Governing Giving: Defending the Promotion of Philanthropy in the Liberal Democratic State

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Chapter One: Introduction

“Liberality, then, being moderation in the giving and taking of wealth, the liberal man will give and spend the proper amount on the proper objects, alike in small things and in great, and that with pleasure; and will also take the proper amount from the proper sources. For since the virtue is moderation in both giving and taking, the man who has the virtue will do both rightly.” (Aristotle, Nicomachean Ethics 2011, 82)

“But the magnificent man is like a skilled artist; he can see what a case requires, and can spend great sums tastefully. For, as we said at the outset, a habit or type of character takes its complexion from the acts in which it issues and the things it produces. The magnificent man’s expenses, therefore, must be great and suitable... Moreover, the magnificent man’s motive in thus spending his money will be desire for that which is noble; for this is the common characteristic of all the virtues.” (Aristotle, Nicomachean Ethics 2011, 85)

In his Nicomachean Ethics, Aristotle presents a form of human flourishing and happiness that includes the inculcation of moral virtues: patience, temperance, justice, liberality and magnificence. Both of these last virtues are concerned with wealth and its proper virtuous distribution in society. Magnificence or magnanimity has as distinct and visible a presence today as it did in Aristotle’s time. With billions of dollars spent in philanthropic enterprises around the world, the way in which people understand the value of beneficence and generosity has changed dramatically over time. The “skilled artistry” of philanthropy involves the just identification of and allocation of goods to social causes. The genesis of philanthropic spirit is also representative, in some ways, the genesis of democratic values. This senior thesis will explore how the virtues of liberality and magnificence have been made manifest within the liberal democratic state through government legislation. It will question the nature and normative character of that
legislation, and the very relationship between society, social virtues and
democratic government.

The interaction between democracy, civic virtues, and the liberty of
citizens to choose their own values, lies at the fulcrum of the analysis of any
country’s consolidation of a democratic regime. How can we foster those values
that create a democratic culture that in turn aspires to create the equality of
opportunity? Ought democratic societies seek to cultivate democratic values, or
ought these values develop organically? What is the role of the government in
promoting these values? If a democratic government were to force the creation of
these ‘normatively good values’ in their regime, would these values maintain their
normative goodness? In answering these questions, one comes to the ubiquitous
push and pull of means and ends, and their influence on each other.

This thesis will undertake an examination of philanthropy in the liberal
democratic state. *Philanthropia*, the “love of humankind,” has existed as a
cornerstone of democracies since the height of the Athenian democracy (Kemmis
2014, 16). The act of philanthropy, or charity, is one that involves a complex
interaction between civil society, government regulatory institutions, and
normative democratic ideals and rhetoric. Different agents drive the generation of
a sense of public virtue, from top-down institutional explanations to organic civil
society arguments. Philanthropy is an activity in which our values, leisure
interests, deeper moral doctrines, and duty to the state surface. It is neither like
paying taxes nor like being a civil servant; it involves a complex set of human
emotions, morals and motives that include both altruism and self-interest, public
and private expression, and the preservation of and transformation of civic institutions.

This senior thesis will first propose a definition of philanthropy, what it means to promote or support philanthropy, and the context of the liberal democratic state. Chapter Two will survey the existing literature on the promotion of philanthropy, examining the two most common measures of philanthropy’s success: its democratic nature and its redistributive capacities. The burden of this thesis is to ultimately use these evaluations of philanthropy promotion in both the ideal and non-ideal state to persuasively argue that (a) philanthropy provides some tangible, democratic benefit to the liberal community, and (b) that democratic government has the right to be involved and promote an activity that forms certain values among the population. Chapter Three will assess the degree to which philanthropy itself is both unique and beneficial in the liberal democratic community. The chapter will look at three benefits of philanthropy that are often underestimated: its liberal values, its public nature, and its ability to harness the reflective capacities of citizens. Chapter Four will focus on justifying philanthropy promotion itself, making the argument that philanthropy functions as a mode of John Rawls’ ‘overlapping consensus,’ and thus keeps the liberal state stable and intact. Furthermore, Chapter Four will compare philanthropy promotion to other types of state-supported institutions, using this comparison to illustrate the limits of philanthropy promotion. Finally, Chapter Five will offer policy suggestions to address the criticisms of current charity promotion law, using the framework outlined in Chapters Three and Four. While this thesis puts
forth workable definitions for the terms used most frequently in the discourse on philanthropy in this opening chapter, part of its contribution lies in arriving at a more holistic, expansive, and qualitative understanding of philanthropy’s unique nature.

Parameters and Purpose

Defining Philanthropy

In order to fully understand the implications of government-regulated philanthropy, it is important to have a working definition of what comprises philanthropy. For the purposes of this analysis, philanthropy will also be referred to as charity, eleemosynary activity, and altruistic activity. Philanthropy itself can encompass several different kinds of activity, from volunteerism to charitable giving to fundraising. To understand to what degree we ought to critique the government’s support of charity, one must have some kind of typology to distinguish between different kinds of eleemosynary activity. For the purposes of this paper, I will look at the types of philanthropic activity that are most prevalent in liberal democracies, as explained below.

The following table tries to represent the parameters along which philanthropic activity might be divided. Money indicates that the activity takes the form of currency, while labor suggests physical involvement and time. At the behest of others can indicate that one is engaged in philanthropic activity either on behalf of an organization, or at the behest of an administrative state body. To what degree this represents coercion by the state or merely the proxy desires of the state
is also an important factor to consider, and I will return to that later on. *Volunteerism* is also an important aspect of philanthropy, given the sometimes-unpredictable effects it can have on democratic outcomes.

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<th>Money</th>
<th>Labor</th>
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<tbody>
<tr>
<td><strong>Voluntary</strong></td>
<td>E.g. charitable donation</td>
<td>E.g. volunteering at a hospital</td>
</tr>
<tr>
<td><strong>At the behest of others</strong></td>
<td>E.g. being a sponsor for a fundraiser</td>
<td>E.g. pro bono work at a law firm</td>
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With this typology, we can see that not all philanthropy is carried out in the same way, and accordingly, is not necessarily treated consistently across government institutions. The kind of philanthropy being both performed and supported has important normative implications. For example, if a government were to support only forms of philanthropy in which individuals devoted time and volunteer services to registered organizations, it would indicate a substantially different relationship between individuals and the state than facilitating donations to these registered organizations would. What is considered charity in political theory and in public policy are two very different things: advancing religious beliefs versus supporting existing government welfare initiatives versus orchestrating the furnishing of a museum with one’s private collection are all very different activities, and yet can all often be conceived of as ‘philanthropy’ under the law. For the purposes of this senior thesis, philanthropy will be defined as both
charitable donations and voluntary activity by the citizens of the liberal
democracy.

The distinctions between these two activities will not go unnoticed; their
support by the government is, after all, based upon different rationales. For
instance, supporting charitable donations could arguably be propelled by the
belief that the government has a role to play in regulating commerce. On the other
hand, implementing supportive legislative measures for volunteer activities
implies a very different government interest in the associations and group
activities of the citizens. Chapter Three of this senior thesis explores how these
types of philanthropic activities have a distinct and positive role to play in liberal
society.

**Defining Philanthropy Promotion**

Philanthropy, it is argued, has existed long before the refinement of
regime types. Even in Machiavelli’s *Discourses on Livy*, we find evidence of
strategic philanthropy:

“The city of Rome was afflicted by famine; and as the public magazines
were insufficient to supply the deficiency of food, a citizen named Spurius
Melius, who was very rich for those times, resolved to lay in a private
stock of grain and feed the people at his own expensive. This liberality
attracted crowds of people and won him the popular favor” (Machiavelli
1950, 493 in Reich 2011, 4).

In the liberal democratic regime, the mechanisms through which
philanthropy can be promoted differ. *Philanthropy promotion* could plausibly
encompass everything from the rhetoric of an administration to the historical phenomenon of mandated labor (the *corvée*), and the payment of taxes in kind. However, in most liberal democracies to which the above definition applies, philanthropy promotion takes the form of two main mechanisms: formal legislation at the state and federal levels, and through tax breaks and subsidies. The promotion of philanthropy is controversial: it involves a number of simultaneous interactions between civil society and the government at different levels. When defining philanthropy promotion it is key to understand that this kind of promotion exists on a spectrum, as demonstrated in the table below. This thesis will look at the form of philanthropy promotion that is most common in liberal democracies, and arguably the least coercive and illiberal: the encouragement and incentivizing of certain altruistic behaviors (column three).

<table>
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<th>State Involvement</th>
<th>Example</th>
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<td>Universal mandating of philanthropy in kind.</td>
<td>Requiring volunteer work from citizens in a transactional relationship to receive certain state benefits. E.g. Forced monthly public service, the <em>corvée</em>.</td>
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<tr>
<td>Mandating of philanthropy only among a certain subset of society (in cash or in kind).</td>
<td>Requiring the wealthy to donate certain amounts of wealth periodically to civic organizations.</td>
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<td>Encouraging certain forms of philanthropic behavior within the public sphere.</td>
<td>Implementing tax subsidies and incentives for altruistic behavior.</td>
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<td>Banning of certain philanthropic behaviors.</td>
<td>Banning religious institutions from using tax-exempt funds for proselytizing purposes.</td>
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In Canada, the United States, the United Kingdom, and even India, certain tax subsidies and laws exist to either subtly or explicitly encourage philanthropy. Arguably, the most hotly-debated of these laws is the United States’ charitable giving tax deduction, through which foundations and citizens can deduct the tax they would pay on their donation. Incentivizing or allowing civil society to donate in this manner even allows large foundations to deduct from property taxes and income (Hall 2013, 3-7). Rob Reich at Stanford University contends that this contributes to the status of the United States as the country with the most generous subsidy structure for charitable donations: “Charitable giving in 2011 was nearly $300 billion, costing the U.S. Treasury more than $50 billion in lost tax revenue” (Reich, Philanthropy and its Uneasy Relation to Equality 2006, 5). Thus, philanthropy and its considerable involvement in traditional government welfare activities demands a greater degree of philosophical attention.

It is perhaps this palpable social impact and power that philanthropy now has that has led to the periodic waxing and waning of public trust in philanthropic associations. Peter Dobkin Hall extends the above argument and suggests that philanthropic organizations in the state-sponsored manner they exist today have grown to wield an enormous amount of soft power (Hall 2013). Though initially thought of as a place for disqualified elites to promote their views without the resources of the government, Hall suggests that the World Wars and national crises cemented the role of philanthropic associations as closely related to supporting government (Hall 2013, 3-7).
In countries in which philanthropy did not grow in tandem with changes in social hierarchies, governments have attempted to pass laws that explicitly call upon civil society to volunteer their time and funds. In April 2014, the Companies Act of 2013 came into effect in India. The Act contained a corporate social responsibility clause that mandated philanthropic activity among India’s mid-size companies. The law mandates that these qualifying companies must spend “at least 2% of [their] average net profits made during the three immediately preceding financial years on corporate social responsibility (CSR) activities” (Jain and Govil 2014). The Act further specifies the types of approved CSR activities, such as the eradication of extreme hunger and poverty, gender equity and women’s empowerment, and conserving national heritage.

It is therefore evident that democratic governments involve themselves rather heavily in the world of charity and social policy, by simply removing the barriers to charitable giving and/or even explicitly encouraging it. Understanding the justifications of democratic governments for doing so both in practice and in normative theory is crucial if one is to understand to what degree these policies ought to be supported.

**The Liberal Democratic State**

For the purposes of this paper, I will use a definition of a *liberal democracy* that could be applied to many of the states today that regulate charity in some way or another (e.g.: the United States, the UK, Canada). Democracy, if anything, indicates self-governance. Dahl contends that the “key characteristic of
a democracy is the continuing responsiveness of the government to the preferences of its citizens, considered as political equals” (Dahl 1972, 1) In a liberal democracy, this characteristic is complemented by the manifestation of civil liberties and values such as toleration, the freedom to associate, and free speech (Inglehart and Welzel 2005, 14). Fair political procedures and democratic elections are also assumed to be part of the principles of the liberal democracy. The liberalism-communitarianism debate has defined much of the discourse on political liberalism. The liberal democratic state strikes a balance between confirming the ideals of liberalism and treating citizens with careful neutrality (Dworkin, A Matter of Principle 1985). The way in which this regime seeks to embody both liberty and equality for its citizens will be an important aspect to discuss in this thesis.
Chapter Two:  
Political Theories of Philanthropy

The critique of philanthropy promotion in liberal democracies is not new in the Western world; contemporary debate has centered on the critique of the current mechanisms used to support philanthropy. While this thesis will certainly use examples related to current systems of state-supported charity, it will also focus on what type of democratic or liberal attitude these mechanisms suggest. In the past thirty years or so, there has been a concerted theoretical assault on charitable tax deductions and other subsidies. Broadly, these arguments state that philanthropy promotion fails to adequately redistribute public goods, and in failing to do so, does not contribute to distributive justice. Those who defend philanthropy, however, are less focused on the lack of a causal relationship between philanthropy and distributive justice, and more focused on the virtues that performing philanthropy inculcates within citizens. This is certainly a valuable lens through which one can view the status of charity within the liberal state, but it fails to account for the two-step justification of philanthropy promotion that this thesis hopes to outline: first, the benefits of philanthropy for both the individual and society, and second, the justification for the promotion of philanthropic behaviors by the liberal democratic state.

This chapter will provide an overview of the different schools of thought that comment on philanthropy and its promotion in the liberal state, highlighting many of the difficulties this thesis will encounter in justifying this activity, and further, will outline the discrepancies in this literature that this thesis hopes to fill.
I. Philanthropy and Democracy:

The first, and arguably oldest, justification for the involvement of government in philanthropy centers on the nature of philanthropic activity itself. By demonstrating the various good qualities and values of philanthropy, namely (a) its relationship with liberty, (b) its promotion of the freedom of association, and (c) its relationship with pluralism, theorists suggest that a representative government ought to have a role to play in their cultivation. In this section, I will first explain each of these arguments, followed by an evaluation of their coherence and comprehensiveness in justifying state support for philanthropy.

Liberty and Beneficence:

The principle of beneficence in political philosophy has raised a number of interesting questions related to social justice, the rule of law, paternalism and the obligations of individuals and corporations. In political thought, philanthropy has long been associated with liberty. In his *Theory of Moral Sentiments*, Adam Smith argues that beneficent acts cannot be extorted or compelled, lest they lose their very essence. He argues for a system of social justice in which civic life may be promoted among the citizenry by the state – beneficence being a key component of this system. In such a society, justice and beneficence are compared and balanced, and their legislation requires careful moderation by the state and attention to the liberty associated with beneficence. Adam Smith writes,

“Of all the duties of the lawgiver, however, this, perhaps, is that which it requires the greatest delicacy and reserve to execute with propriety and
judgment. To neglect it altogether exposes the commonwealth to many gross disorders and shocking enormities, and to push it too far is destructive of all liberty, security, and justice” (Smith 1976, 156).

Beneficence, therefore, cannot be forced; it must be a voluntary activity if it is to play its instrumental role in creating the virtue of justice in a society. Philanthropy must have some degree of regulation in order to provide all individuals with the freedom to perform altruistic acts, but the nature of philanthropy must be essentially liberal, allowing individuals and groups to choose their level of societal responsibility in a democratic society. Smith goes as far as to contend that there can be “no fixed laws for acts of benevolence;” so strong is the association between philanthropy and liberty.

Mandating philanthropy, therefore, such as in India’s case, would no doubt be robbing citizens of their liberty, and likely diminishing the effects of philanthropy. However, applying Smith’s argument against the legislation of philanthropy to the idea of merely promoting it sheds interesting light on some of the central questions of this analysis. Allowing citizens the liberty of philanthropic action is good and appropriate for the state; we ought to consider how easing the barriers towards accessing this liberty is also a justifiable undertaking of the state, given that it is not ostensibly coercive, but rather, is incentivizing. Smith’s seminal work on the role of ethics in political associations suggests that philanthropy ought to be promoted and protected by the state because it allows citizens their liberty in a democratic state.
Charity and the Freedom of Association

This discussion of philanthropy and liberty is furthered by scholarship of the philosophy of associationalism. Alexis de Tocqueville’s connection between democratic health and the presence of thriving association is relevant to understanding the associative nature of philanthropy (Tocqueville 2000). In “Giving Circles: Democracy, Voluntary Associations, and Philanthropy,” theorist Angela M. Eikenberry describes how voluntarism promotes democracy by strengthening civil society and cultivating a utile, pluralistic environment: “Voluntarism seems to contribute much to democracy in its civic and social effects on members of voluntary groups, and in the pluralistic nature of voluntary association and philanthropy” (Eikenberry 2009, 27). Moreover, she argues that it is not necessarily the act of philanthropy that creates these democratic outcomes, as much as it is the freedom of association that allows for charitable giving. The “pluralistic nature of the freedom to associate” is an integral component of both philanthropy and democratic outcomes, and therefore, ought to be promoted by the government according to philosophers Warren and Rosenblum (Eikenberry 2009, 28). However, Eikenberry, like Smith also warns against the over-regulation of philanthropy; charity must be treated with caution against over and under-legislation.

The freedom of choice is also a principle connected to this topic. This ability to freely make charitable donations is one that is also often discussed within the context of American constitutionality and the motives of the Founding Fathers (Hall 2013). One might expect that early American thinkers like John
Madison, who would likely have associated these philanthropic associations with democracy-eroding factions, might construe voluntary associations negatively. However, modern theorists suggest that the presence of these social interest organizations decentralizes the power of public institutions, and therefore maintains a system of checks and balances on power.

Perhaps it is most useful to note that the purported relationship between philanthropy and democracy depends on instrumental variables that improve democratic health. The direct relationship between the two is not entirely clear; philanthropy might allow individuals the ability to self-govern in some ways, but in practice, it is only through associations and collective action that they might have real impact on democratic health.

**The Pluralism Rationale:**

Those appreciating the diversity of ideas and innovations in the democratic marketplace also praise the notion of pluralism in this freedom of associative beneficence (Enkleberry 2011, 13). Hall notes that, “Only by combining with others could individuals influence government and, failing that, join together to do what government could or would not do” (Hall 2013, 2). Rob Reich also suggests that the tax subsidy can be justified by a ‘pluralism rationale,’ as referenced in a discussion on associationalism. Here the ‘public good’ to be measured is the enhancement of civil society through the flourishing of diverse, multipurpose organizations. A strong civil society arguably leads to a thriving democracy.
These organizations have also historically been associated with the protection of minority interests (Raymond 2011, “Minority Philanthropy: The Future Has Arrived”). The creation of a “diverse, decentralized, and pluralistic associational sector,” is thought to be the bedrock upon which thriving liberal democracies are based (Reich, Philanthropy and the Real Utopia 2012, 14). Reich argues that by decentralizing the process of producing public, social good within civil society, and promoting pluralist associational life, one can justify state-created incentives for philanthropy. Reich draws on the ideas of US Supreme Court Justice Lewis Powell to justify government incentives for philanthropy in the Bob Jones University v. United States decision in 1983:

“In my opinion, such a view of 501(c)(3) ignores the important role played by tax exemptions in encouraging diverse, indeed often sharply conflicting, activities and viewpoints… Far from representing an effort to reinforce any perceived ‘common community conscience,’ the provision of the tax exemptions to nonprofit groups is one indispensable means of limiting the influence of governmental orthodoxy on important areas of community life” (Reich, Philanthropy and the Real Utopia 2012, 15-16).

Arguments relating to the democratic outcomes of government incentives for philanthropy also tend to focus on how state-supported philanthropy affects civil society. In “Philanthropy and the Real Utopia,” Reich defines civil society as the “public good or social benefit” being produced by philanthropy. In Advancing Philanthropy, Dr. Stanley Katz from Princeton University focuses on analyzing the intimate relationship between volunteerism and civil society, arguing that this mutually beneficial interaction ultimately has the power to strengthen both
democracy and improve democratic prospects around the world. (Katz 1994)
President and CEO of the California Endowment, Robert K. Ross argues that even
large foundations are a crucial part of civil society in democracy:

“Foundations are necessary tools of democracies powered by private
markets. They are odd because democratic civil societies are, by their nature,
“odd”—there is no rational justification for their sustainability and success…
America’s 225-plus-year evolutionary experiment with a workable
democracy remains just that, and institutional philanthropy remains one of
the tools required to help make this odd governance structure work—the very
same governance structure that Tocqueville marveled at in Democracy in
America.” (Ross 2013)

These arguments provide a convincing account of why philanthropy has
enjoyed such a positive relationship with democratic governance. Both the
manner in which philanthropic activity is performed, and the regime conditions in
which it thrives appear to be distinctly democratic. However, while these
contentions are convincingly made in theory, they are hotly disputed in practice.
A deep tension exists between the liberty with which charitable giving is made
possible, and the equality in the name of which it is done. Most effectively
outlined by Rob Reich, this counterargument suggests that, in reality, government
initiatives like the charitable tax deduction have the potential to significantly
hamper equality. Reich outlines how the freedom of choice embodied in
philanthropy can affect the democratic outcomes that it seeks to promote, through
individual and institutional harms:
“Individual harms are the product of the actions, motives, and behavior of individual philanthropists; philanthropic endeavors sometimes harm the people they were meant to benefit. Institutional harms are the product of public policies and incentives that set the framework within which philanthropy takes place; public policy can cause and exacerbate harms itself, apart from the motives or actions of individuals” (Reich 2011, 6).

Furthermore, Reich elaborates on how the tax deduction in the United States discriminates against individuals of certain tax brackets, ultimately benefiting the wealthy; the wealthy, being more likely to donate to private schools, art galleries, museums or hospitals perpetuate the institutions that they receive the benefit from in the first place (Reich 2011, 8-11).

Emma Saunders-Hasting further develops this notion in her analysis of foundations. Philanthropic foundations are inherently plutocratic, she argues, propagating the free, but individual views of a few wealthy Carnegies or Rockefellers. With sixty-five “mega-foundations” in the United States possessing over $1 billion in assets, it is easy to see how foundations might be able to manipulate the freedom they enjoy to propagate very specific worldviews, or focus on select social justice issues (Saunders-Hastings 2014). While foundations and other forms of philanthropies are given great freedom precisely because they create a plurality of viewpoints and offer different innovative solutions to problems of inequality, it is this same freedom that creates the potential for the exclusion of minority viewpoints.

The subject of foundations and their regulation by democratic governments raises an important question: is there an appropriate, middle ground
that governments ought to strive for when regulating philanthropy? One could argue that a middle ground is not only a possible goal, but also a necessary one: for philanthropy to retain its true character, it must be appropriately regulated. Moreover, one can see that while philanthropy does have a strong association with democratic behavior, there is no convincing account of how philanthropy actually changes the values of a society to move them towards a more democratic conception of social justice. Even if one were to contend that philanthropy ought to be seen as a “public good,” there is no tenable way in which this good can be justifiably promoted without infringing upon its inherent liberty, or be adequately measured through the adoption of values in society. Theorists have sought to make the connection between philanthropy and democracy defined and crucial to a defense of charity incentives. However, this section illustrates the distance still to cover between philanthropy and democratic health. Philanthropy certainly promotes certain virtuous behaviors in the state, but these behaviors are not themselves explicitly democratic or indicative of strong self-governance. Chapters Three and Four of this thesis hope to make the incremental stage between philanthropy and democracy more defined through an analysis of the liberal community.

II. Charity and Justice:

Discussions about philanthropy’s role in democratic society are also often situated in arguments of social justice. The equality of opportunity is closely related to the type of social justice to which liberal democracies aspire. Miranda
Perry Fleischer at Boston University suggests that current philanthropy literature lacks a substantive focus on distributive justice as a motivating factor for charitable tax subsidies, and other forms of philanthropy promotion (Fleischer 2011). The two primary supporting arguments for charitable tax subsidies – that they are an efficient mode of charity and provide opportunities to improve democratic plurality – are simplistic, according to Fleischer, and fail to recognize that the tax system itself is motivated in part by social just

This line of argument focuses on a different understanding of the role of these laws, in order to explain how they might be responsible for furthering the equality of opportunity. Liberal egalitarians, for instance, focus broadly on how to improve equality by minimizing “the impact that the arbitrary circumstances of one’s birth have on an individual’s opportunity, while simultaneously holding each individual responsible for her own decisions concerning what kind of life to pursue” (Fleischer 2011, 265). John Rawls’ conception of equal opportunity argues for a fairer understanding of opportunity itself, in which the impact of material circumstances as well as the distribution of natural endowments must be factored in. Social structures in which those without such natural talents are relegated to irrelevance are unjust, and thus can be plausibly condemned by a democratic government (Rawls, A Theory of Justice 1999).

The resulting effect of this condemnation is support for a social institution that allows for the equalizing of these endowments through distributive social structures. Rawls’ conception of how beneficence exists as a subsidiary component of the primary societal virtue of justice is fundamental to our
understanding of government support for that beneficence. His argument might be extended to be a normative justification for charitable tax subsidies and their counterparts in other countries; if it is the responsibility of both society and the government it elects to compensate individuals for the misfortune of unequal opportunity, then understanding the subsidizing of charity through the lens of distributive justice is a logical extension of current scholarship (Fleischer 2011, 620). The tax system itself invokes distributive and retributive justice as a response to inequality – charity too can be motivated by the aims of distributive justice enshrined by the state. Economist Charles T. Clotfelter noted, “although few would argue that redistribution is the most important justification for maintaining nonprofit institutions, distributinal impact remains one significant consideration, as it is in most areas of public policy” (Clotfelter 1992, 3).

Coupled with this distributive intent of charity is the idea that charity through civil society supplements the responsibilities of the state, and is therefore justified under the contract into which citizens are entered. Liam Murphy and Thomas Nagel suggest the following:

“The word charity suggests that this deduction is a means of decentralizing the process by which a community discharges its collective responsibility to alleviate the worst aspects of life at the bottom of the socioeconomic ladder. Since there is disagreement about what the exact nature of that responsibility is, and about which are the most efficient agencies, it is arguably a good idea for the state to subsidize individuals’ contributions to agencies of their choice rather than itself making all the decisions about the use of public funds for this purpose” (Murphy and Nagel 2002, 127).
However, as before, theorists are also concerned about the real-life outcomes of this focus on distributive justice as a justification for government support of philanthropic subsidies. Murphy and Nagel continue:

“But even if that is so, the existing deduction cannot be defended on those grounds, because many currently deductible charitable contributions go to cultural and educational institutions that have nothing to do with the poor, the sick, or the handicapped. State funding of such may or may not be desirable, but the argument would be very different, and ‘charity’ is hardly the right word” (Murphy and Nagel, 2002, 127).

One must acknowledge that despite the seemingly sound intent of charity to promote equality and distribution, scholarship has moved to an increasingly quantitative evaluation of the consequences of government promotion of philanthropic subsidies. Reich has focused considerably on the greater potential for inequality through the charitable tax deduction. Taking the involvement of the state in philanthropy as a given, Reich evaluates its form, asking, “What are better rather than worse public policies for philanthropy, policies that will encourage goods rather than harms?” (Reich 2011, 8) The possibility for institutional harm, the ability of wealthy elites to promote their own aims through such subsidies, and the small segment of the population actually eligible for these subsidies are valid concerns related to the real impact of the distributional aims of charity.

Metrics demonstrating how the charitable tax deduction caters only to a small, wealthy section of society, cast light on how the intent to provide distributive justice in the ideal state through state-supported philanthropy might not be a particularly sound claim. For example, only one-third of the American
population appears to have taken advantage of the tax deduction in the last five years. (Dann 2014) The arguments relating to distributive justice do not hold water in a non-ideal, practical state, where charity, it seems, does not positively impact the equality of opportunity. These results cast the philanthropic duty to work towards distributive justice in doubt, leaving many theorists to suggest that there is no justification for state-supported philanthropy, since it cannot work in both theory and practice (Hall 2013).

Chiara Cordelli at the University of Exeter has sought to salvage this notion of a philanthropic duty within a democratic non-ideal state by arguing that the wealthy members of society have an obligation to those denied the equality of opportunity that they were afforded. In such a system, Cordelli argues that it is the wealthy who are most likely to profit from the unjust system (Cordelli 2014, 16). The fact that the wealthy would be benefitting from injustice combined with Cordelli’s argument that the wealthy are actually contributing to this inequality, means that this resulting injustice “can be plausibly regarded as acting in the name and on behalf of its citizens” (Cordelli 2014, 18). The harms being caused by the lack of government funding/resources/policies is a damage that needs to be addressed by citizens who share culpability in this damage in a representative democracy. Essentially, when the rules of a distributive social justice become inadequate, there exists a duty of retributive justice: “a duty to return to others what is rightfully their own” (Cordelli 2014, 23). This argument, of course, raises a number of concerns about ownership and belonging in democratic society, and
the question of how to assess the duties of justice in other non-ideal situations (Cordelli suggests “failed states or a state of nature”).

While Cordelli’s argument regarding a retributive duty of beneficence does in part manage to salvage the conception of philanthropy as a normative good within a democracy, neither retributive nor distributive justice-based arguments answer the more concrete questions underlying the development of an egalitarian, civic culture in a democracy. While the above arguments are useful in explaining why individuals have a responsibility to donate, and how the representatives of these individual actors share this sense of beneficent duty, they justify philanthropy almost exclusively based on the democratic outcomes that society has as a whole. While this is not necessarily a flawed approach, I would argue that it diminishes the aspects of philanthropy itself that can be beneficial, such as the ones discussed in the first section of this analysis. Further, in the narrow focus on only the democratic outcomes of philanthropy, distributive justice arguments ignore the fundamental aspects of the process of state-supported philanthropy, and the modes in which it is conducted. Distributive justice considers the broad intent of philanthropy, but fails to comprehensively include the benefits of philanthropy to a giver and a receiver, a foundation and a non-profit, a welfare bureaucracy and those on social security.

Furthermore, while both the first and second sections of this thesis focus on the productive outcomes and reasonably beneficial effects of philanthropy promotion in a democratic state, they fail to provide a convincing account of why the state ought to be involved in the regulation and promotion of a civic activity
like philanthropy. The third and fourth sections of this paper shall deal more substantially with these questions of what values philanthropy can instill in a democratic society, and questions of political liberalism and the role of the government.
Chapter Three: 
Defending Philanthropy in the Liberal State

The evaluation of charity and its promotion is usually based on how well an organization performs its duties of distributive justice. The effective use of donor money or volunteered time and expertise defines a registered charity’s reputation. The allocation of funds towards research or welfare or the development of civic life, determines the impact of a charity in its most tangible form. However, this chapter hopes to outline a more holistic comprehension of philanthropy’s impact on the liberal state. Philanthropy often operates under the state goals of combatting inequality or injustice. It arguably has an even more expansive effect on democratic culture and the liberal community.

In order to make a case for the role of philanthropy promotion in the liberal democratic state, one must first situate the very activity of philanthropy within the state, understanding its effects on individuals and society at large. If one is to defend the promotion of a palpable civic behavior in a democratic state, then this justification must be shown to be something more complex and meaningful than a mere tax break or financial incentive. The previous chapter offered several modes in which philanthropy might appear to be normatively beneficial for democratic society. Chapter Three will examine how philanthropy has a role to play in the liberal democratic state in particular. Philanthropy’s features arguably make it an integral element of the liberal democratic state, which lays the groundwork for the state’s interest in supporting it.
First, philanthropy’s association with liberal values will be described, as will philanthropy’s ability to promote these values in society. Second, it will be argued that philanthropy ought to be considered a dimension of the political public sphere in the liberal state, and this section will point out how philanthropy is subject to both public reason and public justification. Finally, the chapter will argue that philanthropy uses and hones the reflective and moral capacities of citizens, and, in doing so, strengthens the liberal community of the state.

I. Philanthropy’s Association with Liberal Values

Philanthropy’s strong association with liberal values lays the foundations for how we ought to understand philanthropy’s own value within a society. In a liberal democratic society, philanthropy represents a certain set of rights that could be characterized as liberal: the right to allocate one’s income, the voluntariness of charitable activity, the freedom to associate. It is also encourages a number of values that could be deemed liberal: tolerance, social pluralism, and free and public discourse. The first part of this chapter bears the burden of connecting philanthropy with these values; given the myriad forms that philanthropy takes in democracies, this is a delicate task. This thesis will focus on what is arguably the primary virtue of liberal society; namely, social pluralism, as it is highly relevant to philanthropic activity, and further, integral to the very experiment of political liberalism. (Rawls, Political Liberalism 1993) Within the democratic state that confirms liberalism to be one of its goals, it is crucial to
understand how philanthropy, as a free and voluntary activity, might embody the essence of that liberalism.

**Social Pluralism as a Liberal Virtue**

First, it is important to define what is meant by “liberal virtues” and a “liberal community.” Concrete conceptions of what liberty means and what it entails have been the subject of centuries of debate. From Benjamin Constant’s distinction between private and public liberty in “The Liberty of the Ancients Compared with that of the Moderns” in 1819, to Isaiah Berlin’s positive and negative liberty, theorists have identified the most fundamental virtue of a liberal society, unsurprisingly, to be freedom. The nature of that freedom is also nuanced; whether freedom involves the demonstration of the reflective capacities of citizens, or a more abstract understanding of autonomy, it is clear that a liberal democratic society is, as the categorization suggests, defined by certain markers of liberty, enshrined in the democratic rights afforded to citizens.

Stephen Macedo, however, identifies social pluralism as the most important liberal virtue in practice—the coexistence of political, social, religious, ethnic, and racial groups in a single society. Through the tolerance, self-criticism and dynamic individuality created by social pluralism, citizens can begin to exercise their reflective capacities—a key element of this regime: “In fact, a pluralistic social milieu positively encourages the reflective capacities defining moral personhood and those more extensive capacities composing the ideal of liberal autonomy” (Macedo 1990, 254). A liberal community is one that commits
itself to the protection of this social pluralism, allowing for the pursuit of both broad and narrow interests by citizens, and of the autonomy to self-govern.

**Philanthropy and Social Pluralism**

Contemporary scholars of philanthropy suggest that pluralism is one of the primary virtues promoted by philanthropy that leads to increased democratic health in a liberal democratic society (Macedo 1990). Philanthropy has a strong relationship with both autonomy and social pluralism. Within its promotion, one could argue that there are two distinct instances of the promotion of social pluralism as well. The first of these is within the donor and volunteer base. Like any kind of association, philanthropy brings together a diverse set of individuals with diverse understandings of social change, social order, and backgrounds. Social pluralism itself is of great value in such a society; I would argue that philanthropy both creates pluralistic outcomes and also functions as a pluralistic mechanism. Those who defend the charitable tax deduction argue that such subsidies ease the barriers of access to those who wish to demonstrate their autonomy and discretion as citizens. Philanthropy, as a long-existing practice in democratic society, promotes the idea that citizens can have both broad and narrow interests that they are free to support whenever and in whatever form they choose. The element of discretion within philanthropy is a powerful indicator of both the choice and the plurality of opinions that philanthropy allows.

In a way, philanthropy is a mechanism that both depends on and increases levels of social pluralism. As a social mechanism recognized and regulated by the
state, philanthropy is accessible to all those deemed members of the state. In this way, the state hopes to treat all individuals wishing to donate money or time to charity equally, and allow them the freedom of choice to engage with whatever ideology drives them. Narrow niche interests can fund everything from a registered non-profit that runs a free daycare, to university facilities, to the Salvation Army. The thriving of this kind of philanthropy promotes a pluralist society, which places importance on the existence of differing doctrines. Rawls asks whether a well-ordered and stable democratic government can be possible and coherent in a plurality of comprehensive and reasonable religious, moral and philosophical doctrines (Rawls, Political Liberalism 1993). He suggests that looking at various political institutions and basic measures of stability, from the judiciary to legislative bodies, can help in assessing the coexistence of these comprehensive doctrines; one could argue that philanthropy is also an indicator of how diverse a society is.

Charity law as it stands in today’s liberal democratic societies like the United States, Canada and the United Kingdom includes religious, philosophical, social and other associative bodies within its guidelines (Payton and Moody 2008). By allowing citizens to support these organizations in a regulated manner, liberal democratic governments provide support for an institution that not only promotes liberal virtues, but also encourages the sharing of opinions and public institutions. I would further suggest that, by and large, the goals of charities are often oriented towards distributive justice and economic redistribution.
The second important area in which social pluralism is promoted through philanthropic activity is in the outcomes of charity. With the discretion of individuals in choosing different altruistic outlets comes a diversity of social developments. Philanthropy funds the arts, religious activities, welfare systems, health systems, and the provision of basic public goods. Broadly, philanthropy promotes a pluralistic culture, in which different understandings of society thrive. Ronald Dworkin’s defense of the liberal state’s support of arts funding highlights several of these important pluralistic outcomes:

“My suggestion is this. We should identify the structural aspects of our general culture as themselves worthy of attention. We should try to define a rich cultural structure, one that multiplies distinct possibilities or opportunities of value, and count ourselves trustees for protecting the richness of our culture for those who live their lives in it after us.”

(Dworkin 1984, 152)

Dworkin’s assessment that the richness of culture provides certain opportunities and public benefits to liberal society is crucial in how he describes a just society, in which the benefits of mixed public goods are distributed through spillover and reciprocation between different levels of culture. He describes the sense that “art and culture have intrinsic benefits for the public as a whole,” and are enjoyed not only by those who make special transactions to enjoy it, but also by different groups of society as the aesthetic and intellectual experience that spills around them (Dworkin, A Matter of Principle 1985, 225). Philanthropy, in a similar way, spreads mixed goods around the public, diffusing an appreciation for fairness in society through the support of welfare, to an appreciation for tolerance among
differentspiritual doctrines, to the same appreciation for Hamlet, Carmen or the Harvard Art Museums that Dworkin praises. The fact that this kind of plurality leads to the simultaneous development of different fields in society speaks to the benefit of having people make their own choices of what to endorse and support.

The Price of Pluralism: Counterarguments and Responses

The inculcation of liberal virtues through philanthropy is a promising consideration when examining the stability and constitution of a liberal democracy; however, there are many critics of philanthropy’s strong relationship with social pluralism. It is possible that despite the distributive intent of philanthropy, its outcomes are less than liberal. The philosophical tension between liberty and equality pervades philanthropic activity and its outcomes; philanthropy’s connection with liberty is so strong, that it can accordingly be “indifferent to equality and sometimes even a cause of inequality” (Reich, Philanthropy and its Uneasy Relation to Equality 2006, 2). While equality itself does not figure into scholarly understandings of liberal virtue, striving for social justice and tolerance towards fellow citizens are the hallmarks of a liberal community. There are two distinct problems when we weigh the importance of social pluralism as a liberal virtue against the outcomes of philanthropy promotion: inequality in terms of participation and in terms of outcome.

One could argue that promoting philanthropy through tax subsidies does not promote social pluralism, because of the lack of real financial diversity represented in charitable activities. In the United States, the charitable tax
deduction essentially allows the wealthy to receive greater returns on their donations, given their membership in a higher tax bracket. In more tangible terms, a person who occupies the top tax bracket at 35% would receive $350 on their $1000 from the government, as opposed to someone in the 10% tax bracket, who would only receive $100. By making it more financially viable for the wealthy to donate money, of course, the charitable tax deduction eases the barriers towards hefty donations, but it also makes it difficult for the middle and lower class to subsidize these deductions. Often called the “Generosity Divide,” this has interesting effects that vary with factors such as class, income, the level partisanship of the state in question, the urban landscape, and the concentration of the super-rich (TurboTax 2014). It was estimated in 2010 that only about a third of Americans were eligible to take advantage of the tax breaks offered by the charitable tax deduction. Further, such deductions only apply to those paying income tax in the first place. Those paying payroll taxes because of significantly lower income—43% of Americans in 2014—are not brought into the valuable, pluralistic environment of charitable incentives (Austin and Williams 2015).

This hinders the benefits of social pluralism, because it is the only those individuals of a certain tax bracket that can claim something as tax deductible. This aspect of the US’s charitable tax deduction, therefore, is one of the forms of legislation that can be conceived of as hampering the benefits of philanthropy as an activity that promotes liberal virtue. No great tolerance is created among individuals who come from the same segments of society. Thus, when we consider who makes philanthropic donations, and why, there is no great sense of
social pluralism in participation, as those participating are perhaps doing so not because of the liberal virtues they hold dear but rather for the sake of a larger tax return.

Second, the lack of plurality within the donor base often reflects a lack of diversity within philanthropic outcomes. Social pluralism often succeeds at creating a liberal community because of the many diverse doctrines that must learn to coexist and thrive. In the case of charity, however, oftentimes the result is not a social pluralistic one, as some causes become better served by philanthropists than others. Giving can easily be dominated by majoritarian trends that do not necessarily support a pluralistic way of life. The potential for institutional harms from philanthropy diminishes the value of the activity’s liberal associations.

First, we can look at the disproportionate outcomes of charity law in the United States. Giving USA found that giving to religion was the largest by total at $105.53 billion—31% of giving (The NonProfit Times, "Giving USA 2014 Highlights"). Education, human services and health saw marginal gains in giving last year, but this still pales in comparison to religious giving. It is often in the sphere of religion that political theory and public policy questions on charity become difficult to answer. In considering the intent, reach, inherent value systems and the redistributive systems of places of worship, it is clear that religion’s place in charity law in liberal democratic states is controversial. That giving is so skewed towards religion in democracies like the US, UK (13%), and Canada (40%) demonstrates the existing lack of social pluralism promoted
through philanthropic activity (Turcotte 2011). One could argue that the large chunk of donations held by religious organizations hardly promotes liberal values or redistribution as much as it promotes a distinct doctrine of worship.

These counterarguments make a cohesive case for better charity laws that ought to be driven more by redistribution than by the liberal values that charity seeks to promote. However, in response, I would argue that a balance must be struck between protecting liberalism and striving solely for certain outcomes. When it comes to questions of who might be involved in philanthropy and who might choose not to participate, it is important to remember that philanthropy’s benefits, with respect to liberalism, come from its identity as a voluntary act. Philanthropy as regulated by the government is an activity of free persons, protected by the state. Though some charity groups have more impact, sometimes, than a single individual (and vice versa), it is individual donations and the doctrines that they are based on that are the key element of political liberalism. When some donations and charitable services appear to be more salient in the public eye than others, one could easily label that as the public expression of the majority, which doesn’t necessarily earn heavy criticism.

In the case of pluralistic outcomes (or the lack thereof), I would respond by arguing that irrespective of what amount of donations are made to each group, it is the very fact that religious, philosophical, redistributive, and health and human services organizations can and ought to all occupy the same sphere that promotes a stable, diverse and liberal regime. Furthermore, in the United States at least, which supports an estimated 321,839 congregations, the registering of
religious organizations as 501 (c) (3) registered charities allows for these individuals to come together and participate in charitable giving in a collective and meaningful way (Roeger, Blackwood and Pettijohn 2013). Though religion’s status as a charitable activity in the US might not be one that can be consistently characterized as redistributive it does allow for religious doctrines to sometimes compete and at least, interact with those of other religions and ontologies.

One could argue that distributive justice might be better served by having concerted, premeditated donations towards causes that are likely to have the largest impact on redistribution. If the hallmark of political liberalism is that the regime has citizens that can use their reflective capacities, then perhaps it is the responsibility of the state to make sure those capacities can be utilized. For example, one could hypothetically propose that charitable donations be incorporated into election ballots. By this hypothetical system, it would be easy for voters to check a box earmarking a dollar or so to a specific fund. Essentially, some kind of legislation would exist whereby individuals could make donations of some amount into a larger, government administered fund that was able to most effectively address inequality, and distributive justice. The section of citizens not reached by taxation would thereby be more effectively assisted by a philanthropy that eliminated donor discretion.

But what’s wrong with that conception of philanthropy promotion without donor discretion? First, it would diminish the strong liberal values present in philanthropy. The discretion of donors is what allows for the development of a plural society. Funding for the arts, higher education and welfare programs are all
important contributors to a democratic culture. Individuals should feel free to choose between causes as an extension of the liberties they are granted in such a democracy. Furthermore, they ought to be able to identify causes that they feel passionate about individually that might not be salient in the majority eye. Second, discretionary donations come from discretionary income. Christopher Dann, director of Next Generation Fundraising syllogizes: “All non-capital voluntary spending comes from discretionary income. All non-capital giving comes from discretionary income” (Dann 2014, 2). Philanthropy extends certain economic rights regarding the discretion of one’s income, and certainly ought not to be regulated by a democratic government, lest it infringe upon those economic liberties.

Third, the involvement of a government in further deciding what cause is worth supporting is undemocratic and communitarian. A democratic government might reasonably confirm that directing all charitable donations towards primary education would have the greatest impact on inequality. However, a charitable donor might also reasonably believe that donations to a homeless shelter would more directly impact her understanding and experience of inequality. This notion of discretion in donations, condemned by Chiara Cordelli, would not only be highly unlikely in a liberal democracy, but would also hamper the effectiveness of the voluntary associative capacity on which philanthropy thrives (Cordelli 2014). These arguments illustrate how important it is to evaluate philanthropy from both the perspective of distributive justice and the more abstract measure of liberal values, like social pluralism.
II. Philanthropy in the Public Sphere:

Philanthropy’s status as a social voluntary activity places the activity firmly within the public sphere of liberal democratic society. Jürgen Habermas describes the public sphere as defined by certain political tensions and the public exercise of reason by private persons:

“The bourgeois public sphere may be conceived above all as the sphere of private people come together as a public; they soon claimed the public sphere regulated from above against the public authorities themselves, to engage them in a debate over the general rules governing relations in the basically privatized but publically relevant sphere of commodity exchange and social labor. The medium of this political confrontation was peculiar and without historical precedent: people’s public use of their reason” (Habermas 1991, 27).

In this section, I will first describe the nature of the Habermasian public sphere. Second, I will examine how philanthropy is a part of the public sphere, and thus how it exhibits the public reasoning of liberal society. In doing so, philanthropy embraces its position as between the spheres of governance, associations and individuals.

The Habermasian Public Sphere

While Habermas’ historical and sociological analysis identified face-to-face coffee house type interactions and media output as primary areas for this sphere of engagement, one could plausibly argue that philanthropy also exhibits
certain characteristics of this liberal social order. First, it must be noted that
Habermas’ historical progression towards the contemporary state was preceded by
important past developments and conditions. With preconditions of sorts—such as
a “world of letters already equipped with institutions of the public and forums of
discussion” (Habermas 1991, 51)—private citizens possessing of their private
liberties entered forums of political debate and purposes. Using the model case of
Great Britain’s development of a public sphere, Habermas lays out the
transformation of the historic bourgeois public sphere—its move away from the
traditional institutions that represented it, the blurring of the distinction between
private and public that accompanied it, and the economic and social prosperity
that enabled it (Habermas 1991, 142). However, Habermas’ account of the public
sphere ends with pessimism. The publicity of this sphere becomes “staged for
show or manipulation” (Habermas 1991, 247) while the political sphere that ought
to grow conscious of promoting a liberal welfare state becomes dominated by an
unreliable, government-driven account of mass public opinion (Habermas 1991,
240). The many elements of this public sphere—public opinion, private interests,
and a distinct tinge of elite culture—have arguably evolved in the 21st century
with the advent of technology and globalization, leaving the modern-day public
sphere open to new interpretation.

Habermas describes a society in which the elite, through their culture,
their literacy and their Aristotelian magnificence, manage to have productive,
democratic discourse in public spaces. By virtue of being a part of the public
sphere of civil society, these small associations were able to create an
understanding of a small segment of democratic society, and work toward its expansion and consolidation. Habermas’ assertion that public associations were able to have such benefit in society highlights the potential for an activity like philanthropy to have the same effect.

**Philanthropy as within the Public Sphere**

Philanthropy is unique; in many ways, it is an expression of the modern-day public sphere whose absence Habermas laments. This section will argue that philanthropy plays an important role in the public sphere, and in doing so benefits the liberal democratic community. The first way in which philanthropy plays a role is through associations. Habermas invokes Tocquevillian understandings of associative capacity in the form of public opinion; associations and their expression could act as a check on executive powers, but were also subject to certain limitations inherent in any majority-made decision (Habermas 1991, 134). Philanthropy is certainly not dependent on public opinion, but it does interact with it substantially. Philanthropic associations investigate, publish on and propose solutions to problems that are very salient in the public sphere, from education to health issues. As an institution of this sphere, its outcomes are, more often than not, visible to society at large. While the public sphere was thought to break down during liberalism’s “heyday…during which capitalism gradually became ‘organized,’ the original relationship of public and private sphere in fact dissolved” (Habermas 1991, 140), one could argue the reverse; that the advent of liberalism reinforced the coming together of individuals to endorse their private
doctrines publicly. This ‘mutual infiltration’ of public and private lives that appeared during liberalism’s apparent reign was one that was a progressive development for philanthropy, during which the social welfare aims of both the state and the public functioned in parallel. Philanthropy merges both private and public opinion; political aims of social welfare with private understandings of civil society and responsibility. This is beneficial for liberal society because of how it allows individual and public civic liberties to merge together in the form of associations, which in turn allows for the successful public expression of ideas and justice in a liberal society.

Second, philanthropy’s public nature encourages the exercise of public reason. Public reason refers to the type of deliberation that takes place regarding issues of concern to a society—issues of justice, legitimacy and law. Philanthropy, the discretion involved in charitable giving, the act of engaging within a regulated system of charity law, and the ability to enter voluntarily into an association, demonstrate the effective union of private reason and public motivation. By existing in the public eye, philanthropy becomes subject to public reason and justification, much like other issues concerning justice, like legislation or healthcare (Macedo 1990). The public must confer upon and offer solutions to ills that plague society; this not only consolidates the public sphere, but encourages the collective use of reason. The public expression of private reason encourages collection, which in turn creates the sense that a community is governing and representing itself more wholly. Whether the aim and outcome of this activity within the public sphere is distributive justice or whether the activity
is merely for the sake of association, I would argue that philanthropy involves the public reasoning of private citizens, and thus ought to be considered a part of the public sphere. Public reason does not only involve the exercise of one’s reason publicly, but also emphasizes important discussions taking place in a public, diverse and reasonable audience. Philanthropy brings individuals together in a public sphere of reasonable persons, which adds legitimacy to the process by which public goods are distributed.

One problem in describing philanthropy as part of the sociological ‘public sphere’ involves how one gains membership into the public sphere. Habermas describes the nature of those educated private individuals, their letters, their artistic critiques, their intellectual discernment and subjectivity, their property ownership; their foray into the political realm spelled positive things for civil society (Habermas 1991, 56). Arguably, today’s citizens who enter philanthropy also hope to positively impact civil society, using the same tools of subjective discernment and reason to choose causes, make donations and make political use of those donations, yet may not be taken as seriously as their bourgeois or elite counterparts. Nonetheless, what is useful about philanthropy is in how it can practiced by multiple dimensions of the public sphere that need not be part of a legally-identifiable group. Over 95% of the American population gave to charity last year, according to Giving USA’s annual report for the year 2014; not all of them gave in the same way, but their giving and time spent volunteering marked their entrance into the public sphere and their concern with issues of justice.
Another concern regarding philanthropy’s public nature is the obvious problem of very private and anonymous giving. Even if the outcomes of philanthropy are often public, a lack of transparency and accountability in the realm of private giving is concerning. This will be addressed in Chapter Five, in which current charity law is analyzed; however, for the purposes of this section, it is important to note that the lack of entirely ‘public’ giving in this way is more a result of legislation than the nature of philanthropy as an activity. The public sphere of the twenty-first century can be both diverse and equal in its outcomes, truly serving as a marketplace of political ideas and doctrines, as private citizens express these ideas. Conclusively, the important point to note about philanthropy being situated in the public sphere is that it brings the discourse on justice, inequality and social ills into a space made up of different parties, powers and interests.

III. Reflective Capacities and Ethical Reasoning through Philanthropy:

A liberal community is, by nature, made up of a diverse set of persons and of a diverse set of beliefs. Two distinct characteristics of the liberal citizen (or the two “moral powers” as Rawls refers to them in *A Theory of Justice*) create the basis of the just society. The first of these is the capacity of citizens to use their reflective capacities to function as democratic citizens; the second is their ability to ethically reason using these capacities. Rawls develops this idea to then place a sense of moral obligation upon those with the autonomy that comes from self-knowledge and reflection. Understanding oneself within a multitude of others lies
at the core of the experiment of political liberalism; the ability to self-reflect creates valuable freedom and the use of that freedom to aspire to peaceful pluralism creates the cohesion of the liberal community.

In this section, I will use these concepts to make the argument that philanthropy makes use of the reflective capacities of citizens, and in doing so, creates a greater consciousness of moral character and of the liberal state. First, the interaction between autonomy and justice in the liberal state will be addressed. Second, the way in which autonomy and the exercise of reflective capacities creates a valuable liberal democratic community will be outlined. Finally, this section will connect these concepts with philanthropy, arguing that philanthropy (both historically and in political theory) can be correlated with the exercise of the liberal citizen’s ethical reasoning faculties. It should be noted that this section of the chapter attempts to focus more on how philanthropy is impactful and transformative on the individual level, thus making its virtues individually applicable and beneficial in the liberal state.

*Autonomy and Justice in the Liberal State*

This thesis has already broached the topic of reflective capacities and democratic citizenship. Arguably, the development of a certain kind of political autonomy allows individuals to reason reflectively, and gives them a “sense of justice.” In *Political Liberalism*, Rawls explores this notion through the “original position” in political theory (Rawls, A Theory of Justice 1999). Approaching a doctrine without the weight of ethnicity, politics or other subjectively straining
features in society, a person might make a reasoned and rational approach to a situation that requires their representation: “Persons are reasonable in one basic aspect when, among equals say, they are ready to propose principles and standards as fair terms of cooperation and to abide by them willingly, given the assurance that others will likewise do so” (Rawls, Political Liberalism 1993, 49). Rationality and reason combine to provide the basis for comprehending justice and representation in the context of citizenship. Rawls elaborates on the rational, suggesting that its application builds on how one judges and prioritizes certain means and ends: “The rational is, however, a distinct idea from the reasonable and applies to a single, unified agent (either an individual or corporate person) with the powers of judgment and deliberation in seeking ends and interests peculiarly its own” (Rawls, Political Liberalism 1993, 50).

What is key to this assessment of the reasonable and the rational is that within Rawls’ basic structure, they both function in tandem, creating an essential social virtue. This virtue of reasonable and rational persons lies in their capacity to reflect, endorse, reject, propose, and act upon injustice within society, based on their comprehension of the world around them. Upon those who possess this capability falls both the gift and burden of judgment and moral discernment. Within the liberal state, the existence of this capacity will make those who disagree find common ground within the liberal and illiberal milieu, creating a fundamental, public understanding of justice.

While Rawls delves deeply into the connotations of freedom and autonomy that create the potential for this capacity for discernment and disagreement, what
is crucial to understand for the purposes of this thesis is that those possessing reflective cognitive capacities are liberal moral persons. Stephen Macedo argues that “liberalism is not first and foremost a theory of the relation between the ‘self and its ends’, it is most directly a way of organizing political life that stresses the importance of freedom, individual rights, law, limited government, and public reasonableness” (Macedo 1990, 206). According to Rawls, the ability to reconcile those kinds of social orders and conceptions of citizenship with a rational understanding of one’s place in that order is the foundation of the powers of citizens and their power as representable beings in a democratic state (Rawls, Political Liberalism 1993).

The ability to reason regarding justice and morality can also be unique when applied to the public sphere. Rawls, as a realist, suggests that these theoretical capacities enable citizens to “specify the terms of social cooperation…to model freedom and equality” (Rawls, Political Liberalism 1993, 25-26). Rawls’ definition of freedom, which includes the moral power to comprehend the good, has important political and nonpolitical implications. One could argue that in a liberal democratic society, this builds the notion that morality can and ought to move into the public sphere. Public reason itself depends on the capacity of human beings to have an understanding of morality, of their responsibility for their own actions and of a well-ordered society. The freedom and the capacity to reflect upon what is good in society lay the foundations for a liberal community to grow and evolve.
Freedom, Reasoning and the Liberal Community

The correlation between freedom, the law, and a sense of liberal citizenship is relevant for the discussion of how philanthropy fits into the discourse of political liberalism. Liberal political theory rejects an understanding of classical citizenship like that of Aristotle and Plato and that of modern thinkers like Jean-Jacques Rousseau. The inclusion of private judgment, cogitation and reflection into the political sphere was met with great opposition until liberalism began to gain momentum in the mid-1900s. The traditional critiques of the individual liberty of the citizen rested on the fear of tyranny, the need for a complete engagement with the pursuit of an active political life, and a lack of faith in citizen virtue (Macedo 1990; Aristotle 2013). These critiques, however, neglected the value that individual judgment and virtue can bring into the political, public sphere, especially in terms of how a plurality of opinions and individual judgments might breed tolerance and a practice of public debate and justification. As many liberal thinkers might, I will argue that the possession of the “two moral powers,” as Rawls calls them, are instrumental in how we understand the creation of a liberal community.

What is a liberal community? A liberal community is one in which citizens might possess individual values and yet aspire to a larger comprehensive set of public values and political principles. The liberal community embodies many of the principles prized by thinkers like Rawls: freedom, autonomy, and a conception of justice. Yet the difficulty of achieving a liberal community lies within the intersection of free choice and the “good” choice. It is difficult to tease
apart how free beings might freely come to a universally agreed upon doctrine to enforce.

As such, liberal thinkers often debate the mechanisms by which a liberal community might be or can at all be created. Macedo describes how the actions of individuals move into the sphere of community when they are subject to “public tests of justice, the minimal burden that liberalism requires” (Macedo 1990, 248). Being subject to a public defense of sorts of one’s actions requires certain capabilities, both in their rational approach and in their understanding of the ends of justice and the common good. Diversity, too, breeds a certain development of these capacities in a democracy. Being confronted with different conceptions and paths to the good brings many of the demands of democratic citizenship to the fore; citizens must appeal to an understanding of the goals of the liberal state in itself, and yet not succumb to superficial, impossible uniformity. Citizens are bound to disagree on moral issues, both in the private and public sphere. Yet, it is these disagreements, ethical challenges and their resolution within society, whether in debates centered on legislation or citizen-run judicial systems and associations, which bolster this aspect of liberal community. The choice of choosing among values ought not be thought of as a declaration of irreconcilability between values but rather as an exercise of judgment and individuality. The ability to evaluate between value-laden activities is what develops a sense of liberal citizenship.

Communitarian thinkers like Michael Sandel argue that one of the pitfalls of the self-reflection encouraged in a liberal society is that it requires a certain
distance from the considerations of one’s personal projects (Sandel 1989). The reasonably impartial doctrine that is arrived at through the practice of liberal citizenship defines a limit of justice and the limit of a liberal society; the metaphysical space between the practice of liberal values and the personhood of liberal citizenship might be too wide to be considered true liberalism. Reflective detachment as a part of reflective capacity might detract from the individualism that liberal polities prize. However, one could respond to such communitarian claims by suggesting that it is this same reflective detachment that gives us a real capability to understand ourselves as relative to others—something that ought to be valued highly in how it can contribute to better individual understanding. Macedo asserts something similar in suggesting that, “the capacity for reflective detachment helps us put a brake on our own pursuits and respect the equal rights of others” (Macedo 1990, 79). For instance, when we consider magnanimity to be a social virtue, we do so because it exhibits simultaneously both a personal detachment from and a public commitment to those around us. Reflective detachment does not preclude understandings of priority, culture or strong social evaluation, but rather encourages them in a reasonable and rational way.

**Philanthropy and the Exercise of Reflective Capacities:**

Macedo suggests that, “Part of the case for liberalism (though perhaps not the most important part) is that it promotes types of character that may be esteemed virtuous and kinds of community that are attractive as communities” (Macedo 1990, 213). One could argue that this also forms the case for
philanthropy in a liberal society. In many ways, philanthropy is a tacit, voluntary social institution that allows for the exercise of the reflective capacities of moral citizens, asking them to clarify their personal and politically public principles with an eye to justice. In the above sections, I have described how a liberal community might flourish with citizens capable of such citizenship; philanthropy, I would argue, asks for a public commitment to the kind of moral reasoning that builds such a community.

The capacity for ethical reasoning that Rawls uses to develop his understanding of representation in *Political Liberalism* can also be applied to philanthropic institutions. As in a liberal democratic state, philanthropy calls for active representation from members of society, and yet does not burden them with a social contract in the way that a tax system might. Furthermore, philanthropy encourages both a sense of membership in a civic institution, but also encourages a wider respect for persons as equals. For instance, a charitable association like the Harvard Homeless Shelter that supplies blankets and food to the homeless in Harvard Square, Cambridge, Massachusetts provides members with a sense of belonging, invokes moral thinking regarding social justice, reaffirms a commitment to this liberal justice through action, and also creates a larger sense of belonging within a human community.

Philanthropy thus encourages reflection and the weighing of moral choices among those who practice it. Membership within philanthropy is not an all-enveloping kind of membership given that its very outlook is external, towards the society within which it functions. Individuals must make choices regarding
what they consider to be morally problematic and detrimental to achieving a certain kind of justice, and, moreover, must act in favor of this justice with their own goods. The very act of donating money or time, I would argue, develops the reflective capacities of citizens, which in turn contributes to the development of the liberal community. Philanthropy’s promotion is one that could be classified as generally unobtrusive, and not confirming of a comprehensive doctrine, but rather confirming of the diversity of ways in which to support a comprehensive liberal justice. In a way, philanthropy promotion encourages autonomy as a reflective capacity. This autonomy is also a conscientious kind of autonomy that forces individuals to consider the relative autonomy of others. Philanthropic activity is a positive exercise—one that allows individuals to gain a deeper understanding of negative and positive liberty.

IV. Final Remarks

Philanthropy plays a variety of roles in the liberal democratic state. As a part of the political public sphere, it moderates between diverse segments of society, and acts as a stage for a discourse on inequality, arts and culture, and the well-being of the liberal community. The varied ways in which philanthropy is practiced indicate various levels of engagement with the liberal values of individuals, small charitable associations, or large corporations or foundations. This diversity promotes the interaction between the siloes of society; through their experiences, individuals can apply their reflective capacities in a productive way.
Understanding philanthropy’s position in liberal democratic society, at the individual and societal level, demonstrates its intrinsic and public value. At the civil society level, this forms a part of the argument for why society at large would want to be free to perform altruistic activities. Philanthropy’s effect on distributive justice and civic life is evident, but it is natural to ask why the state ought to have any role to play in promoting this beneficial activity. After all, the most liberal course of action might simply be to give citizens the freedom to do whatever they please with their money and time. The rationale behind government involvement in the voluntary sector needs to be examined in order to fully justify philanthropy promotion. If philanthropy itself strikes a balance through its involvement with civil society and the government, then the stake that both parties have in this activity must be normatively defensible. This is the subject of Chapter Four, and is, in many ways, the thrust of this thesis.
Chapter Four: Defending the Promotion of Philanthropy in the Liberal Democracy

The donations of time, money and thought to issues of social justice lead to the creation of desired qualities among democratic citizens and the communities that they are a part of. The previous chapter described three often-ignored ways in which philanthropy might be desired by liberal states in political theory, focusing both on charity’s contribution to distributive justice and the cultivation of liberal values. In this chapter, I will consider the implications of actually promoting philanthropy. To simply argue that philanthropy’s described positive effect on liberal society necessitates the interest of government in promoting it is insufficient. Any number of activities or behaviors of democratic citizens and associations could conceivably have a positive impact on liberal society. To truly defend state-supported philanthropy, it is crucial to delineate the relationship between the state and this civic activity. The state’s involvement in legislating and regulating philanthropy, whether in the form of tax breaks or other forms of incentives, must be appropriate in terms of the impartial role of the state, the fulfillment of the states duties, and what duties realistically come under that purview.

This chapter will conclusively defend the element of “promotion” in state-supported philanthropy. First, I will suggest that philanthropy could be viewed as a mode of Rawlsian overlapping consensus. In doing so, I will illustrate how philanthropy is situated within the liberal state and supports its structure. Second,
I will look at the promotion of philanthropy as compared to the promotion of other value-heavy activities. This section will discuss the ideal role of the state in liberal discourse, discussing how philanthropy might fit in with other types of state duties. Most importantly, this chapter will discuss the limits of promotion of philanthropy, specifically the limits of promoting certain virtues in society when considering problems of coercion, publicity of action, and variations of virtues.

I. Philanthropy as a Mode of Overlapping Consensus

The question of how to have a political conception of justice within a liberal democratic regime in which a plurality of reasonable moral, philosophical, and religious doctrines might exist is the focal question of political liberalism. In answering this question, Rawls offers the idea of an overlapping consensus, which seeks to explain how an understanding of liberal justice might arise from a reasonable plurality (Rawls, The Idea of an Overlapping Consensus 1993). The way in which a politically liberal state might maintain stability, democratic character, and a liberal conception of justice within a reasonable plurality of doctrines is arguably through the pursuit and achievement of an overlapping consensus. Such a consensus in the creation of a well-ordered society consists of two important features: stability and a conception of justice as fairness. In this section, I will briefly explain the features of an overlapping consensus, and its role in maintaining such a regime through the values and behavior it implies. Next, I will illustrate how philanthropy might actually be an instrument of
overlapping consensus, encouraging and cultivating it, and thus coming under the
purview and very composition of the liberal, democratic state.

Political liberalism assumes that vibrant debate among different
comprehensive doctrines exists within the state. Each individual and the groups
that they are members of might have different conceptions of the good; however,
unlike in a state that is governed by one sole conception of the good, say
utilitarianism or an Aristotelian ‘good,’ the politically liberal state thrives on
social pluralism. Different, but reasonable conceptions of the good give citizens
the opportunity to exercise their reflective reasonable and rational capabilities to
reason ethically and co-exist. An overlapping consensus is one of the ideas that
Rawls argues makes political liberalism possible. It is the way in which
individuals might embrace their individual comprehensive doctrines and yet
affirm a larger public conception of justice and the values of social cooperation.

An overlapping consensus is an essential component of liberal society
because it implies the stability of the regime. Rawls defines overlapping
consensus as a consensus of reasonable comprehensive doctrines, in which these
doctrines endorse a political conception of justice. Social unity is, therefore, based
on this kind of consensus. This unity, however, is not a modus vivendi; if it were,
the very liberal forces governing the doctrines of politically active citizens would
cease to be liberal. Thus, the affirmation of this overlapping public conception of
justice between the diverse groups of people that exist in a liberal democracy is an
overlap that runs wide, but not deep. There are several features that are essentially
stable here; first, “the existence of conflicting doctrines [as] a feature of the kind
of the public culture that liberal conception itself encourages,” and second: the
degree to which there is sufficient motivation among citizens to act willingly to
provide each other with a certain kind of appropriate justice over time through
public and just institutions (Rawls, The Idea of an Overlapping Consensus 1993,
143). That kind of stability within citizen psychology is what allows for the
consolidation of justice as fairness itself.

Within this agglomeration of concepts that citizens would endorse is the
idea that it is the overlapping consensus of reasonable doctrines itself that makes
political liberalism possible. Within a public political sphere, the fact that people
of different reasonable creeds might coexist and stably hope for the perpetuation
of a justice as fairness makes a politically liberal regime possible. To that end, I
would argue that philanthropy has a role to play in how we understand an
overlapping consensus. Rawls describes a variety of institutions that come into
being that move society towards a liberal consensus, including judicial systems
subject to public reason. I would argue that philanthropy (in the form described in
this paper as a theory of beneficence), could be understood as an instrument of
overlapping consensus, in that it is a mechanism through which an overlapping
consensus might be arrived at.

Rawls describes a two-step process through which the consensus of
reasonable plural doctrines might be achieved. First, steps are taken towards a
constitutional consensus. At this first stage, the principles of society are accepted
merely as principles, not a doctrine or political conception. Over time, when these
liberal principles come to regulate action and institutions, they become subject to
public reason. Finally, these principles and the institutions in which they come to be manifested represent the virtues of political life and a conception of justice as fairness. Rawls also suggests that principles might be temporarily and reluctantly accepted as a *modus vivendi* before their transformation into the comprehensive doctrines that overlap to form a political consensus. I would argue that philanthropy is a component of the public sphere in which this exists and is endorsed.

First, let us consider philanthropy in the states of constitutional consensus. Philanthropy in multiple forms has long existed in history and been a part of political thought. The donation of money is very much a public act, whether it is the way in which the Machiavellian prince strives for *virtù* (Machiavelli 1532) or the Aristotelian gains greatness in his soul through magnanimity or the Christian nobleman gains entrance into heaven through the distribution of alms. The consciousness of giving to one’s fellow man represents a certain kind of conception of justice (or injustice), which encourages cooperative virtues in both private and public political life. In terms of a constitutional consensus, one could argue that philanthropy has historically encouraged the development of principles in society, such the tolerance and generosity towards others, and the pursuit of equality of opportunity. These are not virtues that need to be adopted as a *modus vivendi*, but one could certainly conceive of how they might support the development of a political conception of justice as fairness. Philanthropy encourages a plurality of conceptions of the good, but also a broader conception that mutual respect and beneficence towards one’s fellow man and the society
they live in is a broad conception of the good. Philanthropy deals, often directly, with different conceptions of justice, whether it discusses the economic, distributive justice, or the availability of culture and history to all who share that culture and history.

In becoming a political institution in the way described in Chapter Three, we can see how philanthropy and its association might be viewed as a key component of a stable conception of justice as fairness. Rawls writes of the cooperative virtues within this political life: “the virtue of reasonable and a sense of fairness, a spirit of compromise and a readiness to meet others halfway, all of which are connected with the willingness to cooperate with others on political terms that everyone can publicly accept” is a key component (Rawls, The Idea of an Overlapping Consensus 1993, 163). Philanthropy mirrors the promotion of these cooperative values through its own institutions; philanthropy is rarely a sordidly individual activity. Even if money is being sourced from one sole location, it must often be distributed with assistance to a distanced member or members of society. In that way, it creates a network of those of similar and overlapping ideas regarding political life and justice.

This is not to say that philanthropy is either necessary or sufficient in order to create an overlapping consensus and thus, to ensure the survival of a politically liberal system. However, philanthropy’s long history in diverse cultures alludes to its entrenchment within human society. One could argue that while philanthropy is not the only institution through which an overlapping consensus might come into being, it is certainly an associative institution, which
encourages the reasonable considerations of justice by the public, and the aspiration for a fairer society. Philanthropy’s promotion, therefore, is the promotion of not only appealing aspects of the liberal society as described in the last chapter, but the very sustenance of a liberal democracy. Aside from simply being a positive, value-oriented activity to promote, philanthropy as a tool of overlapping consensus demonstrates how it might actually lead to a thriving, surviving liberal regime. By encouraging people of different conceptions of the good—for instance, someone who donates to a church for the betterment of society and someone who volunteers to read to the elderly—to come together in the pursuit of their conception of the good, the state encourages society’s growth and development. Broadly, philanthropy encourages reasonable (not unreasonable and unjust) doctrines with an external social outlook.

To conclude: philanthropy thought of as a mechanism through which an overlapping consensus comes into being is a useful way in which its promotion might be defended. An overlapping consensus is integral to the existence of political liberalism; philanthropy’s role in that relationship effectively demonstrates its value within the basic structure of a liberal democratic state.

II. Philanthropy as a State-Supported Institution

The promotion of philanthropy can take many forms in the Western world, from tax subsidies for donors, to the suspension of property or income tax for registered organizations, to social capital for corporations involved in philanthropy. Between civil society, private enterprise, and government, it has become clear that
engaging in philanthropic behavior is socially rewarded. For instance, the Indian multinational conglomerate, the Tata Group, with revenue upwards of USD 103.27 billion enjoys an esteemed global reputation in part due to their heavy engagement in charitable and development work (The Tata Group 2014). With an impressive hundred-year track record in India, the group has been known to spend between three to twenty percent of its profits on community development, with an eye to infrastructural development and the provision of basic public resources for the rural poor (Nerurkar 2011). The Tata Group and other such conglomerates have always enjoyed the special interest and support of governments in India; in the United States, institutions like the Wal-Mart Foundation, Merck Patient Assistance Program Inc., and the Johnson & Johnson Patient Assistance Foundation, Inc. all rank high on the measures of national giving in the United States while simultaneously holding obvious, if not completely overlapping, business interests as large corporations (Foundation Center 2015).

How does one balance this complex mix of interests, distributive and innovative capacity and the inculcation of certain positive behaviors with the need for appropriate regulatory behavior? The central features of a liberal state—public reason, liberty, liberal rights, tolerance, individual and social pluralism—are all forces that come into play in the public sphere of a liberal state when we consider theories of beneficence. In this section, I first will assess how the actual act of intervention on behalf of a liberal democratic government might be normatively justified. Second, I will compare philanthropy to other state-supported institutions that promote certain kinds of behavior.
Defending State Interest

In advancing a political theory of philanthropy, its promotion within the state is often defended in terms of the charitable tax deduction in the United States and other similar forms of tax subsidy in the Western world. This makes sense, given that financial donations in particular are easy to track because of progressive tax systems in these countries, while non-monetary donations are, in a way, subsidized because of the absence of property or income tax on larger financial donations. While current Western tax systems do not allow tax breaks on time spent volunteering one’s expertise or efforts to a cause, liberal democratic governments do allow for the deduction of expenses spent on one’s volunteer work efforts (e.g.: fundraising expensive, uniforms etc.) (Internal Revenue Service 2015). Arguably, these forms of state interest in philanthropy incentivize the activity among both individuals and larger associations, be they corporations or religious bodies. Many theorists seek to defend the promotion of philanthropy as a way in which to gain a better sense of a tax-base; however, I would argue that there is a deeper, more abstract reason for which democratic governments must support philanthropy.

The notion that a government might incentivize and endorse a certain kind of behavior among its citizens is rife with problems when one considers its implications for political liberalism. For instance, what right does a government have to regulate any kind of personal doctrine or sentiment regarding justice? One could plausibly argue that the liberty of voluntary action is eroded when it
becomes incentivized by the state, especially when the form of incentive is monetary. Furthermore, the fact that the government has and will likely continue to support philanthropy has important implications. Arguing that the government has the right to promote philanthropy simply because it cultivates good, democratic behaviors explains the government’s interest in philanthropy, but does not justify its reach into the very ongoing of it in society.

Philanthropy promotes certain valuable behaviors in society that overall support democratic health. Having an overlapping consensus and broad interest in ensuring the equality of opportunity is appreciable in a liberal state. First, let us analyze how other civic institutions that promote a certain kind of virtue also receive implicit or explicit support from democratic governments. Liberal democracies tend to promote a variety of civic activities that they believe have value. For instance, let us consider military service and pro bono legal work. Through large state infrastructure, states convey that these activities will help create a certain type of moral character that is ubiquitously appreciated. The virtues of military service, be they discipline, defending the autonomy of one’s state, or loyalty, are reinforced by participation in the army. In liberal democratic states, the very values of tolerance, liberty and pluralism are enshrined and protected by state militaries. In the case of pro bono work, the state does not explicitly support the inculcation of certain values, but certainly regulates this type of public service by integrating a certain number of hours of pro bono work into the National Bar Association (Christensen 2006). The realm of education, both private and public, is another strong example of how the state already
promotes its interest in developing certain democratic values in society. In the
United States, the possibility of mandatory community service in public schools
has become enormously popular, couched in the rhetoric of producing more
mature and conscientious young adults (Smolla 2000). Liberal democracies are
clearly already involved in the promotion of normative values through other
institutional structures. Philanthropy, like community service, or national security,
is thus a neutral enough public activity that it is reasonable to promote, unlike a
specific religion or ontology.

Second, let us look at the more vexing aspect of promoting philanthropy –
that democratic governments are making their own value-laden assessment of
citizens they ought to be impartial towards. In Liberal Virtues: Citizenship,
Virtue, and Community in Liberal Constitutionalism, Stephen Macedo asserts that
liberal democracies can and must make a distinct ethical choice in what they
support if they are to preserve their regime. He suggests that at the moral core of
the theory and practice of the rule of law and liberal constitutionalism lies a
commitment to public reasonableness that is reinforced by the legal and political
institutions that exist in a democracy (1990). Macedo makes the provocative but
convincing case that liberal democracies ought not “emphasize the fundamental
importance of keeping government ‘neutral,’ or impartial between parties who
disagree about what is good in life (as liberals like Dworkin, Ackerman, and
Larmore have put it),” but instead ought to focus on encouraging a type of liberal
citizenship, which stands, “above all, for the positive value of freedom, freedom
to devise, criticize, revise and pursue a plain of life…and to call upon people to
respect the rights of others whether or not they share the same goals and ideals” (Macedo 1990, 257-59). Macedo makes the case that even in their un-idealized form, no liberal government can truly be neutral in its public values—it then chooses to reinforce the ideals mentioned above, which philanthropy is certainly conceivably associated with. Most liberal theorists would be unnerved by this deliberate choice by a government to support a certain view; however, the choice to be pluralistic, free, tolerant and malleable as a democratic society is hardly a regime of a “moral void of arbitrary values” (Macedo 1990, 283).

Macedo’s case for the presence of liberal virtues is a strong argument in favor of the government’s support of philanthropy, which confirms the aforementioned values. Theorists like John Rawls and Nick Martin use a narrower, more neutral definition of political liberalism than the liberal theory suggested above to justify charity, arguing that if all members of a society were to find a doctrine or practice to be publicly reasonable, it would be justified (Rawls 1996 and Harding 2014). However, this neutrality means that any kind of practice found to be ‘publicly reasonable’ could be promoted by a democratic government, from purposes of religious orders, to elite arts, to animal welfare. In Charity Law and the Liberal State, Matthew Harding argues that the absence of a conviction in the liberal democratic attitude towards philanthropy can lead to the “unsettling conclusions” we currently see with the charitable tax deduction (Harding 2014, 48). I would argue that in a liberal democracy, governments already do, and ought to affirm the values, which make this regime so distinct and globally appealing.
Furthermore, I would argue that philanthropy is unlike other such beneficial entities or activities that a state would support, because in addition to the positive behaviors and values that philanthropy cultivates, it is also (a) a free and voluntary activity, (b) preserving of individual and collective discretion, and (c) subject to public reason. Charity is unique in that it is a voluntary activity. Eikenberry and other supporters of subsidies on charity in democratic states highlight the importance of philanthropy’s voluntary nature (Eikenberry and Nickel, Towards a Critical Social Theory of Philanthropy in an Era of Governance 2006). I would argue that the fact that philanthropy is an opt-in activity that the government supports, as opposed to mandating it or imposing it through other means, makes it a unique activity. Other activities that might provide the same value-building benefit would likely not embody liberalism in such a way; it is the very nature of philanthropy that lends itself to being both liberal in practice as well as liberal in a larger, theoretical sense.

Furthermore, charitable donations preserve the democratic notion of discretion, in which the individualist virtue of choosing how to use their discretionary income and the time period of which this donation might be made are paramount. As described in Chapter Three, philanthropy is partially and certainly ought to be subject to public reason and justification. Not all such behaviors in a democracy are subject to this kind of public reason; the evaluation of philanthropy simultaneously by the state allows for the consistent determination of philanthropy as both a deeper societal good and a good because of its democratically selected understanding.
Clearly, governments can and do support certain institutions that encourage certain behaviors. Philanthropy is not entirely different. However, what makes philanthropy distinct is that it manages to combine what theorist Rob Atkinson calls “an implicit libertarianism in Tocquevillian philanthropy” (Atkinson 2011). He argues that philanthropy promotion is the government’s way of taking note of several implicit social biases in order to make the process of distributive justice more effective through philanthropy. By noting a bias toward financing with private contributions instead of taxes, toward privately funded versus public innovation, Atkinson makes the argument that the government is essentially subsidizing some of its own functions to make democratic processes more efficient. For Atkinson, the subsidizing of philanthropy through tax favors has more to do with an understanding of not simply the binary relationship between the government and the donees, but through the interpretation of altruism as a socially beneficial good among donors themselves (Atkinson 2011, 23).

To conclude, the key point when we consider justifying philanthropy promotion in liberal democracies is that we expand our considerations for justification. Distributive justice is one of the most important considerations in any liberal democracy, and yet, when we evaluate the promotion of certain kinds of behavior, like altruistic behavior, we must weigh impact in a way that is less tangible than mere redistributive statistics. What warrants government interest is not only the distribution of economic goods through philanthropy, but also philanthropy’s cultivation of public social goods and values.
III. The Limits of Philanthropy Promotion

Even as it launches a defense of philanthropy promotion in liberal democratic states, it is important for this thesis to set limits on the promotion of such an activity. Political theory has historically had a variety of different approaches towards voluntary charitable associations; from Adam Smith’s warning of over-legislation, to de Tocqueville’s praise of the associations that improved the quality of the American democracy, to Robert Putnam’s focus on the existing civic and government institutions that created an abundance of social capital, and an ensuing healthy democracy in *Bowling Alone: The Collapse and Revival of American Community* in 2000. These parameters set for understanding the promotion of philanthropy in a democratic state are important, because they influence our justification for this support. I would argue that there are several areas that require attention when analyzing charity law and other forms of philanthropy promotion.

*Coercion and Volunteerism:*

The face of philanthropic voluntary associations has changed drastically in the democratic world with the advent of new technology, the erosion of traditional civil society associations, and the rise of new forms of professional and virtual associations. (Eikenberry 2007). How people volunteer and why they volunteer is under far greater scrutiny than in past decades, given the greater amount of wealth and power that large philanthropies and philanthropists now possess. In describing the normative justifications of philanthropy promotion, the degree to
which citizens feel coerced into performing charitable acts is a key consideration. I would argue that so long as philanthropy stays within certain bounds of regulations that are neither entirely *laissez-faire* nor over-regulatory, philanthropy retains its status as worthy of promotion.

Let us consider in what ways philanthropy promotion might be harmful and coercive. If philanthropy were mandated among citizens or certain citizen associations, in the first case, there would be little separating it from a mere tax. Governments might have the same aims of redistribution as registered charities would, and the funneling of philanthropic funds would essentially have the same distributive outcome. This would not be coercive, but it would eliminate any of the agent-relative benefits that philanthropy might add to civil society. On the other hand, if philanthropy and the performance of charitable activity were part of required citizenship duties, we would have a system similar to that of the medieval *corvée*, which required a contribution to the public good of those that reaped benefits from existing within a public state infrastructure. This, I would argue, is coercive, and is really an outdated form of tax in kind, with little place in a liberal democratic society in which a progressive tax acts as the primary form of redistribution.

Other claims leveled against philanthropy promotion as coercive are subtler, and have more to do with who comprises the donor class. If the donor class is economically and socially skewed towards the higher end, those who will claim benefits for charitable donations of time and money might also be claiming benefits for themselves and the leisure activities that they find pleasurable.
Someone might argue that an art collector who makes large donations to an art museum is receiving a subsidy for one of their leisure interests. Or a doctor who makes a large investment to a healthcare provider registered as a non-profit is essentially receiving a subsidy on the income he donates within his own field. These benefits essentially allow the wealthy to receive a subsidy on their income in ways that the poor cannot receive this subsidy. In this way, the incentives for donating charity are not realistic incentives, and in some ways depict a kind of coercive inequality when it comes to charity law. I would argue that to be appropriate within the area of coercion, the government would need to ensure ease of access to certain deductible charitable practices and tailor promotion practices to the kinds of actual associations that exist.

Another key element to be preserved if philanthropy promotion is to be justified is discretion and choice in giving. Allowing individuals to affirm their own conceptions of the good and the just is more appropriate than for the government to express a specific interest in one kind of philanthropy. In accordance with political liberalism, this is one way in which states must exhibit a certain kind of neutrality in their values, thus overlapping in the consensus that distributive justice is a good, but enjoying the multitude of ways in which that good can be achieved and endorsed by the people.

*On Distributive Justice versus Cultural Philanthropy*

On the question of how the goal of philanthropy itself determines the state’s support for it, I would reiterate that distributive justice and the social value
benefits of philanthropy need to be viewed more holistically. A government cannot be expected to know what the exact intent of a philanthropist is; it is naïve to assume that givers will act out of whole and pure altruistic interest. With that in mind, no government can really ensure that philanthropy will always lead to either the distributive justice that they want, or the inculcation of approved values. For that reason, philanthropy promotion requires a certain level of distance from the activity in the way it is produced. This, to some degree, preserves the impartiality of government in how they might promote philanthropy. This is arguably a part of the rationale behind the charitable tax deduction in the United States: the liberal state avoids the kind of paternalism that defies individual liberty by merely lowering the barriers towards the exercise of philanthropic behavior.

Others might argue that the variety between different kinds of philanthropic outcomes creates a distinction with a difference, say for example, between donating to a church, to a book club and to a healthcare provider. I would argue that the state should treat the transaction of philanthropic goods as differently than they might view simple purchases and transactions (Atkinson 2011, 23). The state should treat altruism among citizens as a virtue independent of its outcomes, to avoid this kind of economic paternalism that could already be accomplished by tax. Atkinson argues for an ever more democratically oriented approach, suggesting that, “whatever cause any giver cares to give to is good, by virtue of the fact that it is a gift to a cause someone cares about” ( (Atkinson 2011, 24-27). I would argue that it is also possible for the state to both endorse a democratic and a liberal point of view; through philanthropy promotion they
might succeed in endorsing certain kinds of innovation, social cooperation and
tolerance among citizens by having a say in what kinds of organizations—
broadly—might be encompassed within their incentive structure.

IV. Concluding Remarks

The ability to endorse, reject, propose and repair proposals in society is the
hallmark of liberal citizenship and government. This chapter has illustrated how
the government’s promotion of philanthropy can be viewed both as necessary to
the functioning of the politically liberal state through overlapping consensus, and
as a realistic function of the state in a varied system of plural institutions. What is
particularly striking when we go into the very nature of promoting philanthropy is
not necessarily the inclusions and exclusions of tax breaks in economic theory,
but is a fundamental question about how we determine what is good in human
nature and how we increase its prevalence in society. The act of promotion is a
controversial one, particularly when it comes to government. To that end, the final
chapter of this thesis will explore in what ways the current system of promotion in
the Western democratic world might be changed to have a better and more
holistic grasp on charitable acts.
Chapter Five:
Conclusion

Altruistic behavior has both tangible and intangible benefits to liberal democratic society. Philanthropy, as shown in this thesis, exists at an interesting confluence of social and institutional powers, from tax systems to collection action, from individual agency to economic rights, and from ethical principles to applied personal doctrines. Within this complex environment of powers, the role the state has in promoting philanthropy and that philanthropy has within the state is crucially important. When the significance of philanthropic activity, in terms of its social and financial effects on distributive justice, is taken seriously, it becomes clear that this effect must be managed or regulated in some way that is appropriately representative. This is arguably the point at which we understand why the involvement of the state in philanthropic activity is necessary.

In a counterfactual example in which the state played no role in philanthropic promotion, the value that is derived from this state interest becomes apparent. Philanthropy on its own, unregulated or improperly regulated, has the potential for serious institutional harms. If the state had absolutely no involvement in charity, civil society would have no need to prove that their efforts had any kind of distributive effect, or even the intentions of justice. Organizations could easily take advantage of state resources and the freedoms of the politically liberal state to associate for the worse; organizations that promote racial or gender discrimination might proliferate. State regulation also allows for the government to give philanthropy the opportunity to grow through cooperation, prevent the
overlap and unnecessary competition of different charities, and the equality of opportunity and access to certain kinds of government organizational capacity and innovation.

One must also consider the possibility that philanthropy might wither without state-support; reporting revenues and spending with other forms of financial activity gives philanthropies a sense of accountability and transparency that would not exist without government regulation and compliance. It is not hard to imagine how philanthropies might be misused as a front for other types of detrimental social or economic activity if the caveats of regulation and government compliance were removed. Informal giving traditions might still exist, of course, especially through organizations that incorporate giving into the affirmation of existing doctrines like religious institutions. However, there is conceivably something meaningful about a group of people coming together for the purpose of improving society and finding common ground through doing so. Philanthropy and its promotion ought to be realistically viewed as desirable by the state and civil society both on the political theory grounds laid out in this paper, and on the grounds that its absence might lead to serious institutional harms.

I. Lingering Policy Questions

However, this does not mean that current charity law is not without its problems; indeed, all charities themselves are not created equal. Sometimes broad tax subsidies do scarce little for overlapping consensus, and instead can be used by registered non-profit organizations to promote polarizing ideologies.
Alternatively, organizations that promote discriminatory and anti-democratic ideologies can still maintain tax-exempt status in the United States, as the Westboro Baptist Church does as a registered 501 (c) (3) organization in the United States. The Church, well known for picketing military funerals in protest of gay marriage, manages to shy away from “overtly political activities,” so as to preserve their tax-exempt status, and yet aggressively pushes an inegalitarian perspective as noted by J. Bryan Lowder in his March 4, 2011 *Slate* article, “Subsidized Hate: Why the Westboro Baptist Church remains Tax-Exempt.”

Current charity law treats all organizations the same, despite the fact that some might have aims that are more congruent with promoting distributive justice or a liberal ideology; while this is appropriate for a government that wants to maintain neutrality, it makes it difficult for the state to support struggling organizations, leaving them at the mercy of the market. A more effective way to promote an overlapping consensus might be to explicitly include the desire for such a consensus (as well as redistribution) within the requirements for registering as a charity.

The efficiency of charities is also something that is not taken into account when governments look at charitable tax deductions. For instance, organizations are often ranked based on what proportions of donations are spent on their charitable programs. CharityWatch grades charities based on their program percentage spending as well as the costs they must incur to raise one hundred dollars. Other non-profit ranking organizations measure both program spending as well as the diversity of the donor base to form a letter grade for a charity. These
different methods of ranking charities allude to the lack of standardization for what a charity is, how efficient it must be and how its performance ought to be holistically measured. This creates a problem when it comes to creating universally applicable charity law in which the government must demonstrate a certain neutrality. Current charity law lacks consistency in its aims and its outcomes. Neither distributive justice nor overlapping consensus is prioritized when developing charity laws; inclusion is prioritized, both on the basis of who can perform charity and who charity can affect, but this eventually just results in all organizations that function on some associative capacity being considered worthy of charitable subsidies.

The 2008 Financial Crisis resulted in a greater scholarly and policy focus on combatting extreme inequality and the rise of the ‘super rich’ around the world. Reflecting on the Crisis, scholars blamed a number of faulty systems: the decline of unions, technological advances, the increasing money in politics, and the basic failures of governments to use the tax tools at their disposal progressively. Thomas Piketty’s *Capital in the Twenty-First Century* expresses fear at the increasingly powerful pull towards inequality that is leaving generations of hard-working individuals poorer than they would have been in their grandparents’ time because of failing social mobility and the power of inherited money (Piketty 2014). This commentary on growing inequality has important effects on our consideration of the place of philanthropy promotion in liberal democracies—charity ought to be reworked to have its desired effect on social and economic justice if it is to help combat inequality. There are several
areas of contention in current literature that would need to be addressed in order to have some degree of consistency and effectiveness in charity law.

**On the Subsidy of Religious Institutions**

The issue of religious doctrine is one that becomes difficult in any liberal democracy. Political theorists from Machiavelli to Hobbes have raised concerns about the role of religion in politics; the separation of Church and state is a difficult one to make, especially when one considers the breadth of the political and religious public spheres in society. There is no doubt that it would be politically unpopular to remove the subsidy of religious institutions under current tax law that exists in the United States, the United Kingdom and Canada. Many religious institutions do contribute to the public good through their programs, whether through educational or welfare initiatives. Yet, salient examples like the Westboro Baptist Church diminish support for religious institutions as charitable institutions. The Supreme Court defended a ‘public good’ interest in churches being tax-exempt in 1983, but arguably failed to give a deeper, textual explanation that would pass constitutional scrutiny (Bob Jones University v. United States 1983). Many argue that the potential for religious institutions to promote anti-democratic ideologies that dissuade groups from achieving consensus is too high to justify their subsidization by the government.

In measuring the comparative virtues of charities, some scholars have argued that religious charity and broader altruistic activity ought to be entirely disentangled. Atkinson argues for the removal of the subsidy of religion by the
state through charity-based tax breaks, stating that while “They would, of course, be allowed to flourish, with the full protection of the law, [religious organizations] would not be subsidized by the state” (Atkinson 2011, 55). While Atkinson’s and others’ calls for a blanket removal of religion from charitable tax subsidies might seem too black and white, it is difficult to not view the subsidization of religion as a binary choice. Should the state choose to exert any kind of ‘impartiality’ or overt discretionary behavior in the case of religion, it would jeopardize the stability and neutrality of the politically liberal state.

The subsidy of religion as a charitable activity is by no means ideal, but realistically, it is necessary. Religion, in most of its forms, presents and endorses the adoption of strong doctrines, making their existence in the public sphere potentially difficult and often controversial. However, it must be acknowledged that the largest percentage of donations in liberal democracies goes to religious institutions. The fact that there are already systems in place that perform charity through churches, mosques and temples would make it difficult to gain any populist support for the removal of the subsidy. There are certainly many religious organizations that depend on their tax-exempt status in order to afford their charitable activity; one hopes that the coexistence of these institutions with other religious and non-religious bodies improves the quality of the plural, liberal society instead of eroding it. One would hope that religious doctrines might overlap with other philosophical and moral doctrines to create consensus within the realm of philanthropy; when they do so, one would also hope that the
consensus between them is that much stronger, given the already significant role that religious doctrines play.

How might charity and religion be incorporated in a single, ideal vision? Perhaps the best way for a state to incorporate religion into the philanthropic sphere is to have more stringent guidelines for the organizations that qualify as charitable organizations. Currently, the Internal Revenue Services of the United States defines the ‘exempt purposes’ for charitable deductions:

“The exempt purposes set forth in section 501(c)(3) are charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, and preventing cruelty to children or animals. The term charitable is used in its generally accepted legal sense and includes relief of the poor, the distressed, or the underprivileged; advancement of religion; advancement of education or science; erecting or maintaining public buildings, monuments, or works; lessening the burdens of government; lessening neighborhood tensions; eliminating prejudice and discrimination; defending human and civil rights secured by law; and combating community deterioration and juvenile delinquency.” (Internal Revenue Service 2014)

The exempt purposes of the charitable tax deduction do not encompass a consistent ideology behind the term charitable—lessening the burdens of government, advancing religion and relieving the poor are different realms of and modes of serving the public good. There is little consistency in the understanding of how these different activities are all ‘charitable.’ I would argue that charitable activities ought to be those that can be plausibly portrayed as contributing to
distributive justice (either through economic redistribution or increasing the equality of opportunity and quality of life in a way that is more impartial than a belief system/doctrine) and to the creation of an overlapping consensus, through the mechanisms by which this activity promotes a diversity of beliefs within its association or within the public sphere that it is part of.

**On Foundations and Democratic Character**

Gara LaMarche, the president of the Democracy Alliance and a long-time active philanthropist, has actively criticized the enormous power that large foundations and wealthy individuals have, outlining how this power can adversely affect democratic processes. LaMarche broadly outlines three areas of negative impact between philanthropic practices and democracy: a small donor base, a segregated ‘donor class,’ and the disproportionate impact non-political actors (or ‘mega-foundations’) can have on political issues like welfare, health policy and education (LaMarche 2013).

Small donor bases are not representative of all recognized citizens within the state; similarly, a donor class made up of only the rich and powerful tips the scales of the regime towards an oligarchy; finally, mega-foundations have the power to privately influence public policy outside of the direct influence of the government, thus defining the fields and setting the policy agenda for government and the voluntary sector (LaMarche 2013, 52). Philanthropy, although it can (in its largest form), have the same effect as a Congress elected representative, is not subject to the same accountability, criticism and public debate. With the highest
global spending rate at over three billion dollars a year, the Gates Foundation has
directly engaged in innumerable global health policy initiatives; on February 25,
2015, for example, the Gates Foundation donated $29.9 million to eliminate
malaria in Hispaniola by 2020 (Magill 2015). These and other large sums donated
by similar foundations obviously have a clear, dedicated vision to the public good,
but their lack of democratic accountability makes them distinctly troubling for
this thesis’ defense of philanthropy promotion. In the Boston Globe Reviews’
“What Are Foundations For,” Reich makes this hard-hitting accusation: “We all
pay, in lost tax revenue, for foundations and, by extension, for giving public
expression to the preferences of rich people” (Reich, What Are Foundations For?
2013).

One hopes that the rich whose preferences are being thrust into the public
sphere are preferences that aspire to increase the equality of opportunity and
justice among their fellow beings. Indeed, foundations like the Gates and
Rockefeller Foundation often do not appear to be doing things that many people
find particularly anti-democratic. Eliminating malaria, HIV/AIDS, and donating
money towards finding an Ebola vaccine are hardly morally objectionable
endeavors. However, the problem lies in the risk society takes in not
acknowledging the serious concentration of power within these organizations. I
would argue that the innovation, plurality, and capacity of these foundations make
them desirable in the liberal democratic state, but that to strengthen their
democratic character, certain restrictions and allowances should be outlined in the
laws that promote philanthropy.
First, I would suggest that a distinction be made between regular small-scale charities and foundations, made possible by the discrepancy between reported revenues and spending. Second, large foundations ought to have more specific legislation relating to the advancement of their mission in the future. It is particularly difficult to justify family foundations’ perpetual existence, especially when those organizations outlive their founders and donor intent becomes less and less clear and applicable over time. The ‘dead hand’ of perpetual philanthropies ought not guide the democratic response to modern-day challenges. Heather R. Higgins makes a strong case for foundation sunset laws that limit the influence of philanthropies over time and aspire to the successful rotation of smaller, more currently applicable foundations (Higgins 1996, 28). Third, another policy response to the issues of mega-foundations might include a cap on the size of foundations, or the size of donations that they can make. Policy initiatives such as these are met with serious opposition in public discourse. Bills like the AB624, which focused on increasing the diversity on the boards of foundations in California, have been met with opposition when proposed in government, but better-crafted, could possibly enhance the democratic quality of the donor class and their organizations. (LaMarche 2013)

**On Global Alternatives to Tax-Based Incentive Models**

As a final reflection on philanthropy promotion, I would reiterate that while the current mechanisms of state-supported charity can lead to some problems, on the whole, liberal democratic states have a demonstrable and
defendable interest in providing incentives for altruistic action. Martin Luther
King Jr. preached in his 1960s sermons, “Philanthropy is commendable, but it
must not cause the philanthropist to overlook the circumstances of economic
injustice that make philanthropy” (King Jr. 1963). Philanthropy and its promotion
arguably depict the modern, ubiquitous private-public partnership. Their union is
fraught with difficulty, but I would argue that it is a union whose perfection is
worth striving for, both in the developing and the developed world. If
philanthropy and government can work together towards system change, and
promote a consensus of just doctrines, then the public sphere would be better
served for it.

II. Concluding Remarks

This thesis set out to demonstrate the role of philanthropy and its
promotion in the liberal democratic state, within the context of a larger discussion
of democratic values and the hopes and dreams that citizens have for their
regimes. Philanthropy has been viewed through the lens of liberalism; through
this lens, philanthropy promotes beneficial liberal virtues within society, and its
promotion holds together the delicate liberal framework consisting of civil
society, representative government and conscientious citizens. The measurement
of philanthropy’s successes in both its ability to distribute justice and goods
evenly and to promote an overlapping consensus advances a political theory of
philanthropy that forces us to consider the origins and implications of the virtues
that define us.
Quentin Skinner at Cambridge University famously argued for the relevance of political debates and intellectual history in *Liberty Before Liberalism:*

“The history of philosophy, and perhaps especially of moral, social and political philosophy, is there to prevent us from becoming too readily bewitched. The intellectual historian can help us to appreciate how far the values embodied in our present way of life, and our present ways of thinking about those values, reflect a series of choices made at different times between different possible worlds… Equipped with a broader sense of possibility, we can stand back from the intellectual commitments we have inherited and ask ourselves in a new spirit of enquiry what we should think of them” (Skinner 1988).

This thesis aimed to introduce a political theory analysis of philanthropy to expand this sense of possibility for the liberal democratic state. To be able to harness human empathy and sympathy into collective action is an activity worth pursuing; by balancing our freedoms and our willingness to help each other through public expression and action, we can make this collective action meaningful in the liberal democratic state.


Nerurkar, H.M. "Tata Steel: An Unbeaten Track Record." *Forbes India* (Forbes India), November 2011.


