Generating freedom: Hegel's conception of political order

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4. THE LIMITS OF LIBERAL ORDER: SOCIAL PATHOLOGIES

4.1 Introduction

Hegel offers in the *Philosophy of Right* an early but subtle, profound and distinctive critique of the liberal conception of political order. As explained in chapter 2, this conception considers the political order to be organised around the individual. Individuals are supposed to be autonomous, meaning they have the right to determine their ends and pursue their interests. This orientation is based on the belief that individual freedom is beneficial for individuals and society as a whole. In this conception, the free interaction of individuals, 'society', constitutes the foundation for considering politics. It takes 'the state', the political institutions, as instrumental; its purpose is to cater for the exercise of individual autonomy.

Hegel does not attack the liberal order in its entirety, as he regards civil society, his term for the individualistic sphere of human interaction, as crucial for human freedom. The members of a free political order have the right to pursue and realise their 'particularity', which requires, among others, the protection of their property rights. Crucial for Hegel's conception of order, however, is that civil society should be part of a larger, organically understood order, the state. Civil society by itself cannot constitute a free political order.

Therefore, Hegel's account of civil society in the *Philosophy of Right* can be read from two perspectives. In the first perspective, civil society appears as a necessary part of a free, organically understood, political order, which enables individual particularity to develop. This perspective, consequently, raises the question of the nature of the overall order and how civil society relates to it. Chapters 6 and 7 will examine these questions.

The other perspective reads Hegel's account of civil society as an investigation into its functioning and inherent shortcomings if civil society were to constitute the political order at large. Hegel refers to this perspective as 'abstract' as it regards civil society in isolation from the concrete, organic political order it is part of. Instead, it takes civil society as a self-sufficient unity whose nature can be understood by extrapolating its inner principles. This perspective is central in the following two chapters. As this perspective overlaps with the liberal understanding of order, these chapters also investigate the limits of liberal political order.

The following section (4.2) examines Hegel's conception of civil society and how it relates to the current understanding of civil society and the ideas of a liberal order, as discussed in chapter 2. The subsequent sections reconstruct Hegel's thought experiment of why a political order understood and shaped as civil society – i.e. a liberal order – must be inherently pathological. Section 4.3 traces Hegel's argument of why civil society left to itself must be irrational (this is the perspective of objective freedom), while section 4.4 reconstructs why it is bound to generate experiences of alienation (the perspective of

subjective freedom). In his discussion of the free unfolding of civil society, Hegel also considers professional associations (the 'corporations') as a means to overcome civil society's irrationality and alienation. In the final section (4.5), I will argue that Hegel's corporations cannot realise this potential within civil society, understood as a self-sufficient political order.

This chapter does not discuss the political institutions which are also part of Hegel's account of civil society and our conception of liberal order: the instrumental state which has to safeguard legal protection and provide public goods. It only investigates the *social* pathologies[77] which inhere in civil society's free interactions. The next chapter will take the state into account to work out the *political* pathologies, which, in Hegel's analysis, inhere in a liberal order as well.

4.2 Hegel's conception of civil society

KEY FEATURES

Civil society is a sphere of social interaction, which Hegel describes most succinctly by reference to "particularity", its "primary determining principle" (*PR*, §181A). The members of civil society come to see themselves as separate and independent beings who decide for themselves what to pursue. "The concrete person (…) as a *particular* person (…) is his own end" (*PR*, §182). This self-relation distinguishes the modern political order from pre-modern, communitarian societies, which resemble Hegel's sphere of the family as its members were primarily bound to their pre-determined social identities, such as their estate or religion. Civil society constitutes, on a fundamental level, individuals' emancipation from their pre-determined and other-determined social roles. Civil society consists of individuals claiming the right to determine for themselves what profession to choose, what religion to follow, in short, how to shape their lives.

Hegel portrays the nature of civil society from different angles. First, he approaches civil society from the perspective of needs and welfare. Civil society appears from this viewpoint as a market, a sphere of social interaction organised around needs, work, production and consumption. Hegel describes members of civil society as "a totality of needs and a mixture of natural necessity and arbitrariness" (*PR*, §182). They experience needs and, consequently, look for means to satisfy them. Typical of civil society is that participants primarily act to foster their particular interests. "Individuals, as citizens of this state[78], are

[77] The concept of pathology, strictly speaking, only makes sense in an organic understanding of political order. In chapters 4 and 5, the concept is used in a casual sense. Only after chapter 6, which works out Hegel's organic conception of political order, does the concept obtain theoretical grounding.

[78] Referring to the members of civil society as the "citizens of this state" sustains reading Hegel's account of Civil Society as an investigation into what degree civil society can function as overall political order.

private persons who have their own interest as their end" (*PR*, §187). They pursue the good, "welfare" in Hegel's terminology, in the mode that they personally deem most suitable. "Particularity (…) is the only standard by which each particular [person] promotes his welfare" (*PR*, §182A).

Second, Hegel considers civil society from a moral-juridical perspective. Members of civil society come to recognise each other as persons, holders of rights, such as the right to property and protection of their physical integrity. The primary determining principle of particularity thus goes hand in hand with the universality of personhood. The recognition of fundamental rights of personhood should extend to all humans (*cf*. §190R). Civil society, thus, transcends religious, national and other differences.

> It is part of education, of thinking as consciousness of the individual in the form of universality that I am apprehended as a universal person in which all are identical. A human being counts as such because he is a human being, and not because he is a Jew, Catholic, Protestant, German, Italian, etc. (*PR*, §209R)

Finally, Hegel describes civil society in terms of its mode of cognition. Civil society has a distinctive way of approaching and understanding social reality. Hegel refers to this mode of cognition as 'Understanding' [*Verstand*], which he distinguishes from 'Reason' [*Vernunft*].[79] Thinking as understanding conceives social reality as consisting of separate elements – things – which have existence in and on themselves. "Thinking as understanding does not budge beyond the firm determinateness [of what is entertained] and its distinctness over against others. A limited abstraction of this sort counts for it as self-standing and [as having] being [*als für sich bestehend und seiend*]" (*Enc*, §80). This mode of thinking could be considered analytical: it observes the parts of social reality as having existence in themselves, but does not conceive how these parts are internally related to each other, i.e. *moments* of a larger, organically structured, developing whole. Hegel refers to this mode of thinking which misses how social reality is made up of relations as 'abstract'.[80] Reason, in contrast to the Understanding,[81] comprehends how social reality is an internally differentiated, interdependent whole. Reason apprehends that the particular and universal are not absolute opposites but also internally related.[82]

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[79] Hegel, for example, refers to the second estate of trade and industry, the estate that exemplifies civil society, as relying for its livelihood on "work, reflection and the understanding" (*PR*, §204).

[80] He also refers to the Understanding as "reflective". This notion expresses that it takes social reality as outside of the subject. It fails to see that the subject is a participant in a social reality.

[81] I am aware that (the) Understanding does not fit well into everyday English, but, as I do not see a better translation of *Verstand*, as distinct from *Vernunft*, Reason, I will stick to this usage.

[82] Hegel's distinction between Reason and Understanding seems to correspond with the distinction between the modes of attention which Iain McGilchrist (2009) brings back to the functioning of the two brain hemispheres (See 8.4).

The dominance of the Understanding in civil society is an outgrowth of its basic structure. In it, individuals have learned to see themselves and others as "self-sufficient persons" (§238), single units with needs looking for satisfaction. Consequently, they do not experience the social world as a whole – a body – but as a space made up of individuals who are at its origin (and the origin of themselves, the idea of *causa sui*). Simultaneously, the organisation of political order as civil society results this mode of cognition. Social contract theories fit this mode, assuming that social life consists of free individuals, each with their own will, and that political orders are only legitimate to the degree that they respect individual freedom rights.

Civil society as a socio-historical accomplishment

For Hegel, civil society is an empirical and historical reality which came to development in the 18th and 19th century in Western states, first in England, a bit later also in France and the German states, though we can trace its roots much further back. For Hegel, the *bourgeoisie*, the third estate in the ancient regime, exemplified the emergence of civil society as it endeavoured to emancipate itself from the bonds of birth and the prerogatives of the absolute state to be master of its own life. Members of the bourgeoisie came to claim the rights of personhood to pursue their own ends. As such, they carried the development towards capitalistic social relations, another facet of civil society. The French Revolution was a radical manifestation of the historical emergence of civil society as it violently distanced itself from the corporate organisation of social and political life, proclaiming universal freedom and equality for all its citizens.

In the *Philosophy of Right*, Hegel argues that civil society is necessary for realising freedom. Hegel holds, like liberals, that the modern world in which civil society comes to fruition has advanced over more traditional societies, which withheld the emancipation of particularity (for instance, by feudal regulations, the imposition of a state religion, or limits to the freedom of expression). Because Hegel regards the recognition of personhood as a crucial step in the progress of humanity, his philosophy seems to be close to the Enlightenment tradition, which cherished the rights of individuals.

This correspondence, however, should not lead us to overlook the fundamental difference between Hegel's account of civil society and Enlightenment philosophy, particularly the social contract tradition. The latter takes respect for personhood as a natural and rational principle. Locke's political philosophy, for example, assumes that all members of the state of nature are endowed with a natural reasoning capacity, which commands them to recognise the personhood of others; it is a principle of natural law (Locke 1988: II, §19).

Hegel, in contrast, does not take civil society, including its constituting principles, as a natural, transhistorical, state of human interaction. He rejects the idea that individual subjects have natural reasoning capacities which enable them to discover or determine who

they are and what they owe each other. Instead, self- and other-consciousness are for Hegel always the consequence of the broader social context and the kind of claims made in this context.[83] Civil society only comes into existence when participants in their social interactions start to see themselves and others as individuals whose being, purposes and inner value are not entirely determined by the community but have an interiority transcending the community. The idea of personhood, according to which individuals have the right to set their ends, depends on a social structure in which this claim succeeds in maintaining itself in a social process of claim-making. Somewhat paradoxically, individuals are persons not because they are so by nature but because the claim that they are so by nature can maintain itself.

Civil society has only come into existence after a historical trajectory leading to modern societies. In this process, its central tenets have managed to find acceptance. This implies that there are also other cultural settings in which civil society has failed to materialise.[84] Hegel emphasises the crucial role of Christianity and Roman law in the development of civil society. "The principle of the self-sufficient and inherently infinite personality of the individual, the principle of subjective freedom (…) arose in an inward form in the Christian religion and in an external form (…) in the Roman world" (*PR*, §185R). According to Hegel, Protestant Christianity, in particular, has disseminated the idea that individual believers can have a direct relationship with God and, consequently, are, as individuals, responsible for their deeds.[85]

HEGEL AND MODERN-DAY CONCEPTIONS OF CIVIL SOCIETY

The preceding sketch suggests that Hegel's conception of civil society [*bürgerliche Gesellschaft*] is different from what the term in the contemporary tradition ranging from Tocqueville (1990) up to Putnam (1994) refers to. Chambers and Koptein (2006, 363) define civil society as "uncoerced associational life distinct from the family and institutions of the state" while it "is also often thought to be distinct from the economy." In these approaches, civil society covers the middle ground between the intimate sphere of the family, in which relations with others are ends in themselves, and the anonymous spheres of the market and the bureaucratic state, to which individuals relate instrumentally. This conception acknowledges the role of (individual) freedom in civil society ("*uncoerced* associational life"). However, its emphasis is on the *kind* of relations free individuals engage in: individuals substitute in civil society's associations their instrumental and self-interested ends for more

[83] I have addressed this in the previous chapter as "the priority of the social".

[84] The historical embedding of civil society implies the possibility that civil society can also be lost again.

[85] A further investigation of Hegel's historical explanation for the emergence of civil society is beyond the scope of this study. This also holds for the controversial question whether Hegel holds Christianity or Western history as a necessary requirement for the development of reason.

personal relations and an uncoerced orientation on social, i.e. collective, goods. Civil society theorists generally argue that civil society's social engagement is necessary for vibrant democracies as it could counter the individualistic tendencies that threaten to undermine them (*cf*., Keane 1998; Putnam 1994).[86]

Compared to the current notion, Hegel's conception of civil society is more comprehensive. For him, civil society is the social structure based on particularity, which includes the market. In his 'bourgeois' understanding, civil society also includes self-interested, instrumental relations. At the same time, his conception contains associations in which individuals are concerned with goods that transcend their strict private interest. These associations, which he refers to as corporations, are crucial for developing a free, flourishing political order, not unlike the association within current civil society theory. In distinction to contemporary civil society theorists, Hegel conceptualises his associations, the corporations, in the first place as work-related professional associations. Even though non-economic forms of associative life cannot be excluded from his conception of civil society, his approach to civil society as part of the sphere of needs and economic production should not be taken as a contingent element of his theory of order. (I will further discuss Hegel's associative life in 4.5).

Another difficulty in understanding Hegel's conception of civil society is his distinction between civil society taken in abstraction and as integrated into a larger political order. This chapter, and the next, investigate the abstract understanding of civil society. This understanding takes civil society as a political order *tout court.* This conception of civil society is similar to the simple notion of society of the liberal conception of order. This conception regards society as the totality of social life, including markets and social associations; it takes society as the ground and outcome of the interactions of free and equal individuals, who are the masters of the relationships they engage in. In its conception, society is original, while the political institutions, the state, are a function of society.[87]

Even though Hegel's conception of civil society overlaps with the liberal notion of society, his assessment of civil society stands diametrically opposed: political order cannot have (civil) society as its basis and should therefore not be conceived as such. To come to this conclusion, Hegel examines in a thought experiment how political order would look if it entirely emanated from the principles of civil society. In other words, what would be the consequences of a social and political structure wholly based on the absolutisation of particularity? The following two sections reconstruct Hegel's argument.

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[86] The argument for the importance of civil society for prospering democracies was often raised with regard to the democratisation process in Eastern Europe after the fall of communism.

[87] Gauchet (2015, 170) refers to the approach of political order in which society is original and political institutions its instrument as the "liberal inversion".

4.3 Objective freedom: the irrationality of civil society.

A Loss of Ethicality?

The question as to what degree the free interactions of civil society realise freedom can be approached from a subjective and an objective perspective (*cf*. 3.4). This section investigates whether civil society, left to itself, can be objectively free, while the next section (4.4) discusses its possibilities for subjective freedom. For a social structure to be objectively free and to fully qualify as ethical life, it must be rational. For Hegel, this means that all of its parts must, in their mutual dependence, attune to each other optimally. The actions of all of its members must render the satisfaction of all particular ends possible.

Against this standard, civil society does not appear to be ethical and rational. In civil society, "we witness the disappearance of ethical life in its proper sense and of substantial unity" (*PR*, §33A). This disappearance of ethicality is most easily observable by contrasting civil society with the family. Family members see themselves as parts of a larger whole, to which they experience loyalty. Consequently, they are willing to attune their will to enable the well-being of all.

In civil society, in contrast, individuals do not take themselves as 'members' – notice the organic metaphor – of a larger whole. They regard themselves as "self-sufficient" (*PR*, §181). They do not accept an overall purpose but want to decide for themselves what to pursue in life. Civil society, therefore, is the "the stage of difference" (*PR*, §181). Relationships between individuals are here "of an external kind" (idem). Individuals do not recognise an *a priori* bond between them; they interact with each other instrumentally, directed towards meeting their particular ends. "In civil society, each individual is his own end, and all else means nothing to him" (*PR*, §182A).

Because of this self-interested orientation, civil society has a great potential for conflict between individuals or groups. The members of civil society, preoccupied with finding means to realise their own ends, find themselves competing for resources. This competition easily turns into a conflict. "[C]ivil society is the field of conflict [*Kampfplatz*] in which the private interest of each individual comes up against that of everybody else" (*PR*, §289R). Civil society seems to entail a Hobbesian war of all against all.

On a closer analysis, however, Hegel allows that the interactions of civil society are not entirely devoid of rationality and ethical life. In their preoccupation with their own interests, individuals turn out to adapt to each other. Civil society bends the competition between its members into a form of common life which appears to be conducive to all. Hegel does not altogether reject the liberal assumption of the collective benefits accruing from organising social life as a market. At the same time, however, he also identifies the emergence of irrationalities when civil society develops uninhibitedly. The remainder of this section works out both assessments, the rationality and irrationality of the market.

The Rationality of Civil Society

For understanding the rationality of civil society, work, the mechanism by which individuals come to satisfy their needs, is crucial. By working, they do not procure the means to meet their needs directly. Members of civil society are not autarkic. Civil society has a division of labour (*PR*, §198), in which individuals specialise in producing some goods, which they exchange on the market for other goods. Specialisation is part of how Hegel defines work, *i.e.* as "the mediation whereby appropriate and *particularized* means are acquired and prepared for similarly *particularized* needs" (*PR*, §196; emphasis in original).

Because of their work, the members of civil society become dependent on each other. A person now mainly works to create goods that can give satisfaction to the needs of others while mainly the work of others provides for his own needs. Because civil society comes to exist as a complex network of mutual interdependencies, Hegel refers to it as a "system of needs".

> The selfish end in its actualisation (...) establishes a system of all-round interdependence, so that subsistence and welfare of the individual and his rightful existence are interwoven with, and grounded on, the subsistence, welfare, and rights of all, and have actuality and security only in this context. (*PR*, §183)

Because of its systemic nature, civil society, despite its members' preoccupation with their particular ends, could be considered as an ethical structure in which the parts and the whole mutually contribute to each other. "Although particularity and universality have become separated in civil society, they are nevertheless bound up with and conditioned by each other" (*PR*, §184A).

On the one hand, the members of civil society, in the pursuit of their particular ends, unintentionally contribute to the well-being of the whole.

> By a dialectical movement, the particular is mediated by the universal so that each individual, in earning, producing and enjoying on his own account, thereby earns and produces for the enjoyment of others. (…) In this dependence and reciprocity of work and the satisfaction of needs, subjective selfishness turns into a contribution towards the needs of everyone else. (*PR*, §199)

Hegel identifies in civil society a mechanism that corresponds with Adam Smith's invisible hand, according to which individuals, concerned with their private interests, contribute behind their backs to the whole (*cf.* Neuhouser 2000, 88).[88]

[88] Hegel discusses in §189R the political economy of Smith, Ricardo and Say, though he does not mention the concept of the invisible hand. His interpretation of civil society has clearly been influenced by them (*cf.* Waszek 1988).

On the other hand, the system as a whole contributes to particularity, the well-being of the different participants. "In furthering my end, I further the universal, and this in turn furthers my end" (*PR*, §184A). The system produces goods much more efficiently and of greater variety than individuals could ever do. This way, the system of needs enables the full development of particularity; it liberates individuals from the limitations of the biologically given. As autarchic farmers, individuals can meet only a limited set of needs, while as members of civil society, they can expand their ends (*cf. PR*, §197; also Ross (2008, 111)). Civil society is not a zero-sum game; its members do not satisfy their desires by taking away goods from somebody else but by working contribute to expanding the range of goods within their reach. For this reason, civil society, despite the self-interest of its members, can channel its potential for conflict by enticing its members to focus on increasing the returns of their work.

The members of civil society, the participants in the system of needs, pursue their particular purposes: they follow their own ends. This, however, does not imply that their private and spontaneous inclinations, unaffected by the community, fully determine the content of their will. To reap the system's benefits, members of civil society must bring their will into line with its requirements. Hegel points to the system's power to discipline its members, who consequently experience the system as a necessity, a form of unfreedom, as well. The universal "is present not as *freedom*, but as *necessity* whereby the *particular* must rise to the *form of universality* and seek and finds its sustenance in this form" (*PR*, §186).

> Individuals, as citizens of this state, are private persons who have their own interest as their end. Since this interest is mediated through the universal, which thus *appears* to the individuals as a *means*, they can attain their end only insofar as they themselves determine their knowledge, volition, and action in a universal way and make themselves *links* in the chain of this *continuum*. (*PR*, §187)

Let us briefly consider three examples of how the system of needs forces its members to integrate the system into their will (and thus take others into account). First, the system of needs forces its members to recognise the personhood of others. The acceptance of the personal rights of others is, for Hegel, not a purely moral principle to which individuals have access by their reasoning faculties. Accepting this principle grows out of their interactions in the system of needs. Abstract right "comes into existence only because it is useful in relation to needs" (*PR*, §209A). To participate in the market, buying, selling and making contracts, individuals have to accept the right of personhood, particularly the right of property. In other words, civil society 'forces' the will of its members, if only for instrumental or opportunistic reasons, to recognise this principle of personhood as a universal good.[89]

[89] In Abstract Right, lacking the embeddedness in institutions, this recognition remains contingent (see *PR*, §217).

Second, the system also compels individuals to learn a profession for which there is a social demand. Free persons in civil society may shape their lives as they fancy, but if they do not consider the labour market at all, they will not go far in realising their dreams. This way, the system forces individuals to bring their natural or immediate particular will into line with the needs of society ('the universal') (*cf. PR*, §187R).

Third, members of civil society also have to adjust to their fellows' customs, culture, tastes and preferences. "To this extent, everything particular takes on a social character; in the manner of dress and times of meals, there are certain conventions which must one accept, for in such matters, it is not worth the trouble to seek to display one's own insight, and it is wisest to act as others do" (*PR*, §192A). A French baker should learn how to make *croissants*, while a German baker must know how to make *Pretzl.* Hegel takes this pressure to overcome one's idiosyncrasies and conform to the culture basically as civilising: individuals are willing to take each other into account.

The limits of civil society's rationality

So far, Hegel's conception of civil society largely corresponds with the liberal conception of order, according to which markets constitute a rational way of organising social order as they enable a natural harmonisation of interests and needs. For Hegel, however, the system of needs is only the "appearance [*Scheinen*] of rationality" (*PR*, 189R).[90] Social orders are rational for him to the degree that all their parts attune optimally. The will of its parts have an orientation of the of the whole (which includes the ends of other parts), while the whole must facilitate its parts to pursue and realise its ends.

To reconstruct why Hegel rejects the rationality of civil society, I will focus on how the system takes particular ends into account.[91] For Hegel, a rational system does not only enable individuals to develop their purposes but also the possibility of their realisation ("the right of particular satisfaction" (*PR*, §258R)). Civil society's interdependent relations must be structured so that its participants have the possibility to realise their ends. In practice, work should generate a sufficient income to meet their needs. As Hegel frames it, individuals should participate in society's "universal resources", the public wealth (*PR*, §200).

Civil society is only partially successful in safeguarding particular satisfaction. In his analysis of 'the market', which is how we would refer to the system of needs, Hegel emphasises how the satisfaction of needs is contingent, dependent on accidental circumstances and external conditions (*PR*, §241). Because of the emergence of new needs

[90] Nisbet translates *Scheinen* with 'manifestation', which does not sufficiently express Hegel's intention to say that civil society only *seems* to be rational from a perspective that is not fully rational, i.e. a perspective that does not adequately integrate the whole.

[91] It is also possible to focus on how the parts are willing to attune to the whole. The members of civil society integrate the ends of others in their own will only for instrumental reasons. They do not fully attune with their social world. I will come back to this in the next section, when I will discuss the irrational multiplication of needs.

(fashion) or new inventions, the demand for some goods can soar while others plummet, leaving whole industries in ruins.[92] Also, the supply side is insecure as harvests sometimes fail. From a classical political economy perspective, such fluctuations are episodes in which markets develop towards new optimal equilibria of demand and supply. Hegel's viewpoint, however, is rational-ethical; it investigates to what degree the social order succeeds in sustainably realising welfare for all of its members. From that perspective, system-induced fluctuations, just as the absence of guardrails against external vicissitudes, are deeply troubling, as they threaten to undermine rational structures, *i.e.* ways of life which realise freedom.

Besides these episodical threats to the rights of satisfaction are more structural deficiencies in the free interactions of civil society. In Hegel's analysis, the system of needs tends to generate an underclass, which shares in the (social) needs that civil society entails but not in the means, society's resources or wealth, to satisfy these needs. This underclass lives in poverty, unable to "feel and enjoy the wider freedoms, and particularly the spiritual advantages of society" (*PR*, §243).

In Hegel's analysis, poverty is a structural feature of civil society; for him, the apparent moral vices of the poor, such as laziness, neither explain nor justify it. Instead, his explanation centres around skills, the necessary condition to share in society's wealth. Civil society is also a sphere of education, which shapes individuals' particularity by teaching them the skills which enable them to make a living. In practice, these skills turn out to be distributed over the population unevenly. This variation in skills is partly a matter of natural talent but also depends on the quantity of resources one begins with. The availability of capital makes it possible to invest in the education of oneself and one's offspring. Inequality, therefore, tends to reproduce itself.

> The possibility of sharing in the universal resources (…) is (…) conditional upon one's own immediate assets (i.e. capital) on the one hand, and upon one's skill on the other; the latter in turn is conditioned by the former, but also by contingent circumstances whose variety gives rise to differences in the development of natural physical and spiritual aptitudes which are already unequal in themselves. (*PR*, §200)

In Hegel's analysis, wealth and poverty are intrinsically related. "Where there is wealth, there is poverty" (*VPR*, 4:495; also *PR*, §243). Civil society, left to itself, becomes entangled in a negative dialectics between both; the growth of wealth and the growth of poverty reinforce each other without stabilising or reaching a higher unity.

This mechanism can be disentangled in the following steps: first, society has a demand for a particular good. This demand increases due to population growth but also as a consequence of society's social interactions, which tends to make needs more universal. The

[92] Hegel anticipates here the idea of destructive innovation of Schumpeter (*cf*. Schwartz 2018, 67).

desire for a specific thing tends to spread over society.[93] The producer of this good, as a consequence, accumulates wealth.

Second, the producers of goods, the owners of factories and machines, are motivated to maximise their profit (*cf. VPR*, 4:494-5). One way is to lower the costs by rationalizing (Hegel refers to this as universalizing) the production process. Producers expand the mechanisation of production, together with a further division of labour (*PR*, §243), because of which the production of goods becomes split up over a wider range of simple, specialised and partially mechanised tasks. "[T]he specialisation and limitation of particular work (…) increase" (idem). This increase in efficiency corresponds with an increase in the "accumulation of wealth" (idem) for the producers.

Third, this development entails growth in "the dependence and want of the class which is tied to such work" (*PR*, §243). Due to a lack of relevant skills, the lowest classes start with a weak position in the labour market. Their skills become even less relevant: due to mechanisation, there is a) less need for labour while b) the tasks have also been simplified. Consequently, the pool of workers they compete with for jobs has enlarged, while the demand for labour has shrunk. This setting forces workers to accept low wages. All in all, the logic of civil society "makes it easier for disproportionate wealth to be concentrated in a few hands" (*PR*, §244). This concentration of wealth enables further investments, which will deepen the divide between the rich and the poor.

To sum up, Hegel's analysis of the system of needs is subtle. On the one hand, he recognises the rationality of a free market but is also aware of the fundamental shortcomings of this system when left unchecked. The more the sphere of civil society expands freely, the more its internal contradictions – the generation of extreme wealth and poverty – will come to the fore.[94] "The important question of how poverty can be remedied is one which agitates and torments modern societies especially" (*PR*, §244A). Later, I will reconstruct the solutions that Hegel considers within the logic of civil society, the corporations (4.5) and an interventionist 'social welfare' state (chapter 5), only to conclude that, in Hegel's analysis, a political order conceived and shaped as civil society cannot solve these inner pathologies. Only a political order based on a different footing, i.e. as a state, can bring this problem of poverty under control (*cf.* 8.2).

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[93] This mimetic mechanism of copying needs will be discussed further in the next section.

[94] As many observers have pointed out, Hegel's analysis of the internal contradictions of civil society in many respects anticipates Marx's analysis. However, different from Marx, Hegel believes that the state, standing in a dialectical relation to civil society, must and can in a continuing process of mediation, overcome these contradictions (see chapter 6 and 8.2). Marx, in contrast, considers the state as an instrument of (the forces of) civil society.

4.4 Subjective freedom: alienation

Civil society, taken as the overall political order, turns out when unfolding to be only to a limited degree rational and objectively free. In addition, we can raise the question of to what degree individuals in civil society experience freedom (subjective freedom). As explained in Chapter 3, subjective freedom consists of an affirmative relation to the norms which make up the social order, to their social role in this whole and to their actions, which they interpret as contributing to the existence of this social order.

This approach to freedom appears, from a liberal perspective, unusual. Civil society is the sphere of autonomy in which individuals set their ends based on their needs and considerations. Social and practical identities do not seem to be relevant for autonomy. The possibility of pursuing one's end appears sufficient to realise subjective freedom. Hegel, however, disagrees with the idea that the absence of interference suffices for experiencing freedom. For subjective freedom, it matters how one regards oneself within the larger social sphere and how one relates to one's actions. For this freedom as a self- and other relation, individuals are dependent on others (the priority of the social).

> In civil society everything is reflected into other. What I am I am therefore not for myself but have my reality through another. I am not only naturally dependent upon others (e.g. family), I also depend upon their representation [*Vorstellung*] of me. […] If the individual attains his end in civil society, it belongs to this end that he be recognised, and this being recognised [*Anerkanntsein*] is an essential moment of his reality" (*VPR*19, 204).

To be free, i.e. to feel at home in the social world, the members of civil society need a social identity which garners recognition. "[A] human being must be *somebody*, [which] means that he has substantial being" (*PR*, §207A). A specific position in the social order gives the members of civil society a sense of self-worth or "honour" (*PR*, §207). There must be a correspondence between the agent and the arena. Consequently, they need to live and act in a way which allows for acquiring social recognition.

> [E]ach individual, by a process of self-determination, makes himself a member of one of the moments of civil society through his activity, diligence and skill, and supports himself in this capacity; and only through this mediation with the universal does he simultaneously provide for himself and gain recognition in his own eyes and in the eyes of others. (*PR*, §207)

Social roles are also crucial for exercising agency as they come with a moral dimension, inherent norms and a conception of the good. They provide individual subjects with a moral orientation and enable them to act with "rectitude" (*cf. PR*, §207), in line with a shared conception of the good. Because of this moral dimension, individuals are in their

social roles able to consider their actions, i.e. their externalisations in the world, as expressions of who they are.

Within the work-orientated interactions of civil society, a broad spectrum of professional social and practical identities emerges. In addition, civil society also generates two distinctive social roles, which are more general as they apply to all members of civil society. First, the members of civil society desire to be self-reliant persons who, on their own, succeed in realising their self-chosen ends, whatever they may be. Second, civil society also generates ideals of what it means to lead a successful life. The members of civil society have a genuine desire to fulfil these roles, which, at the same time, also constitute the social standards that civil society imposes. The following section discusses both social roles. It explains how these social norms are the logical outcome of civil society's inner structure, and also why they are beyond the reach of a substantial part of its members, constituting the breeding ground for experiences of alienation.

Before discussing both roles, I need to make two provisos. First, this section only investigates the 'individualistic' social roles which civil society entails; it does not encompass all of civil society's social roles. The professional identities, which civil society also engenders, will be discussed in the final section of this chapter, which deals with the corporations, the professional associations, and with the claim that they could be the solution for the alienation of civil society. Second, it should be kept in mind that Hegel offers a stylised picture of civil society, which traces the effects of social relations entirely based on the pursuit of particularity on subjective freedom in the sphere of needs. This picture excludes social roles which come with participating in social, cultural or religious institutions.

Independence and Self-Reliance

In civil society, individuals come to be regarded as persons, holders of abstract rights. On this basis, they seek to realise their ends, whatever they may be. In Hegel's approach, personhood, understood as a legal category and sustained by the protection of abstract rights, is too formal to provide individuals with a social identity that tells them who they are and enables them to experience honour and self-affirmation. Likewise, personhood does not constitute a practical identity, as it entails only a minimal account of the good: respect the personhood of others.

Personhood, however, forms the foundation for a slightly more substantial social role. To fit into civil society, individuals must not only be persons in a theoretical or potential sense – having legal rights which enable them to follow their ends – but also in a material sense: they must have acquired the means to pursue their ends. Civil society, thus, generates the practical ideal of self-reliance or independence. Individuals should be able to support themselves so they can pursue their own ends. They should prevent dependence on others, for instance, charity or state welfare, to meet their needs. "In the estate of trade and

industry, the individual has to rely on himself, and this feeling of selfhood is intimately connected with the demand for a condition in which right is upheld" (*PR*, §204A).

The norm of self-reliance provides individuals with a social identity; realising this norm means they are 'somebody', i.e., persons, who know how to take care of himself and shape their lives. Hegel speaks in this respect of a "feeling of right, integrity and honour which comes from supporting oneself by one's own activity and work" (*PR*, §244). By realising a certain material independence, individuals fit into the larger social order of civil society, which imposes this social norm upon them.

This norm of self-reliance also provides a practical identity: an idea of the good which serves as an orientation for their actions. Because of this norm, they can be agents who can appropriate their actions insofar as they align with this norm. In this context, work obtains a more universal meaning. Work is not just a means which enables individuals to meet this or that specific need. By working, members of civil society make themselves into the kind of beings they want to be: self-sufficient persons who are able to take care of themselves.

Individual subjects who succeed in being independent experience subjective freedom in each of its three aspects (*cf*. section 3.4). First, as self-reliant persons, agents can affirm the social structure of civil society and its implicit norm of autonomy. They can recognise the goodness of the system they partake in as it corresponds with their sense of self. Second, individuals can relate affirmatively to themselves, regarding being self-reliant as essential of who they are, while others also recognise them as such. Finally, by succeeding in being independent, they also see themselves contributing to the continued existence of society, which perceive as an economic space inhabited by self-reliant individuals.

However, the social role and norm of independence also constitute a source of alienation and experience of unfreedom. Civil society, by necessity, also contains a substantial class of poor individuals who fail to be independent. For their existence, they depend on charity, state welfare, or the whims of more well-to-do members of society. This group in society, which does not meet the standard for being somebody, will not be recognised but be looked down on as inferior. Their individual lives and the collective life of society do not correspond with each other, which amounts to subjective unfreedom.

For Hegel, the social structure of civil society is paradoxical. Its members consider themselves and others in the light of the practical ideal of being self-reliant and independent, while the structure itself is, in reality, fundamentally interdependent. Members of civil society, due to the Understanding, its dominant mode of thinking, will largely miss this inner nature of social life. They perceive social reality as emerging from individual actions, the starting point of social order.

This mindset also explains states of affairs – success and failure – by reference to the preceding choices of individual agents. This perspective regards success in being

independent as the result of one's efforts. The irony that this success required an engagement in all kinds of relations of dependence goes to a large degree unnoticed. The other way round, the failure to meet the norms of self-reliance is regarded as personal moral failure. Individuals who cannot meet their basic needs and must turn towards welfare suffer real or imagined scorn and rejection, mainly as poverty is explained in civil society by the lack of effort (Williams 1997, 245–46). This failure to garner recognition for all is the breeding ground for a disillusioned, indignant underclass, the 'rabble'. The end of this section investigates the alienation of this underclass further.

Ideals of Well-being

Being self-reliant is not the only social role which civil society generates, as it defines what it means to be somebody negatively: material dependence must be prevented. This norm does not leave much space for standing out as a particular individual. Therefore, it satisfies the desire for subjective freedom, of being somebody in the social world, only partially. Because the social reality in civil society is conceived as consisting of individual persons, its members want to compare favourably to others.

The individuals of civil society will try to find recognition for leading a successful life in terms of their lifestyle and accomplishments. This especially applies to the estate of trade and industry, who epitomises civil society as they, more than other groups in his age, are orientated on their self-interest. "[I]solation reduces him to the selfish aspect of his trade, and his livelihood and satisfaction lack stability. He will accordingly try to gain recognition through external manifestations of success in his trade" (*PR*, §253R). This focus on success as a concretisation of well-being goes together with a social process of comparison. Individuals do not want to imagine themselves as inferior to others in the social world but similar at least. Civil society "immediately involves the requirement of equality (…), together with imitation as the process whereby people make themselves like others" (*PR*, §193).[95] At the same time, similarity is not good enough for individuals. Driven to have a sense of themselves that they can affirm, they also want to see themselves as distinctive, not just one among the *many*, but *one* among the many (*cf*. Pippin 2008, 137). While comparing themselves to others, they seek "to assert [themselves] through some distinctive quality", which Hegel refers to as "the need of particularity" (*PR*, §193). In the system of needs, individuals show their distinctiveness by the kind of goods they succeed in acquiring. Civil society entails "conspicuous consumption" (Veblen 2005).[96]

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[95] The crucial role for comparison is specific for civil society. In premodern societies, difference was taken to be natural and consequently easier to accept. The norm of personhood claims that all individuals are fundamentally equal. This renders the lifestyle of the one, in principle at least, within reach of the other. The norm of equality that inheres in personhood, therefore, entails great attentiveness to status.

[96] This concept was coined by Thorstein Veblen in his theory of the leisure class (1899).

Due to this attempt to realise subjective freedom, civil society entails "multiplication and expansion of needs" (*PR*, §193). In Hegel's social theory, individuals do not have an innate, autonomous sense of the good and the desirable. In the logic of civil society, individual agents come to have desires on the basis of their imagination and judgment regarding their relative similarity and difference (Church, 130). Basic natural needs, such as food and shelter, transform in civil society into more sophisticated but not less real needs. Hegel illustrates this with the notion of comfort, which in England, according to him, has absorbed ever more refined meanings: "What the English call 'comfortable' is something utterly inexhaustible; its ramifications are infinite, for every comfort in turns reveals a less comfortable side, and the resulting inventions are endless" (*PR*, §191A). So, comfort leads to the constant emergence of new needs, supposedly necessary for meeting the norm of living well.

> Particularity in itself is boundless extravagance, and the forms of this extravagance are themselves boundless. Through their representations and reflections, human beings expand their desires, which do not form a closed circle like animal instinct. (*PR*, §185A)

In this social dynamic, the members of civil society, uncertain of who they are, are susceptible to the claims of smart entrepreneurs that they need particular products. "A need is therefore created not so much by those who experience it directly as by those who seek to profit from its emergence" (*PR*, §191A). In Hegel's analysis, commercial capitalism appears as the logical outcome of the desire for freedom in civil society. By pursuing goods, individuals try to fit into the norms that the social order entails.

Several times, Hegel emphasises the unlimited or boundless character of civil society (for instance, *PR*, §195). Human beings extend their desires to "false infinity" (§185R). With this notion, Hegel expresses the idea that human desires in civil society are hostage to a never-ending process of comparison and emulation. The false (or spurious) infinite is a technical term which refers to a series of particulars in which the "perpetual continuance of the alternation of determinations" (*Enc*, §94) prevents the appearance of a standard internal to the series that would render that series intelligible as a whole. New conceptions of well-being continuously replace older conceptions but without qualitatively integrating and deepening these older notions. Members in the system of needs, who do not recognise a bond with others and do not see themselves as participants in a shared project, cannot recognise a shared good that unifies the different particular claims about the good. An idea about the desirable that finds widespread acceptance merely substitutes a previous norm and will be followed by another.

The welfare norms of civil society fail to render its members subjectively free. They attempt to act – consume! – in such a way which renders them at least similar to others but preferably makes them exceed them. Both modes of gaining an identity reinforce each other

in a never-ending spiral: the more people succeed in being similar to others, the more others devise new ways to be different, which, as a consequence, consequently inflates the norm of sameness. Church (2010, 132) puts the predicament of civil society in sharp terms: "The members of civil society find themselves competing with a faceless crowd of selfish individuals who will never offer recognition but only will defeat every effort of the individual to find completeness." Members of civil society never succeed in accomplishing a stable identity, a sense of self which is not continuously under threat, in the social world.

For a large part of its members, and not only the poor, civil society breeds frustration and discontent with their station in life. Due to the unrealistic standards of what it means to lead a good life, the members of civil society experience lack.

> [T]he tendency of the social condition towards an indeterminate multiplication and specification of needs, means and pleasures – i.e. luxury – a tendency which, like the distinction between natural and educated needs, has no limits, involves an equally infinite increase in dependence and want. (*PR*, §195)

And because in civil society, individuals are held responsible for their own well-being, they come to regard themselves as deficient. As they cannot keep up with the social norms of well-being, they experience alienation. Civil society does not offer a home in the world.

This experience of alienation can also be approached from another angle. The members of civil society are supposed to be autonomous, which amounts to choosing their ends based on their own considerations. In reality, however, they turn out to determine their purposes by comparing themselves with others. They live in the eyes of others. To a certain degree, this is always the case in Hegel's social theory, according to which autonomy is not rooted in the subject. Humans are, for determining their ends, always dependent on a social setting which houses conceptions of the good (the priority of the social). However, participants in ethical institutions to integrate the ends of others into their own will reciprocally and more consciously. In friendship and love, as the paradigmatic form of ethical life, free ethical subjects want to integrate the ends of others into their sense of self, because they have a reciprocal openness to each other. In civil society, this is not the case. The norms that guide civil society and the needs they engender in individual agents result from the interactions of a largely anonymous mass. So even individuals who succeed in being somebody in civil society's competitive interactions could be said to undergo a form of self-loss as well.

Rebellion against Civil Society: the Rabble

So far, this section has investigated to what degree individuals can experience a social order structured as civil society as subjectively free and whether they can exercise free agency. Civil society generates norms and roles – self-reliance and an ideal of success – which offers

part of the population a moral orientation and the possibility to be somebody. At the same time, these norms are beyond the reach of many others, whose existence does not resonate with the structural features of civil society.

This failure to find recognition of who they are is, in Hegel's analysis, not without repercussions. Civil society generates a class that exemplifies the alienation that civil society bestows on its members: the rabble [*Pöbel*].[97] The rabble consists in the first place of the poor who live in "dependence and want" (*PR*, §243). They do not succeed in being self-reliant, let alone meet the social standards of what a successful life looks like. Consequently, they do not experience freedom in each of the three dimensions: they cannot affirm its goodness of this order, but experience it as opposed, even hostile to them (1). Similarly, they cannot relate to their function in the economy as expressive of who they essentially are, as they cannot meet the basic requirements of being somebody and, consequently, suffer social rejection (2). Finally, they do not see their actions as necessary to the continued existence and flourishing of this order, but rather as superfluous (3).

Poverty itself is insufficient to speak of a rabble as it does not by necessity lead to a loss of resonance with the larger social order. For Hegel, the notion of the rabble is intricately linked with the distinctive inner structure of civil society and the specific kind of poverty it entails. Characteristic of the rabble is their spirit of rebellion. As they do not count in the social order and do experience it as their substance, the rabble turns its back against it. They counter rejection with rejection.

> Poverty itself does not make anyone into rabble: this comes into being only through the disposition connected with poverty, through the inner loathing towards the rich, towards society, the government, etc. (*PR*, §244A).

The rabble is disillusioned and fatalistic; they have given up hope that they could be successful in the system or that the system could be improved. As a consequence, they come to loath the social order and those representing it and they turn its standards around. They give up on honest work as the means by which they could make a living. "It also follows that those who are dependent on contingency become frivolous and lazy" (*PR*, §244A). In their corruption, they mock the idea of individual responsibility, claiming society is responsible for providing for them: "yet [the rabble] claim that they have a right to receive their livelihood" (*PR*, §244A). In their rebellion, property rights and other individual freedom rights no longer count for them, opening the path to crime. Ultimately, they refuse to take the interests and concerns of others into account, which amounts to a rejection of ethical life *tout court*. In

[97] As Heyde (1987, 196–97) points out, Hegel uses the concept of class only for this group, while for others he uses the concept of estate. A member of an estate has been integrated into the social whole, while the concept of class expresses an opposition between the individual and society.

their indifference to other members of society, they become shameless and trespass against social conventions.

The inner mechanism of civil society does not only turn the poorest into a rabble. The corruption extends to the richest in society. "Civil society affords a spectacle of extravagance and misery as well of the physical and ethical corruption common to both" (*PR*, §185). The most successful in civil society do not feel obliged by the ethical norms and rights which make up the social system. Regarding social life in the mode of Understanding, they attribute their success to their own efforts. They do not recognise, nor do they see, how their position in society is conditioned on their participation in an all-round dependent community. Moreover, members of civil society regard everything in the social world from the instrumental perspective of how it can contribute to their ends. "The rich think that they can buy anything" (*VPR*19: 196).[98] The rabble-rich, which civil society engenders, thus pursue their own frivolous ends without caring for others, including not respecting rights if they stand in their way. They place their particularity above the community. "Wealth can lead to the same mockery and shamelessness that we find in the poor rabble" (idem).[99]

The emergence of a rabble class is, thus, the manifestation of the fragility of civil society's ethical life. Even though Hegel recognises civil society's potential to become more rational and universal (*cf.* 4.3) and to develop social identities which give the experience of subjective freedom, he ultimately emphasises the fundamental pathologies emerging from its inner logic. A social order entirely based on the principles of particularity cannot realise objective and subjective freedom and runs the risk of falling apart.

4.5 Civil associationism: corporations

So far, civil society has been discussed as an individualistic social order in which individuals are preoccupied with their own ends and whose relations with others are mainly instrumental. This social structure is not entirely rational as it does not allow all members to meet their ends. Moreover, it generates social and practical identities that do not enable its members to experience ethical freedom and feel at home in the social world.

Civil society, however, also has another face. It is not merely the sphere of difference in which the ethical whole decomposes into self-interested particularities. The sphere of work also has the potential to recompose and develop new ethical unities. Hegel refers to these self-organising ethical unities as corporations. Our conclusions could have been premature.

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[98] Translation ST. Original: Der Reiche betrachtet alles als käuflich für sich.

[99] Translation ST. Original: Der Reichtum kann so zu derselben Verhöhnung und Schamlosigkeit führen, zu der der arme Pöbel geht.

This section first sets out the nature and functioning of civil society's professional associations. Then, I will work out how the corporations have the potential to provide the members of civil society with more stable identities that could counteract the experiences of subjective unfreedom, rendering, from the perspective of objective freedom, civil society more rational. Finally, I will refute the idea that civil society, due to the positive contribution of the corporations, has the potential within itself to overcome its inherent shortcomings and that political order therefore could be based on civil society.

Civil society's mechanism of incorporation

The corporations emerge from the central motive typical of civil society: the self-interest of individuals who want to meet their needs. "[P]rivate persons, despite their selfishness, find it necessary to have recourse to others" (*PR*, §201A). Members of the second estate, which contains trade, industry and other bourgeois professions, start to collaborate with others, who are doing the same work, in order to promote their shared interests.

> The work performed by civil society is divided into different branches according to its particular nature. Since the inherent likeness of such particulars, as the quality *common* to them all, comes into existence in the *association*, the *selfish* end which pursues its own particular interests comprehends and expresses itself at the same time as a universal end. (*PR*, §251)

Because the corporation is rooted in self-interest, cooperate membership could appear as merely instrumental. However, the membership of a corporation transcends civil society's purely self-centred perspective, in which individuals relate to the world instrumentally, in terms of the optimal satisfaction of their needs. Corporations are ethical bodies: in them, individuals start to relate to their work as an end in itself. From this basis, they also start to identify with others who have a similar professional station in life. The end of the member of a corporation is "no wider in scope than the end inherent in the trade which is the corporation's proper business and trade" (*PR*, §251). They no longer regard themselves in the first place as separate, self-reliant persons but as 'incorporated' in this larger body, participants in a social structure which is substantive for who they are.

The ethical basis of the corporation does not consist in the first place in common particular interests but in the distinctive set of skills of their profession, in the exercise of which they have made their living. Corporations are structures of professional norms and values (moral but also technical) that prescribe what it means to master the profession.

In the corporations, the exercise of skills undergoes a process of professionalisation. "[S]kill is rationally determined" (*PR*, §254). The corporations are settings in which members, by sharing their experiences, help to increase knowledge about how to practice their

professional skills best.[100] Corporations determine the "objective qualification of skill and rectitude" (*PR*, §252) and organise for its (potential) members the education needed to meet these requirements. The members of a corporation take its conception of the good with regard to the profession – its norms, values, good practices – into their own practices. "[I]t is freed from personal opinion and contingency, for its danger to oneself and others, and is recognised, guaranteed, and at the same time raised to a conscious activity for a common end" (*PR*, §254).

The members of corporations develop distinctive, social and practical identities. Individuals who have made it into a corporation by mastering the relevant skills and contributing to its overall good are somebody. This social role brings stability as it releases individuals from the pressure of continually proving themselves, a pressure typical of individualistic market relations. "[T]he member of a corporation does not need to demonstrate his competence and his regular income and means of support – i.e. the fact that he is somebody – by any further external evidence" (*PR*, §253). They have obtained a social position that others, both within and without the corporation, recognise and to which they relate affirmatively themselves. Hegel refers to the experience of internal and external recognition as honour. "If the individual is not a member of a (…) corporation (…) he is without the honour of belonging to an estate [*Standesehre*]" (*PR*, §253A).

The normative structure of corporations also offers their members the moral orientation necessary to perform their agency. Hegel refers to actions that are in line with the corporate norms as rectitude. "[R]ectitude also receives the true recognition and honour which are due to it" (*PR*, 253R). In the corporations, the subjective inner considerations and external assessment come together; agent and arena correspond.

In the corporations, the social meaning of wealth changes compared to the abstract form of civil society discussed in the previous section, where a luxurious lifestyle was meant to show off and find standing in the social space. Incorporated individuals, in contrast, identify themselves with the good inherent in the corporative social structure. They will use the wealth they acquire, which is possible in the corporative economy, in tune with the internal good of the corporation they are orientated towards. "[W]ealth, in fulfilling the duty it owes to its association, loses the ability to provoke arrogance in its possessor and envy in others" (*PR*, §253R).

Finally, corporative life also entails a sense of solidarity among its members. On the basis of their common bond, members are willing to provide welfare to each other in case of adversity, for instance sickness or unemployment. One of the functions of the corporation is "to assume the role of a second family for its members" and "to protect its members against

[100] Hegel's conception of rationality is relational. The rationality of the skill consists in the constructive integration of all the different experiences of those who possess it.

particular contingencies" (*PR*, §252). The corporations, thus, constitute ethical structures that endeavour to do justice to the right of particular satisfaction.

Corporations are also better equipped to provide welfare to their members than public welfare. "[W]ithin the corporation, the help which poverty receives loses its contingent and unjustly humiliating character" (*PR*, §253R). Public welfare is often humiliating, as it confirms that its receivers are not able to meet society's central norm of self-sufficiency. In the corporations, the norm of individual self-dependence is less significant. Members see themselves and others as participants in a shared way of life, based on the mastery of skills which they did not invent by themselves, and conducive to society as a whole. Each of the members of the corporation has contributed to the existence and flourishing of the way of life they identify with and esteem. From this perspective, the assistance that those plagued by ill-fortune or who have grown old receive from their fellow members is not humiliating but rather a self-evident right.

At this point, the difference between Hegel's corporations and other work-related associations, trade unions and guilds, can be pointed out. Hegel's corporations do not correspond with any concrete real-existing social institution in his age nor ours. In his investigation of how the political orders of his age could realise freedom, he infers from the logic of civil society the necessary emergence of a form of professional social organisation and ethicality and calls this the corporation. The sphere of work always entails social organisation. In his age, Hegel could observe the remnants of the guild system, to which the corporations have similarities. However, the guild system, rooted in the feudal age, did not fit the conditions of modern civil society, not sufficiently respecting the rights of personhood, nor did they sufficiently contribute to the well-being of the community as a whole. Our discussion of the political role of corporations in 7.4 will further explain Hegel's rejection of guilds. For now, it suffices to regard corporations as Hegel's account of what kind of social organisation of work would fit the conditions of civil society. This account anticipates, to some degree, the 19th and 20th century trade unions. The corporations, however, differ from 20th century trade unions in being centred around productive skills and constituting self-governing bodies that organise solidarity and welfare and participation in the legislative (*cf.* 6.3 and 7.5).

Civil Society as Realisation of Freedom?

Objectively, corporate life is much more rational than the non-organised, interactions of civil society discussed in the previous sections. The corporations take the particular interests of their members into account, guaranteeing the satisfaction of their needs, even when afflicted by misfortune. Moreover, the particular will of the corporate members is more rational, more fully integrating into their will the social conditions of their existence. Corporations discipline individuals towards realising their inherent standards, both technical

and moral. Desires shaped in the collective life of the corporations are more satiable than the inflammatory desires of the abstract competition of civil society.

From a subjective perspective, corporate individuals experience freedom. The members of the corporations take the ethical structure and its inner norms as good. They regard their profession as their essence and are recognised as such. Finally, corporative members see their work as indispensable for the existence and continuation of their corporation (and, as such, for the political community as a whole as well).

However, this picture of the realisation of freedom in the corporations raises the question of whether the members of the corporations are really free. They seem to have substituted their original freedom of civil society, which allows them to follow their particular ends, for a much denser social identity that shapes them and, consequently, tells them who they are and what they must do. To what degree can they be said to be free?

Hegel does not juxtapose incorporation and individual freedom; rather membership of a corporation realises this freedom. It should be kept in mind that corporative membership in Hegel's theory of order is based on the free individual choice of this career (while in the guilds, sons usually inherit their father's profession). Membership in a corporation does not preclude civil society's principle of autonomy but is based on this. For Hegel, commitment to a specific life form is necessary to experience freedom. To be someone, you cannot leave all options open. "'Whoever aspires to great things', says Goethe, 'must be able to limit himself'. Only by making resolutions can the human being enter actuality, however painful the process may be" (*PR*, §13A).

Second, corporative membership, more than membership of abstract civil society, makes it possible to find recognition for one's *particularity*. As set out in the previous section, the members of the abstract space of civil society endeavour to be somebody by displaying their external success. This brings about a process of unlimited competition, exorbitant wealth for some and feelings of deficiency and lack for others. The corporations do not necessarily cancel competition between particular individuals but channel it along the standards internal to the corporation. There, the norms of being somebody do not alternate, like the "false infinite" (*cf.* 4.4), but develop in the interaction of its participants depth and complexity.[101] Consequently, the norms internal to the corporate structure make it possible to be recognised as part of the whole (one of the *many*) and also as an outstanding one (*one* of the many). For instance, both customers and colleagues can recognise a baker for his exceptional skills.

Finally, agency in the corporations should not be conceived as thoughtless conformity to externally given norms. Unlike the norms of abstract civil society, the idea of the good that guide the corporations and the norms to realize this good emerge from communicative processes in which members can partake. As a rational institution, it is based

[101] The "false infinite" has been overcome.

on an exchange of reason and experience. Moreover, the performance of agency as members of the corporation does not consist of simply following the norms, but in a conscious judgment of linking norms, which might be in some tension with each other, and a specific case.[102]

All in all, civil society seems to contain within itself the mechanism to overcome its shortcomings and to realise both objective and subjective freedom. Its capacity for self-organisation towards harmonious social relations might suggest that civil society can exist as an all-encompassing social order and that there is no need for another, 'higher', mode of ethical life. This way, Hegel seems to provide the argument for a liberal conception of order, an order ultimately based on enabling individual choice. Moreover, corporations organise solidarity, countering the problem of poverty that emerges in capitalistic order (*cf*. Houlgate 2022). In the literature, authors such as Stillman (1980) and Church (2010) emphasize this associative, order-constituting potential of Hegel's civil society against the more authoritarian order that a primacy of the state would generate. Hegel seems to sustain such an interpretation when he considers the focus on one's professional life as a viable alternative for political life, as a realisation of the need to lead a universal life.

> In our modern times, the citizens have only a limited share in the universal business of the state; but it is necessary to provide ethical man with a universal activity in addition to his private end. This universal [activity], which the state does not always offer him, can be found in the corporation. We saw earlier that, in providing for himself, the individual in civil society is also acting for others. But this unconscious necessity is not enough; only in the corporation does it become a knowing and thinking [part of] ethical life. (*PR*, §255A)

However, such a reading clearly goes against Hegel's emphasis that corporations must be "under the supervision of the public authority" (*PR*, §252): they can only exist as part of a larger political order which does not result from the principles of civil society.

The first reason corporations depend on a higher ethical structure is that they themselves must obtain a place in the social whole. The corporations must be recognised in the social whole. This way, the corporate member "belongs to a whole which itself is a member of society in general" (*PR*, §253). This allows these members to find recognition not only *within* the corporation but also *within* society as a whole. They can consider themselves as contributing to the overall order and also recognised as such.

It is highly questionable whether this reciprocal recognition of corporations can be organised within the confines of civil society itself. Corporations are directed at their own good, which is a universal good from the perspective of its members, but a particular good from the perspective of society as a whole. How can these particular 'self-interested' social

[102] Hegel's notion of judgment will be explained further in Section 6.3 when applied to the role of the civil service.

bodies together develop a conception of the common good which recognises all these corporate particularities? It is more likely that the corporations will take over civil society's competitive logic and act as mere interest groups. Hegel compares corporations focused on their self-interest with guilds. "The corporation, of course, must come under the higher supervision of the state, for it would otherwise become ossified and set in its ways and decline into a miserable guild system" (*PR*, §255A).

Second, the assumption that corporations could fully counter civil society's pathologies by taming its capitalistic dynamic has not sufficiently realised that "civil society (…) is the immense power which draws people to itself" (*PR*, §238A). Members of corporations have not left the individualistic logic of civil society behind them. They remain persons and, as such, not immune to the temptations of civil society, such as its vision of a successful life. Capitalistic relations have the tendency to expand and tear individuals away "from their identification with their particular occupation and its internal competition" (Church 2010, 131). A cook, lawyer, doctor or any other professional could decide to regard their profession no longer as primarily an end itself but as a means for making as much money as possible. When the corporation is no longer an end in itself, its internal values run the risk of eroding, being replaced by quantitative ends external to the practice. To counter the erosion of corporations by civil society, and to let them perform their potential of rendering market relations more ethical, a higher ethical sphere is required, the political ethicality of the state, to stabilise and bolster the corporations.

Finally, corporations do not provide a solution to the existence of an underclass and the generation of a rabble. Not all members of civil society manage to organise themselves and develop in corporations. The foundation of the professional associations consists of mastering specific technical and moral professional skills. For unskilled (day) labourers, whose work consists in mechanised, simple actions, corporate membership, consequently, does not seem feasible (*cf*. *PR*, §252R). Therefore, the problems of poverty and unemployment require different solutions, which the next chapters will take up.

Hegel's account of the corporations does not provide an argument for the possibility of the liberal political order, fully inferred from the idea of free individuals. The free market can, to a certain degree, develop as a free and rational ethical sphere, whose members are attuned to social reality. This, however, requires civil society to be embedded in and sustained by the political ethicality of the state. Chapter 6 reconstructs the nature of the state as an ethical structure and how it relates to civil society and the corporations.

4.6 Conclusion

This chapter has offered an interpretation of Hegel's analysis of the potential of a social order based on individual freedom and individual rights. Hegel regards civil society, the

emancipation of particularity, as an advancement over earlier forms of social life, as it allows for a richer form of freedom. From a subjective perspective, individuals can now consider themselves in separation from the community, pursuing their own ends. Also from an objective perspective does civil society render social life richer. The pursuit of self-interests does not necessarily imply social conflict. Hegel acknowledges the idea of an invisible hand, the non-intended form of social coordination, according to which individuals who pursue their own interests contribute to the realisation of the needs of others.

Hegel's analysis, however, does not end with this beneficial picture. Civil society is only the "appearance of rationality." Hegel points out the logical effects of an economic system entirely based on the free development of particular self-interest: not only abundance but also poverty and want. Civil society does not take the particularity of all its members into account, as not all members can meet their particular needs.

In terms of subjective freedom, the abstract relations of civil society entail the social roles of being self-reliant and successful. These identities, however, are beyond the reach of many. Hegel offers a kind of thought experiment that shows that a political order entirely based on particularity must result in pathologies. Substantial parts of society cannot regard the social world as their home. They experience, vis-à-vis society, alienation, opposition and rejection. The most radical manifestation of this failure of civil society is the emergence of the rabble. In addition, civil society fosters the development of rational agency only to a limited degree. Its standard of the good concerns self-reliance and comparing favourably with others in material success. Civil society, thus, lacks an institutional setting that can teach its members to attune properly to social reality.

This, however, is still not the complete picture. The self-organisation of civil society in the corporations renders civil society more ethical in the Hegelian sense of a common life whose members take each other into account. Corporate members experience a bond and are willing to help each other. The corporations provide practical identities, entailing more realistic and elaborate accounts of the good life not merely focused on material success and empty comparisons. In the corporations, civil society succeeds in giving a home to its members. The final section raised the question whether the corporations, because of their benefits, prove that political order can be derived from civil society. It argued that this question must be answered negatively. For functioning well (or even existing), the corporations must be integrated into the more encompassing ethical sphere of the state.

All in all, Hegel offers a tragic picture of a liberal political order. Driven by the pursuit of individual freedom, it takes individual rights and autonomy as absolute. However, this pursuit turns out to undermine the freedom it yearns for. The free development of civil society without it being integrated in the ethical life of the state entails the loss of freedom and the loss of self, because ultimately, individual subjects who interact on this basis do not

succeed in comprehending and attuning to the interdependent, organic social reality they participate in.