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# Investing in the Ideas of Liberty

## *Reflections on the Philanthropic Enterprise in Higher Education*

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LENORE T. EALY

We must make the building of a free society once more an intellectual adventure, a deed of courage. . . . Unless we can make the philosophic foundations of a free society once more a living intellectual issue, and its implementation a task which challenges the ingenuity and imagination of our liveliest minds, the prospects of freedom are indeed dark.

F. A. Hayek, “The Intellectuals and Socialism”

**D**uring the past twenty years, fueled by a growing sense of crisis about the deterioration and politicization of university curricula, many donors inspired to renew the philosophic foundations of a free society have focused their philanthropy on efforts to encourage reform at colleges and universities across the nation. Donors have supported individual scholars, funded research, supported student organizations, encouraged specific curricular offerings, and established academic centers on campus in an effort to ensure that classical-liberal ideas—which encompass a commitment to the best traditions of a liberal arts education—are not lost.

These efforts have met with greater and lesser success (and more or less entrenched resistance), contingent on numerous factors, including the stature and

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quality of the personnel involved, the political climate at each campus, the strategic clarity with which money has been invested, and the extent to which universities have respected donor intent. With significant philanthropic funding targeting higher-education reform of some kind, it is pertinent to ask whether and how private giving to today's institutions of higher education can strategically align with the task of rejuvenating the free society's philosophic foundations.

Classical liberalism largely underwent a rebirth as an intellectual movement in America in the mid-twentieth century in part as a reaction against the expansion of government power under the Progressives by a motley alliance that became known as the Old Right and in part as a consequence of geopolitical turmoil that brought firsthand understanding of the threats of various forms of totalitarianism to bear on the American mind. During the interwar and post-World War II period, European and Russian exiles, including Ludwig von Mises, F. A. Hayek, Ayn Rand, and others, became U.S. residents and had a significant impact on American political and economic thought. The publication successes of Hayek's *The Road to Serfdom* and Rand's *The Fountainhead* and *Atlas Shrugged* were important milestones in the revival and popularization of classical liberalism at midcentury. Out of the spreading concern for the fate of liberty in the post-New Deal and Cold War world emerged a group of businessmen who organized their philanthropy to support the intellectual foundations of the classical-liberal movement. Thus classical-liberal philanthropy was born.

We may define classical-liberal philanthropy as the philanthropy that seeks to understand, restate, and amplify the philosophic foundations of a free society and to ground social institutions (including traditional charitable activities) on these philosophic principles. Hayek's seminal essay "The Intellectuals and Socialism" (1949) was a guiding light for many of the early classical-liberal donors. The essay was foremost a reflection on the production and diffusion of ideas. Hayek focused attention on two groups of people: the scholars who define the philosophical foundations and the intellectuals by whose efforts ideas spread. He brought much-needed attention to the role of intellectuals: "It is the intellectuals . . . who decide what views and opinions are to reach us, which facts are important enough to be told to us, and in what form and from what angle they are to be presented. Whether we shall ever learn of the results of the work of the expert and the original thinker depends mainly on their decision" ([1949] 1997, 223). In Hayek's account, the free society needed crucial support in two areas: support for those investigating, restating, and amplifying its ideals and support for the effort to convert the intellectuals from a belief in the principles of socialism to a belief in these ideals, which explicitly repudiated the possibility of an "all-comprehensive system of values" ([1944] 1956, 155).

One might think that it would have been natural to turn to America's institutions of higher education as institutional vehicles for this work, but the first generation of classical-liberal philanthropists surprisingly did not look much to colleges and

universities as allies in the intellectual tasks they faced. By that time, the universities were already largely the creatures of progressivism. Progressivism, often conceiving itself as a vehicle of “scientific philanthropy,” sought to mobilize all social institutions under a banner of broad-scale social reform led by a technocratic elite with strong ties to the administrative state. America’s colleges and universities had long been viewed as a training ground for this elite, and in the early twentieth century American universities increasingly became laboratories not only for advancing knowledge of the natural sciences, but also for achieving social reform.

With the passage of the Pendleton Act of 1883, in reaction to the assassination of President James Garfield by a disgruntled job seeker, the umbilical cord from America’s top-tier universities to the federal civil service became more firmly tethered. The flow of the educated elite to Washington accelerated in the first half of the twentieth century to keep pace with the demand for personnel to staff World War I bureaus and then the New Deal agencies. Federal funding for research flowed in increasing amounts in the other direction. The historical autonomy of higher education increasingly gave way to a new breed of “public–private partnership” in progressive reform.

Academic purpose, public policy, and philanthropy gradually became entangled in unprecedented ways, diminishing the role of colleges and universities as independent institutions of civil society and turning them instead into instrumentalities of statecraft. The state’s conquest of higher education steadily advanced after World War II, marked by two great leaps forward in federal expenditures and entanglements in higher education: the GI Bill (1944) provided access to college for vast numbers of returning servicemen, and the Soviet launch of *Sputnik* spurred federal infusions of cash for science education through the National Defense Education Act of 1958. In his 1961 farewell address, President Dwight Eisenhower cautioned Americans about the future of higher education:

Today, the solitary inventor, tinkering in his shop, has been overshadowed by task forces of scientists in laboratories and testing fields. In the same fashion, the free university, historically the fountainhead of free ideas and scientific discovery, has experienced a revolution in the conduct of research. Partly because of the huge costs involved, a government contract becomes virtually a substitute for intellectual curiosity. For every old blackboard there are now hundreds of new electronic computers. The prospect of domination of the nation’s scholars by Federal employment, project allocations, and the power of money is ever present and is gravely to be regarded. (Eisenhower 1961, qtd. in Baehr 2011, 297)

In 1965, however, heedless of Eisenhower’s warning, Congress passed a new Higher Education Act authorizing the game-changing scale of federal government involvement in the student aid business. By the early 1970s, federal funding was well on its way to eventually constituting the overwhelming majority of aid to postsecondary

students. (For recent statistics, see U.S. Department of Education 2009).<sup>1</sup> This shift toward federal funding and policy has certainly diminished the role and influence of philanthropic funding in higher education, with a concomitant loss of pluralism and the increasing sway of the “all-comprehensive system of values” that Hayek warned about.

The opportunities for classical-liberal influence in the world of American higher education were fading quickly. In the concept paper that outlined the future work of the Institute for Humane Studies, F. A. “Baldy” Harper, observed: “Any attempt to establish a hard core libertarian development on campus, especially since it is a very small minority, would be anathema to the dominant factions in even the best of these institutions. The colleges and universities should be kept on terms as friendly as possible, of course, for whatever cooperation can be developed in temporary and limited ways by continuous trading” (1961, 9). Harper, working closely with Hayek and numerous other scholars and business leaders, held to a firm pragmatism that recognized the limited possibility of advancing liberty through colleges and universities: “We must face the fact that—due to the nature of the job of education for Liberalism—the main center of strategy development, stimulation, and training of a hard core apparently must be outside the formal halls of learning. This always tends to be true of any minority concept, and above all this is true of liberalism in our time. The formal institutions of learning have their center of gravity elsewhere, and the ‘protection of the institution’ operates to censor in one way or another most of the effective work for liberalism” (13).

Rekindling a widespread belief in liberty and a confidence in the creative powers of a free people in the years after World War II would have to be accomplished largely outside the society’s predominant educational institutions. The core strategy of the donors who sought to revive classical-liberal philosophy thus became one of investing primarily in people and private institutions. Essential in the development of this strategy was the William F. Volker Fund, which sought to identify and support scholars working to understand the history, theory, and practice of the free society. (Harper was a staff member of the Volker Fund, which supported the launch of Institute for Humane Studies.) The Relm Foundation (and later the Earhart Foundation) played a similar role in these years. (Earhart’s philanthropy continues even now, though it will cease operations in the middle of our present decade.)

The staffs of these funds developed a “search-and-amplify” strategy for identifying scholars whose work was advancing on (or at least consistent with) the principles of methodological individualism. Volker employed “readers,” including Murray Rothbard, Rose Wilder Lane, Frank Meyer, and others to scan scholarly literature and identify authors whose work was already tending to take up lines of inquiry compatible with classical liberalism. A Volker staff member would travel to meet these individuals

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1. With the escalating cost of tuition, federal and state aid may constitute a smaller overall percentage of tuition payments than thirty years ago. The point stands, however, about the federal government’s concentrated and disproportionate regulatory influence on higher education, which is unlikely to be challenged by a resurgence of dispersed philanthropic engagement and a more vigilant attention to compliance with donor intent.

and assess their talent and potential contributions to the understanding of a free society. When they deemed support worthwhile, it was made quietly to sustain the scholarly work rather than to draw attention to the Volker Fund's philanthropy per se.

The Relm and Earhart foundations implemented a similar strategy through their network of scholars who served to identify promising candidates for research fellowships. Volker, Relm, and Earhart sought to identify the most talented graduate students and scholars working to understand the free society and to ensure that their work could proceed, whether they had faculty appointments or not. These funders understood (with Hayek) that people are the primary bearers of ideas and the key vectors of their transmission, and finding ways to support these individuals took precedence over any hopes of institutional reform.

Pierre Goodrich, who established Liberty Fund as an operating foundation in 1961, shared this general outlook, favoring support for scholars and scholarship over academic institutions. Goodrich had a long relationship with Wabash College in Crawfordsville, Indiana, but he could find few ways to secure the intent of his philanthropy in the context of the college organization. In *The Liberty Fund Basic Memorandum*, his statement of the philosophical principles that would guide Liberty Fund's work, he expressed his belief that a fruitful use of the fund's resources would be "freeing the time of people who already have a tendency to work in the direction of the ideal of the Liberty Fund and who are surrounded by an atmosphere which would more likely make their work successful" (Goodrich 1961, 38).

Goodrich was clearheaded about the persistent tensions between individual liberties and organization power, however, and he astutely observed that potential grantees employed by colleges "should have the cooperation at least of the Dean: and preferably of the Dean, the President, and the heads of the departments in the area in which they are working" (1961, 38). Such an atmosphere, uniting responsible governance, administration, and scholarship was unfortunately not to be hoped for at many institutions of higher education.

By the 1980s, the John M. Olin Foundation was having more success in generating "gains from trade" with the universities. In *A Time for Truth* (1978), Olin's president, former Treasury secretary William E. Simon, called for a new counterintelligence to challenge the prevailing statist winds in higher education and the news media. This work needed scholars and intellectuals "dedicated consciously to the political value of individual liberty, above all, which understands its relationship to meritocracy, and which is consciously aware of the value of private property and the free market in generating innovative technology, jobs, and wealth" (qtd. in Miller 2006, 56). By targeting specific scholarly areas, such as the emerging field of law and economics, the Olin Foundation was able to establish tightly focused programs and campus-affiliated centers across the country that had a major impact on scholarly research and American institutions.

The work to reclaim the philosophical principles of the free society done by foundations such as Volker, Earhart, Relm, Olin, Liberty Fund, and others naturally



gave rise to diverse tactics, but they shared the strategic work of advancing serious scholarship and publication in the classical-liberal vein and promulgating a rich and sometimes contentious conversation among classical-liberal, conservative, agrarian, anarchist, libertarian, and neoconservative scholars. In the pre-Internet era, these efforts—modest in scale compared to the budgets of philanthropic giants such as the Rockefeller, Ford, Russell Sage, and Carnegie foundations—succeeded in creating a rich social network of scholars, thinkers, and activists working to define and advance the ideas of liberty.

The support of scholars, where they could be found, and the eventual development of independent research institutes and think tanks to further the renaissance of classical-liberal intellectual discourse involved largely a successful two-prong approach. Former Volker Fund officer Richard Cornuelle often quipped that all the members of the early “libertarian” movement could fit in a phone booth. By the end of the twentieth century, though, classical-liberal scholarship had its own journals in numerous fields, and there was tremendous diversification and specialization of think tanks and research institutes working to advance the philosophical ideals of the free society and to work out the policy implications of these ideals.

Where do we stand today? We must consider whether these philanthropic efforts, as successful as they have been in deepening and sustaining the philosophical wellspring of classical-liberal thought, have yet improved the prospects for tackling much needed root-and-branch reform in the contemporary university. With a growing number of scholars working in classical-liberal streams of thought and holding academic teaching and research positions, it may seem at first glance that the time is ripe for classical-liberal philanthropists to undertake the daunting task of reform in higher education. In choosing higher education as a field of philanthropic endeavor, however, the donor enters a terrain still largely dominated by progressive ideology (and worse) and further polluted by the economics of state higher-education funding and policy. In such an environment, where philanthropy can generate unintended and adverse consequences that shore up institutional corruption, donors and their agents must carefully assess the prospects for reform by understanding the nature of what they seek to reform as well as the meaning of reform itself.

Reform may be either progressive or conserving in nature.<sup>2</sup> As a progressive activity, reform originates in an instrumental view of human institutions—and persons—as things malleable by policy, whether crafted by statespersons or devised by high-minded donors. In *The Counter-Revolution of Science*, Hayek describes the progressive, scientific attitude: “From the belief that nothing which has not been consciously designed can be useful or even essential to the achievement of human

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2. Here I am using the term *conserving* with an eye to its roots in classical liberalism, not merely as the preservation of the status quo. The term *liberal* would be the most proper to use, but I resort to these contortions to distinguish the rich philosophic stream of classical-liberal thought, which demands consistency of means and ends, from modern liberalism, which ultimately tends to employ progressive/instrumental means to attain ends that are sometimes liberty enhancing and sometimes liberty diminishing.

purposes, it is an easy transition to the belief that since all institutions have been made by man, we must have complete power to refashion them in any way we desire” (1952, 148). Progressive reform, embracing the belief that social institutions (and the social order itself) can be reshaped to serve a rationalized collective purpose, thus lends itself to continual reformism. As one hegemonic group’s purposes give way to another’s, institutions are often turned into battlegrounds where the winner takes the spoils. Like conscience under Hobbes’s Leviathan, education in a regime of progressive reformism is whatever the current hegemon says it must be. Each successive regime typically subordinates all other values to the supreme task of possessing political power or of whispering Rasputin-like into the prince’s ear.

As a conserving activity, in contrast, classical-liberal reform recognizes, in Scottish Enlightenment philosopher Adam Ferguson’s apt phrase, that human institutions are always “the result of human choice but not human design.” Harper spelled out the essence of the classical-liberal view on the origin of change: “Events do not occur on a national or world basis. When we speak of events in these terms, or observe them, we are only tabulating the totals of individual actions; there and only there, can any improvement occur in the situation of the world, the United States, Podunk, or one’s family group. The task of reform, therefore, must be the task of changing individuals—patiently, effectively, only one person at a time. The national or world events then take care of themselves” (1961, 5).

Classical-liberal, or conserving, reform recognizes the plurality of objectives and concerns originating among individuals and instantiated in human traditions and institutions, including educational institutions. For the classical liberal, who must embrace each individual’s capacity to act voluntarily on what he believes, reform is more accurately a process of *re-forming*, of conserving the traditions and beliefs that serve us well and providing education to help people examine and test their beliefs in the light of philosophical truth and practical efficacy. As Edward Shils puts it in *The Virtue of Civility*, classical liberalism recognizes that “no theoretical system of a hierarchy of virtues is ever realizable in practice” (1997, 52). Therefore, conserving reform tends to see real education as a discovery process, a participation in the conversation of mankind, in Michael Oakeshott’s ([1950] 2001, 488) apt phrase, whereby students come to explore with one another and with more experienced guides (their professors) the whole realm of what it means to be human, to experience humility before the unknown, and to grow into a moral and intellectual capacity for living a free, responsible, and peaceful life in community with others.

Problems arise, of course, when we begin to consider reform as it relates to human institutions rather than to human persons. To the extent that people come together voluntarily to create firms and organizations, the classical liberal embraces the autonomy of such voluntary associations as a critical means of advancing the practices of human cooperation. Nevertheless, social organizations are highly subject not only to mission drift, but also to a variety of forms of institutional capture,



whether by internal factions, external “stakeholders,” or a regulatory regime.<sup>3</sup> Higher education today is rife with all three forms of capture (and probably with a few others). The increasing imposition of centralized policymaking and the demands of institutional accreditation tied to federal funding have turned American colleges and universities largely into handmaidens of social and political reformism. The increasingly tethered relationship between campuses and the federal government has been accompanied by an increasing politicization (a form of institutional capture) within many scholarly disciplines. In the current environment, the possibilities of a conserving reform that calls academic associations back to their fundamental academic purposes seem dim.

Traditional donors have continued to give to their alma maters and to favored research programs, to powerhouse athletic programs, and to buildings that will bear their name until, perhaps, a higher bidder comes along, but this philanthropy has been motivated more by school loyalty than by a careful consideration of how a particular institution’s educational enterprise is conserving the philosophical principles and civic virtues on which America’s freedom and prosperity depend. As donors have voted with dollars for their favored college, a vast amount of philanthropic giving has shored up the collective fiction that the emperor is still loyally wearing the old school colors.

Committed to preserving the philosophical foundations of a free society, however, classical-liberal philanthropists have a duty to consider very carefully whether resources fed into the hungry maw of a college or university today will have favorable effects on the beast’s constitution. The classical-liberal donor must look outside the good he would do with a particular program at a particular college and consider the specific institutional conditions and the broader context in which his philanthropy will be consumed.

Principled skepticism about the prospects of institutional reform in today’s universities may be the best attitude a classical-liberal donor can have toward the problem of higher education. Classical-liberal thought itself supplies philosophical foundations for a cautious and considered approach. In 1971, Pierre Goodrich and Wabash College economist and Liberty Fund director Benjamin Rogge coauthored a position paper titled “Education in a Free Society.” Here they undertook a bold thought experiment: “We begin by assuming a society in which the state plays no part in the educational process. Gone would be all state colleges and universities, all public elementary and secondary schools, all public libraries and public opera houses, and so forth” (1973, 70). This thought experiment was no mere economist’s fancy of cost-benefit analysis, however; it sought to elevate the discussion to moral premises, arguing that the current educational arrangements in the United States were “grossly inefficient, inequitable, contrary to human rights, contrary to human nature, and

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3. A helpful discussion of internal capture in particular is Steven D. Smith’s article “Why Is Government Speech Problematic?” (2010).

destructive of the society of free and responsible men” (92). In the *Liberty Fund Basic Memorandum*, Goodrich had stated that “a decentralized free and competitive educational society” was one of the three legs of the stool on which the possibility of limited government rested—the other two being “a decentralized, free, and competitive market economy (both in things and labor)” and “a decentralized free and competitive church and religious society” (1961, 19). The expansive control of federal and state governments over the educational enterprise at all levels was, on Rogge and Goodrich’s account, anathema to a fundamental requirement of a free society that “definitions of purpose lie wholly within the jurisdiction of the individuals involved” (1973, 62).

Where does such a radical framework leave the classical-liberal philanthropist today in regard to funding reform in higher education? For the most part, American colleges and universities have moved far from the ideal of the college as an autonomous center of civility and learning, as a community of scholars and learners oriented around an intergenerational contract of intellectual and moral integrity. On the modern college campus, the pursuit of learning as a liberal art, an art befitting a free human being, has given way largely to a world in which administrators worry primarily about accreditation, compliance, and fund-raising; formative young adults are enlisted in social reform or left to social, sexual, and chemical experimentation; and professors often thrive on patronage and tenure. Despite these conditions and often because of them, a new generation of classical-liberal donors has begun to devote attention to postsecondary campuses as sites for possible reclamation. The question remains whether this philanthropic strategy can succeed and whether in the end it will help to promote liberty.

So what is a classical-liberal donor to do in a domain of such peril? Perhaps a few categorical suggestions are in order.

*Provide the gift of an interval.* A philanthropy that seeks to renew higher education as bearer of the philosophic and institutional conditions of a free society might begin by putting individuals back at the center of the philanthropic enterprise. One of the most valuable gifts a donor might make today would be to help students graduate from college in a timely manner, unburdened by either ideology or student loan debt. Michael Oakeshott described undergraduate education as “the gift of an interval,” a period in which a young scholar has the privilege of a moment “surrounded by all the inherited learning and literature and experience of our civilization; not alone, but in the company of kindred spirits; not as a sole occupation, but combined with the discipline of studying a recognized branch of learning; and neither as a first step in education (for those wholly ignorant of how to behave or think) nor as a final education to fit a man for the day of judgment, but as a middle” ([1950] 2001, 114). Oakeshott is clear to note that this interval should not excessively consume scarce resources of time and energy. When undergraduate degree production is measured against a six-year standard, as it is today, and the average undergraduate education can cost more than a family home, we are clearly not providing students with a gift of an interval, but with a burden that they must carry for years into their delayed adulthood.

Scholarship programs designed as a reward for student merit wherever it arises, rather than as social welfare (that is, increasing college access across the board), are important philanthropic traditions. Such scholarship programs will need to be carefully developed and administered as much as possible as direct awards to students selected according to the donors' criteria. Voluntary organizations that can sustain a tighter alignment between mission and program may be better at awarding such scholarships that are attached to specific students rather than to specific college admissions and financial aid offices.

Related to this issue is the need to be clear-headed about who should attend college. The belief that a college education is an American entitlement has consistently been exploited to justify increased federal involvement in higher education, the most recent instance of such exploitation being the Obama administration's overhaul of the nation's student loan programs. These sorts of policy "fixes" are like a social drug: they sustain unrealistic expectations and are likely to do more harm than good. PayPal cofounder, venture capitalist, and philanthropist Peter Thiel generated quite a buzz in 2011 when he opined that the housing bubble had been replaced by a higher-education bubble. "A true bubble," Thiel observed, "is when something is overvalued and intensely believed" (Laey 2011). Common sense on this matter may not be catching on in Washington, D.C., but American families are beginning to understand the bill of goods they are being asked to purchase. Colleges and universities have learned how to spend more money to help students accomplish less in more time. For many young adults, there are surely more direct and cost-effective paths to vocational (and life) success than a college education. It is time we began to talk more about what a college education is really for.

*Weigh the costs of reform against the opportunities of entrepreneurship.* Classical-liberal philanthropists may want to engage in efforts to reform both public policy and college curricula, but these efforts should be approached strategically and pragmatically because they may overtax the time and money the donor has available and yield only marginal gains. There is yet little hope that the costs of college education can be reined in through public-policy reform, and the transaction costs of even small reforms in this arena will be high. The small and often embattled classical-liberal centers and programs being established on many campuses can fill in for only a small proportion of students on most campuses the holes that have been left by degraded curricula and faculty ideology. A more effective way to control costs, promote sound curricula and classical-liberal pedagogy, and to ensure that most matriculating students complete their degree in four years would be to establish competitive colleges or independent educational institutes built from the ground up on the old traditions of liberal learning and the new possibilities provided by technology. At the very least, we need an environment where new institutional models are being developed and tested on a continual basis. The forces of creative destruction will be impotent if our entrepreneurial energy is dissipated in tinkering on institutional margins.

Classical-liberal donors might begin to help at least a few private colleges and universities to reclaim their status as independent entities, much as Grove City College and Hillsdale College have done. Establishing new colleges committed to abjuring state funds would also be a positive step in the right direction. The obstacles of start-up capital and accreditation are high hurdles in this regard, but this challenge is exactly the sort that classical liberals might tackle with a deep pool of human capital that has often languished for being too dispersed. We all know the stories of talented academics who feel intellectually alone in their department or university and relatively impotent to effect change. An interesting experiment to watch will be some donors' ongoing efforts to foster the growth of academic centers and "clusters" in established colleges, where they might begin to exert a reforming influence both within disciplines and within institutions.

The re-creation (reforming) of higher education as a landscape of diverse and autonomous centers of learning and vibrant centers of the sort of voluntary association characteristic of a free society would ultimately require us to disconnect education and research from federal financial support and its associated centralized rule making from Washington, D.C. New programs, centers, colleges, and universities would need to rigorously forgo all forms of public funding, including acceptance of student aid. Such movement toward the free society would require us to forge a culture of philanthropy that disavows the temptations of progressive social and institutional reform as well as the temptations of crony capitalism and that instead bets its resources on a free people's creative powers.

Successful reform would ultimately require state legislatures to separate higher education and public policy and, ideally, to devolve control of state universities to private university corporations. Realism dictates, unfortunately, that Americans, with our tendency to preserve those entities for which we have cultivated affection (our alma maters being high on this list), even when they are suffocating under their own complexity, are not likely to abolish the state universities or stop funding them anytime soon. This reality mostly turns us back to the need for classical-liberal philanthropists to try to demonstrate through energetic entrepreneurship that alternative educational institutions can succeed.

*Finally, and perhaps best of all, classical-liberal philanthropists might set the stage to do all of the above by renewing the traditions of associational liberty and self-governance.* "The hallmark of a civil society," writes Shils, "is the autonomy of private associations and institutions, as well as that of private business firms. Alongside of business firms, there are moral, religious and intellectual institutions and societies, as well as civic and political associations" (1997, 330). In the final analysis, the re-creation of higher education as a sphere of education for liberty will require a restoration of colleges and universities as autonomous centers of education and cultural transmission. One strain of conserving philanthropy has argued in the name of diversity for a broader proportional representation of diverse views in college hiring (Fish 2008). This invocation of diversity as an end confuses the classical-liberal

premises about toleration and pluralism. On this matter, the classical-liberal economist Harper and the antifoundationalist literary theorist Stanley Fish agree: “The reason for continuous research and development,” says Harper, “lies in the warranted humility we should always maintain as to our present knowledge of all such matters. . . . It is a matter of balance; for research without education is in danger of becoming a sterile belief, whereas education without research is in danger of becoming crusading that never corrects its errors as it wildly pursues some campaign to nowhere” (1961, 6); “[l]iberalism privileges tolerance,” says Fish, “because it is committed to fallibilism, the idea that our opinions about the world, derived as they are from the local, limited perspectives in which we necessarily live, are likely to be in error even when, again especially when, we are wholly committed to them” (2008, 128).

The desired condition is not diversity for the sake of diversity, but rather that the academic enterprise is understood to be the search for truth, which will be enhanced through the collaboration and abrasion of many pursuers. The desired condition of the social environment is that there will be many voluntary associations dedicated to shedding light on a particular part of the elephant. The classical-liberal philanthropist should eagerly promote institutional pluralism, which will require respecting the autonomy of educational organizations (perhaps even when they themselves do not understand it or exercise it well). Whether attainment of this condition means starting anew or bringing the right pressures to bear on existing institutions, it is likely that meaningful reformation will come only when colleges and universities—trustees, faculties, students, and benefactors together—embrace the task of re-creating themselves from within, hearkening to the deeper traditions of civility, enlightenment, and enterprise characteristic of a self-governing academic society.

In the recent symposium “Dictatorship and Scholarship” in *Society* magazine, Peter Baehr suggests that the crisis of higher education has arisen primarily because colleges and universities themselves have lost sight of their core mission: “the pursuit of knowledge and scholarship, and the practice of teaching, within a bounded intellectual community” (2011, 299). Unable to define itself, the American university, according to Jacques Barzun, has “put itself at the mercy of many publics, unknown to one another and contradictory in their demands” ([1968] 1993, 3). The modern university is unfortunately less often a happy band of intellectual brothers and sisters and more often a cacophonous and insatiable creature that has lost any core understanding of its enterprise.

The ideal of higher education as first and foremost a world of self-governing intellectual societies partaking of the tradition of the collegium creates significant challenges for philanthropists interested in institutional reform. No campus is an island, and wide access to liberal education has long been possible primarily through benefactions, but donors must consider whether and how they will respect the self-determination of an association of scholar-educators who come to articulate an educational mission for their association. (I set aside here the question of public universities,

where, of course, such educational missions have greater intersection with state legislative processes.) Philanthropists may have specific and sometimes eccentric intentions about the desired use of their benefactions that do not necessarily align with the mission a college has set for itself. Even a philanthropist possessed of the best ideas must recognize that the culture of philanthropy, no less than the culture of the state, may compromise liberty by compromising the necessary respect for the free associations of civil society. The unhappy paradox is that to the extent that donors seek to direct the scholarly conversation within a voluntary community to utilitarian, political, or ideological ends, they may also compromise the fundamental nature of liberal education and the free society. The classical-liberal philanthropist may have a special burden to recall institutions of higher education to the responsible exercise of their associational liberties, but this burden will require great humility, self-restraint, and clarity of principle.

Self-awareness on the donor's part is an essential philanthropic virtue, but integrity on the part of any association that wishes to be responsibly self-governing is also required. Some of the most articulate defenders of the ideal of liberal education caution educational institutions against accepting gifts promiscuously. Oakeshott suggested that "a university which has power to refuse a benefaction thought to be eccentric to its character must, when it exercises that power, have some sense of its own character and identity" ([1950] 2001, 130). Barzun goes beyond Oakeshott in urging not only that universities must jealously protect their own purpose and identity from the anti-intellectualism of much modern philanthropy, but that our culture itself will suffer if it fails to sustain "knowledge of the nature and conditions of intellectual life" ([1959] 1961, 196). The classical-liberal philanthropist must celebrate the voluntary but will also do well to recall Barzun's warning: "When in the realm of the voluntary everything is done for the wrong reason, with irrelevant motives and illusory hopes, none of the ordinary benefits can accrue, and none of the extraordinary ones either" (195).

Whether the classical-liberal philanthropist can help a university rise to a higher standard of internal integrity in aligning governance and mission, at the very least he must consciously reflect on the life of the mind and the ideal nature of the institutions that promote it. In *The Road to Serfdom*, Hayek pointed out that the road to freedom requires respect for truth and its pursuit:

This interaction of individuals, possessing different knowledge and different views, is what constitutes the life of thought. The growth of reason is a social process based on the existence of such differences. It is of its essence that its results cannot be predicted, that we cannot know which views will assist this growth and which will not—in short, that this growth cannot be governed by any views which we now possess without at the same time limiting it. To "plan" or "organize" the growth of mind, or, for that matter, progress in general, is a contradiction in terms. ([1944] 1956, 165)



It would be difficult to compose a more eloquent statement of the ideal principle of liberal education.

The philanthropic enterprise in higher education, ideally for every philanthropist, but most especially for the classical-liberal philanthropist, should be foremost a personal intellectual enterprise. We desperately need private philanthropy as a competitor and counterweight to the power of the federal purse, but those who would undertake this philanthropy wisely must at some level seek to participate in the intellectual enterprise they would support. And they must both respect and model the principle of responsible self-governance. As Richard Cornuelle observed, “[P]rivate philanthropy exists as an alternative not because private boards are inherently wiser and more sensible than Congress or a federal bureaucracy, but because they have a million more chances to be wise” (1975, 121). When no boards (university or foundation or nonprofit or corporate) and thus no self-governing institutions remain free of state control, our society will be in serious jeopardy, and we seem to be nearing this dangerous precipice. But “control” can also come in more seemingly benign forms through philanthropic benefactions. The classical-liberal philanthropist cannot rest solely on the rights of donor intent, which always entails the perils of eccentricity, but must constantly consider whether his intent embodies the principles of classical liberalism and can be realized through classical-liberal means. Because the first principle of classical-liberal social analysis is to start, as Hayek enjoined, with “the concepts which guide individuals in their actions” ([1952] 1979, 64), so the first principle of classical-liberal philanthropy in higher education may be, in the beginning and in the end, to ensure that individuals of merit have adequate resources to associate freely in communities devoted to the highest standards of scholarship and intellectual life, whether these communities offer accredited degrees and recognized credentials or not. Rogge and Goodrich wrote in “Education in a Free Society”: “The task of educating individuals for freedom, if done at all, will be best done by *private* agencies and institutions, manned by individuals deeply committed to that cause” (1973, 65, emphasis in original). Perhaps the discovery of the best arrangements for higher education will come when classical-liberal philanthropists find ways to reward scholarly merit and initiative and to create congenial spaces characterized by the happy responsibilities and liberties of self-governance rather than by the dismal burden of academic politics—spaces where our liveliest minds can seek both to understand our past and to devise new ways of conveying to future generations a love of the liberty to pursue truth in theory and practice.

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