for promoting conversations that transcend conventional disciplinary, ideological, and academic/nonacademic boundaries would be the much-debated relationship between capitalism and civil society. The enduring

¹ Editor's Note: The Fund for the Study of Spontaneous Orders and The Project for New Philanthropy Studies are now merging as The Philanthropic Enterprise, a new entity that will continue to explore both historical dimensions and emerging questions in classical liberal social thought.

vigor of these debates is yet another Cornuellean legacy. In *Reclaiming the American Dream* and elsewhere, Cornuelle argued that the classical liberal case for capitalism was incomplete without a serious analysis and ethic of community (1993 [1965], 1991, 1992). By the late 1950s, Cornuelle had become troubled by what he perceived to be “a screw loose” in libertarian social thought. The loose screw, in his view, was a categorical commitment to individual liberty (individual property rights in particular) over all other humane values, notwithstanding the plights of citizens who face undue economic, health, or educational problems and lack the means to address them. He could no longer abide the “haunting, morally intolerable midnight choices between liberty and community” (1993 [1965], 175) that seemed to follow from Mandevillian, commerce-only visions of voluntary cooperation.

Cornuelle’s thinking on these matters was more prescient than he knew. Writing several decades later, James Buchanan detected a comparable loose screw in the social theory of Friedrich Hayek: “To secure freedom from the collective . . . was, properly, the predominant objective for the post-Marxist classical liberal. It is not surprising that the rejection of collectivism . . . should have involved a complementary neglect of . . . the communitarian elements in a well-functioning social order informed by liberal value norms” (2005, 78).

Indeed, Cornuelle’s critique pointed to a lacuna in modern economic theory at large. Economics, since its emergence as a separate discipline in the late nineteenth century, has been marked by a perennial “Adam Smith Problem”—not the old self-interest vs. sympathy hobbyhorse but the segregation of personal and impersonal methods of cooperation. Economists have normalized the notion that market and community (impersonal *Gesellschaft* vs. face-to-face, ethically imbued *Gemeinschaft*) exist as separate spheres, an idea ostensibly corroborated by Smith’s treatment of these two worlds in the *Wealth of Nations* (1976b [1776]) and *Theory of Moral Sentiments* (1976a [1759]), respectively. This notion became deeply entrenched after World War II as economists championed Progressive images of the market economy as a machinelike system supplemented by corrective government policies (Leonard 2009).

As thinkers inside and outside the academy continue to interrogate these thought structures and their underlying assumptions, the fundamental question remains: “One order or two?” Are commerce and community best understood as complementary yet separate spheres of voluntary cooperation, or as symbiotic aspects of a single catallaxy?

Cornuelle's *Reclaiming the American Dream* delivers a compelling case for a separate-spheres approach. His vision of U.S. commercial society highlights two systems of voluntary cooperation: the commercial sector and the "independent sector," the latter defined as a pluralistic array of noncommercial institutions that "takes a thousand forms and works in a million ways" and "functions at any moment when a person or group acts directly to serve others" (1993 [1965], 38). Cornuelle's rendering of these two sectors is careful and nuanced. Yet he posits a distinct human propensity—the desire for profit or the desire to serve others—as the driving force of each sector. He wants classical liberals to reclaim the Tocquevillian-liberal American Dream by embracing this broad humanism and reasserting the existence, efficacy, and importance of the independent sector as a self-organizing cosmos irreducibly distinct from the market economy.

Cornuelle's expansive vision of the private sector—market economy + civil society—remains a refreshing alternative to the market-vs.-government tropes that have dominated U.S. political discourse since the 1930s. At the same time, his dual-system theory struggled to find a way beyond a principal pillar of the Progressive edifice, namely *the narrow view of commerce as an amoral engine securing social cooperation by wholly impersonal means (wherein tender sentiments of sympathy, solidarity, and benevolence play no necessary role)*. This was precisely the loose screw Cornuelle discerned in mainline U.S. libertarianism circa 1960, and which inspired him to argue that the independent sector had been drained of energy and responsibility (Ealy and Ealy 2006) by two false promises: citizens' inflated expectations of the modern welfare state and their parallel faith in the commercial economy's machinelike ability to deliver adequate resources and opportunities to all.

So even as Cornuelle extolled the scope and virtues of the independent sector, the force of his argument in the 1965 book was undercut by his unwitting retention of a narrowly conceived economy, a problem he grappled with in *De-Managing America* (1975), *Healing America* (1983), and through the various scholarly projects he helped to launch after the fall of the Iron Curtain. Progressive conceptions of the nanny state and the "nanny economy" continue to inhibit the growth of our civic and moral imaginations. Social rules and academic theories still teach us that our ethical duties to local and distant neighbors in modern commercial society can be fully discharged through tax payments and commercial self-seeking. Though Cornuelle had studied economics with Ludwig von Mises

(leaving New York University before completing his Ph.D.), he was for most of his career what we would now call a “social entrepreneur,” and he came to lament these mal-fitted screws in the civil religion of postwar America.

A Heterogeneous Network of Voluntary Cooperation

Encouragingly, leading economists, social scientists, and philosophers over the past two decades have turned away from the narrow motives, behaviors, and institutional structures that once arguably defined economic science. Most of these emerging works offer ‘integrative’ resolutions to the *Gesellschaft/Gemeinschaft* schism, theorizing human cooperation as a synthetic mix of commercial and communal elements. Within my own discipline of economics, these works emanate from ideologically diverse circles, including Austrian, feminist, evolutionary, experimental, postcolonial, and neo-Aristotelian traditions of thought (e.g., Bruni 2008, Chamlee-Wright 2010, Danby 2002, Folbre 2001, Gintis et al. 2005, Gui and Sugden 2005, Kolm 2008, McCloskey 2006, Nelson 2006, Smith 1998, Storr and Chamlee-Wright 2010, and van Staveren 2001). By rethinking basic categories such as rationality, identity, reciprocity, cooperation, beneficence, justice, commerce, community, and economy, these new-generation economists are recasting Adam Smith’s Great Society of Mankind as a commercial society—a heterogeneous network of voluntary cooperation through which individuals secure “the cooperation and assistance of great multitudes” (Smith 1976b [1776], 26).

To my mind, these integrative approaches represent an extension and advance of Dick Cornuelle’s vision of a free and humane society. They overcome the personal/impersonal dichotomy by exploring the plurality of motives, norms, and rules that shape human action and facilitate social learning, and the varied institutional forms through which voluntary cooperation occurs. They also deliver a more complete deconstruction of Progressive economic theory (in its many guises, from Stiglerian laissez faire to Samuelsonian interventionism) by rendering absurd the notion that social cooperation on any scale could ever be effected by “prudence only” agents or “commerce only” institutions.

There remain, of course, many serious arguments in favor of treating commerce and community as separate spheres—such as Michael Edwards’s forceful critiques of “philanthrocapitalism” (2010), Peter Boettke and David Prychitko’s skepticism regarding the possibility of effective calculation and plan coordination in noncommercial orders (2004), Kenneth Boulding’s theory of the “grants economy” (1973), and Cornuelle’s own *Reclaiming* (1993 [1965]). Moreover, despite the

growing numbers of economists, philosophers, sociologists, political theorists, evolutionary biologists, and others actively addressing these questions, their research communities function mostly as islands, held apart by the autarky of disciplinary and ideological-cum-paradigmatic tribalism—a stalemate Deirdre McCloskey aptly describes as “intellectual specialization without trade” (2000, 158). The existence of such well-reasoned yet chronically balkanized arguments and counterarguments suggests a golden opportunity for *Conversations on Philanthropy* to assert itself as a space for vigorous, cosmopolitan dialogue about ideas that matter. By cultivating its comparative advantages in the intellectual marketplace, *Conversations* could become a journal in which an array of antagonistic yet complementary lines of thought could effectively listen and speak to one another.

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