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CAPITALISM, SOCIALISM, AND CIVIL SOCIETY

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## CAPITALISM, SOCIALISM, AND CIVIL SOCIETY

If the sun is indeed setting on the cold war, there is reason to wonder whether Hegel's Owl of Minerva should not be scheduled for further flights. Hegel was critical of political and economic liberalism as well as revolutionary egalitarianism. To the extent that actual capitalism and actual socialism have conformed to these positions in practice, Hegel's double-edged critique has current applications. Sketched in broad strokes, Hegel's position has a certain elegant symmetry. Revolutionary egalitarian movements tend (as the Maoists used to say) to "put politics in command," to make political life dominant over civil society. On the other hand, the effects of liberalism tend in the opposite direction, to create a political life which is dominated by civil society. At the bottom of Hegel's objections we find the claim that all members of a community have a right not to be excluded from the satisfactions that are offered by its way of life. Neither a community whose political life is dominated by civil society nor one where civil society is repressed by politics can honor his right.

### 1. *Citizen Hegel: Welfare and the General Will*

Though the phrase "civil society" (*bürgerliche Gesellschaft*) owed its popularity in Hegel's Germany to a translation of Adam Ferguson's *Essay on the History of Civil Society*,<sup>1</sup> the meaning of this phrase in Hegel's work has more to do with the Rousseauian distinction between *bourgeois* and *citoyen*.<sup>2</sup> Only self-interested actions are undertaken by the *bourgeois*, while the citizen, adopting the perspective of the general will, acts on behalf of all. Civil society is the system of interactions which is established and sustained when people act self-interestedly but interdependently in a community.<sup>3</sup> The community is a state, on the other hand, only if the individuals act as citizens. That is, a political community is formed only by people who also act "universally" (on behalf of all), people who "do not live as private persons for their own ends alone,"<sup>4</sup> people whose "consciousness has been raised to consciousness of its universality"<sup>5</sup> and whose "activity is consciously aimed at non- but the universal end."<sup>6</sup>

The right relation between civil society and state is a relation of mutual support. "The result is that the universal does not prevail or achieve completion except along with particular interests . . . and individuals likewise do

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not live as private persons for their own ends alone, but in the very act of willing these they will the universal. . . .”<sup>7</sup> If this is the right arrangement, then it is also clear what some of the wrong arrangements will be: either *citoyens* or *bourgeois* will dominate the other, delegitimizing the others’ objectives. As I will show in a later section, Hegel was concerned not only that one should be able to pursue both public and private goods, but that one should be able to pursue some goods of each sort for what they are, without having to justify one in terms of the other. Where *citoyens* dominate, the characteristic self-regarding ends of civil society have no standing in political life; these private ends would have to be justified in terms of public goals. In the *bourgeois* state, on the other hand, only the interests of civil society have political standing, and public goals would have to be justified in terms of these private ends. Hegel’s principle, then, not only prescribes that a mix of public and private interests should be served by a state, but—what is more interesting philosophically—it implies the irreducibility of either public or private interests to the other.

The distinctions between *bourgeois* and *citoyen*, between civil society and state, rest on a distinction between private, self-interested acts on one hand and enactment of public interests or a general will, on the other.

First consider the self-interested acts. Hegel’s term *selbstsüchtig* would seem to be ambiguous:

- (1) Actions may be self-interested insofar as the agent is the object—i.e., if the intent is to have an effect on oneself or one’s circumstances. Acquisitive acts are always self-interested in this sense.
- (2) Alternatively, self-interested acts might be just those which one does on one’s own behalf, for one’s own sake, no matter who or what is affected. Some self-affecting acts are not self-interested in this second sense, for instance the various ways in which parents modify their behavior for the sake of their children.

It is actions of the second kind to which Hegel refers as *selbstsüchtig*. Generally he refers to the ends achieved by self-interested acts as “particular,” so as to suggest that ends of the same kind can be pursued separately or cooperatively.

- (3) There are ends we pursue cooperatively for our own sakes individually. Civil society, on Hegel’s conception of it, comprises cooperative action in which people engage conditionally, i.e., only if it is believed to suit their particular interests.

In contrast, a community exercises universal will when its members act to have effects on all, when their conception of self-interest is broadened and identified with some interests of all others, and when they pursue objectives that are shared unconditionally.

(1) Political action affects all insofar as it works by rule of law, establishing duties that have effect on every person to whom they pertain.

(2) Political communities act for the sake of all in that they establish and defend rights, against which an injury to any member is taken by the community as a harm to all. In such a community one makes it one's interest to establish and defend rights for all other members.

(3) Finally, political communities have some objectives which their members do not share just as means to particular interests, but which they share unconditionally. One such goal is preservation of the community's way of life. Another would be the goal of living under what pass for one's own laws.

The second requirement can be put in a different way. To act politically, to adopt the standpoint of Hegel's universal will, means seeking to provide and protect collective goods. By "collective goods" I do not mean just those which must be present for everyone before one should say they are present at all—such as a safe or clean environment. I also mean goods with which the community is not satisfied unless they are available for all. Thus an attempt to deprive any member of the community of such a good would be taken as harming the whole community. They are also goods which members of the community would be embarrassed to have, if these same goods were not available generally to members of the community; unavailability of these goods to other members would morally undermine the value of possessing them.<sup>8</sup>

But which goods should the community attempt to achieve generally, as collective goods? Minimally, a community would wish to live under its own laws, consonant with its way of life. To defend national autonomy in this way would be to carry out the general will. But the general will might also be seen to require specific kinds of legal environment; hardly any community will be satisfied merely with having a legal environment of their own, consonant with their way of life. Virtually all will also require a legal environment in which some liberty rights are entrenched; still others may require entrenchment of welfare rights. The content of the general will seems indeterminate. How do we tell what the collective goods ought to be?

Rousseau's answer was that one needs only to ask the majority, who will always be right. Hegel disagreed. A community's way of life, he held, has no legitimacy if there are members of the community to whom it is repellent or if the satisfactions of this way of life are otherwise barred to members who could enjoy it. The community must make the satisfactions of their way of life generally accessible; it must provide sufficient means to cut through or surmount the various accidents and barriers that isolate individuals and groups within the community from the satisfactions to be found in its common way of life. Thus realization of general or universal will ultimately requires an environment of powers and rights rich enough that no part of the community is isolated, impeded or barred from finding satisfaction in its way of life. Until this has been done, the community has not made good "the right of individuals to their particular satisfaction."<sup>9</sup>

The interpretation which I advocate for Hegel's political philosophy stresses this point. A community has an obligation to prevent exclusion of its members from the satisfactions of its way of life, and the members of a community have the correlative right not to be excluded. I shall refer to these as the principle and right of non-exclusion. Hegel's use of terms such as "universal will" and "universal interest" appear in a new light if their connection with the principle and right of non-exclusion is borne in mind. The "universal" refers to what citizens seek when they act upon all (via the rule of law), on behalf of all (establishing collective goods), aiming ultimately to sustain an institutional structure satisfying the principle and right of non-exclusion.

It is in this context that I wish to consider the mutual irreducibility of civil society and state. Suppose a community's reasons for adopting a specific set of rights were limited to considerations of particular interests. This is the case in which Hegel says that "the state is confused with civil society."<sup>10</sup> Hegel's reasons for dismissing this as a confusion are straightforward. A community which acts only on particular interests will make all its shared objectives conditional on them. But political community is defined by one in which some objectives are shared unconditionally. Thus even contractarian accounts of the state such as Rousseau's, which do not base legitimacy on particular interests, are incoherent to Hegel. Contracts make shared objectives conditional on unshared objectives; if a community is to be a state, it must share some objectives unconditionally.<sup>11</sup> Without unconditionally shared objectives, Hegel claims, a state cannot have authority. This claim, however, is not given any further support.

It is more interesting to consider what happens when a community carries this "confusion" into practice, when it acts on the belief that the only

proper reasons for political action are considerations of particular interests. Let us say in this case that the state is dominated by civil society. From various elements of Hegel's political philosophy one can make out an argument that domination of state by civil society will result in violation of the right to "particular satisfaction," the right of non-exclusion.

Can a community also operate under the opposite confusion, requiring that pursuit of particular interests be justified in terms of prior shared objectives? This confusion plagued the French Revolution, Hegel thought, and contributed to the Terror. However, it is also possible to reconstruct, from other views he held, an argument that a community which operates under this confusion, too, will not succeed in making good its members' right to non-exclusion. Let us call this a community in which civil society is repressed by the state.

## 2. *Civil Society Dominant*

The whole of Hegel's section on civil society makes an extended argument to the effect that what I have called "dominance by civil society" would be self-defeating. In brief, there are self-interested reasons for members to group together in various ways, and the experience of living amidst these groupings teaches the *bourgeois* how to be citizens. The broad claim is that a community of egoists would teach each other, in practice, how to abandon egoism.

This leaves it an open question whether they should make the leap to abandon egoism. The question at hand, however, is somewhat different. It is whether there is any leap to be made at all. Is there anything that a community could legitimately want to do, from the perspective of the *citoyen*, which could not be justified by self-interested considerations alone. From Hegel's discussion of civil society the following line of reasoning can be made out. Upholding the right of non-exclusion requires a community to protect its members against certain contingencies. There are also self-interested reasons for wanting these protections, but they do not warrant providing such protections by rights. This, then, is something which a community must do, but cannot justify within the self-interested framework of civil society, which, accordingly, should not be allowed to dominate.

The menace of contingency looms large in Hegel's description of civil society. To fall victim to crime is classed as a contingency, resulting from a subjective departure by the criminal from prevailing community support for the rule of law. In any case crime appears as a contingency to the victim, to whose plans it is accidental and disruptive. Just as accidental and disruptive to the victims are fraudulent transactions and others in which "the differing

interests of producers and consumers may come into collision with each other.”<sup>12</sup> If the point of entering civil society is to seek one’s satisfactions by transacting with others, then there is reason to prevent transactions that are bound to frustrate these efforts, by such means as fixing the prices of staples, regulating weights, measures and other standards of trade, and by other forms of consumer protection.<sup>13</sup> Again the general line of Hegel’s thought seems to be that all those who seek their satisfactions within civil society should therefore accept institutions—here policing, to insure against contingencies—as necessary means.<sup>14</sup>

Other contingencies affect producers specifically. Repeatedly Hegel observes that while market transactions generate wealth and luxury for some, they simultaneously impoverish and emiserate others; “. . . civil society affords a spectacle of extravagance and want as well as of the physical and ethical degeneration common to them both.”<sup>15</sup> Various explanations are allowed,<sup>16</sup> but two in particular are stressed. One is simply that once all means of subsistence have come under ownership, one depends on consumer demand to make a living;<sup>17</sup> however, tastes are fickle and markets can be volatile. In a commodity economy “there are so many more needs, satisfying them is a contingent matter, and hardship is so much greater because the means of satisfaction is linked to the caprice and will of others.”<sup>18</sup> The other explanation links creation of poverty with concentration of larger-scale capital in fewer hands; enterprises in which greater capital is concentrated drive others out of business.<sup>19</sup> It is also acknowledged that domestic markets can be disrupted by international trade conditions.<sup>20</sup>

Finally, workers can be victimized by the minute division of labor within a workplace. Hegel draws attention to two distinct sorts of harm. It did not escape him that machine-tending and other highly specialized, restricted forms of labor can “dull the spirit”<sup>21</sup> and “entail inability to feel and enjoy the broader freedoms and especially the intellectual benefits of civil society.”<sup>22</sup> Another harmful effect of workplace division of labor is dependency. The intensity and efficiency of labor which a worker develops in one highly simplified and specialized job has as its concomitant an underdevelopment of generalized skills, and as a result the workers find themselves unfit for other jobs. The perils of unemployment are amplified by deskilling.<sup>23</sup>

How are these producer contingencies to be addressed? Hegel’s opinion was that self-interest does not support universal, nation-wide protections. Rather, self-interested economic agents should seek protection against unemployment and business failure within their own industry,

within their own branch of the social division of labor. Perhaps the following line of reasoning can be attributed to him. If particular interests warrant protection against unemployment and market instability, then, within an industry, there will be even greater support for institutions which not only provide this protection but also advance the producers' common interests in other ways. Thus protection against unemployment and market instability should be provided by industry-wide producers' associations. More practically, Hegel also believed that nation-wide solutions were ineffective, on grounds that direct income support to the unemployed would create a culture of dependency, and make-work projects would exacerbate over-production.<sup>24</sup>

While some have likened it to left-wing corporatism or guild socialism,<sup>25</sup> Hegel's program is, so far as details are concerned, quite sketchy. What is clear is that he proposed to modernize guild organizations, or their equivalent, and to give them six tasks. It was to be the responsibility of the producer association (*Korporation*) in each industry (a) to promote interests shared by all producers in the industry, (b) to control the intake of new producers in the industry and establish skill and educational requirements, (c) "to protect its members against particular contingencies,"<sup>26</sup> (d) to provide training for new entrants, (e) to advise and exercise authority from below to sections of government bureaucracy, and<sup>27</sup> (f) to comprise, in its members, the electors of legislative deputies.<sup>28</sup>

Now consider the sort of protection Hegel had in mind. Time and time again he reminded his lecture audiences that a community produces wealth by means of wealth, and one can no longer make a living if one is excluded from it. Now, there is a difference between sharing these assets and not being excluded from them. Non-owning producers such as slaves, serfs and wage-laborers are not excluded from productive assets, but they do not share in them, either. Hegel called for sharing them. Each member of civil society is entitled "to draw a share from this universal permanent capital,"<sup>29</sup> Hegel claimed, though he left it unclear how this was to be done. What we can say is this: the industry-wide associations were to meet their responsibilities to protect their members against market contingencies and unemployment by giving them an effective right to capitalization.

Though scholars have given it little recognition, this right to capitalization cannot be ignored, for Hegel mentioned it repeatedly in published as well as oral renditions of his *Rechtsphilosophie*. Individuals have a right to be capitalized for the same reasons that they have rights to education and health care. What is fundamental is their right to their "particular satisfaction," their right not to be excluded from the satisfactions offered by the



community's way of life. Previously it had been an unconditionally shared objective of the family not only to provide for the health and education of family members, but also to provide them with means to make a living. Due to the right of non-exclusion, these things are owed to people. So long as families can provide for them, on family assets, responsibility for doing so rests with families. However, because of the development of civil society, this is no longer feasible on any large scale. Therefore responsibility shifts to civil society. Moreover, the assets supporting physical care, education, and self-supporting work must also be seen as social assets, Hegel maintained,<sup>30</sup> as a common resource which "gives each the opportunity, by the exercise of his education and skill, to draw a share from it and so be assured of his livelihood, while what he thus earns by means of his work maintains and increases the general capital."<sup>31</sup> In a subsequent paragraph lack of capital is listed specifically as one of the contingencies (along with lack of skill and ill health) by which the otherwise open "possibility of sharing in the general wealth" can be closed to members of the community. Since "civil society tears the individual from his family ties," it is now civil society "whose function it is to provide for the individual on his particular side by giving him either the means or the skill necessary to enable him to earn his living out of the resources of society."<sup>32</sup>

Capitalization rights would be regarded differently by the *bourgeois* and the *citoyen*. Hegel considered that rights to capitalization should be an object of universal will because, without them, the right to non-exclusion (from satisfaction in the community's way of life) could not be institutionalized. From this perspective, the *citoyen* would extend capitalization rights to all members of the community. Not so the *bourgeois*, for whom shared interests within an industry would warrant contracting within the modern guild to guarantee capitalization—but only for guild members. Hegel's claim, in other words, is that there is a universal right to capitalization, but it is not warranted just by considerations of self-interest.

### 3. Communities and their Satisfaction

Two issues arise from this. First, why should a community attempt to provide its members a right to non-exclusion? Secondly, why should this right have to be institutionalized by a right to capital, rather than a right to employment?

In responding to the first question, it is useful to recall the role played by moral community (*Sittlichkeit*) in Hegel's moral philosophy. It should also be recalled that he did not consider utilitarianism to be a serious contender among moral theories, which were accordingly limited in his view to

Kantian doctrines. In regard to these, he argued that to say we should do our duties for duty's sake is not yet to tell us what our duties are, and that the test of the categorical imperative cannot do so either, without circularity. The requirement to act so that one's maxim could be a law governing universal nature will not require or forbid any particular courses of action unless assumptions are made about the social practices which universal nature is to include. These assumptions cannot be fixed by conscience; they can, however, be supplied by a community's culture. It is up to a community to make morality possible, by supplying a set of practices (such as truth-telling, ownership) over which to universalize. But it cannot supply just any set of practices. The practices which it supplies must also satisfy and enliven its members.

I take it, then, that Hegel was not engaging in Romantic mystification but laying down necessary conditions for a moral community when he told his students that its norms, "while distinguished from the subject, are not foreign;"<sup>33</sup> rather, "his spirit bears witness to them as to its [i.e., his] own essence, the essence in which he has a feeling of his selfhood, and in which [norms] he lives as in his own element."<sup>34</sup> By implication, a moral subject would find an inappropriate moral culture to be foreign; living these norms would involve self-denial; one would feel out of one's element, "spiritless."<sup>35</sup>

If that is the case, then morality becomes incoherent, claimed Hegel, for the following reasons. Doing what is right must be integrated with pursuit of welfare, within pursuit of the good. "Welfare without right is not a good. Similarly, right without welfare is not the good; *fiat justitia* should not be followed by *pereat mundus*."<sup>36</sup> If individuals can find no satisfaction in the community's version of the good life, if they cannot find satisfaction in doing what is right, according to what passes conventionally for virtue, then this failure is not to be considered their failure. According to Hegel, they have a right to their particular satisfactions, and accordingly their inability to find satisfaction must be counted as a failure of the community. This would be a community, then, where right falls out with welfare; it is a community in which the enterprise of morality, pursuit of the good, breaks down. In a community where the right to particular satisfactions is not honored, morality is pretense.

Where civil society is highly developed, the broad right of non-exclusion supports two particular rights. One concerns consumers; the other, concerning producers, bears on whether they are entitled to be capitalized. The reason why two distinct rights arise is that civil society introduces two fundamentally new kinds of satisfaction, from which its

members risk being excluded. The producer satisfactions are those of self-reliance; the consumer satisfactions concern refinement.<sup>37</sup>

Following the Scottish economists, Hegel observed that “the satisfaction of need . . . breeds new desires without end.”<sup>38</sup> Contrasts between the multiplicity of human needs and the relative simplicity of animal needs were common to writers such as Adam Ferguson, James Stewart and Adam Smith, who standardly observed that animals, living in limited habitats, had limited needs compared to humans, who, living in all sorts of varying climates and circumstances had all manner of varying needs. These observations are also found in the *Philosophy of Right*, where Hegel also elaborates on the refinement of human tastes. What is interesting about Hegel is that he did not look down upon the limitless multiplication of needs, but considered this a legitimate source of satisfaction. He is reported to have lectured to his students that “fashion is eminently intelligent; it is intelligent to dress in style.”<sup>39</sup> One wonders whether this caused the students to chuckle or merely to check the width of the professor’s lapels.

It is surprising that a philosopher so severe by reputation would speak out in favor of frivolity. As one might have expected, however, his praise for fashion rested on the view that this apparently irrational behavior was not bereft of intelligence. In its way, the multiplication of distinctions is a work of intelligence, and that is just what occurs when needs become refined. Whenever an object is used to satisfy a need, its further qualities do not go unnoticed. Over and above the functional qualities of a product, consumers distinguish between various further qualities, which come to have equal or greater importance—as design qualities such as cut and color in clothing. “Thus the need for clothing is divided into many garments, fabrics, styles, and colors; it is a concrete need but in this way many aspects in it come to be distinguished, each of which comprises a [new] particular need.”<sup>40</sup> This gives rise to abstract needs, as consumers come to want not merely to clothe themselves, for instance, but clothing of particular kinds. This process is amplified, as the economists observed, by the twin tendencies to emulation and distinction: articles with particular qualities become desirable because others have them; at the same time, one wishes to set oneself apart. As Hegel noted, these two tendencies, once combined, make a “fruitful source of the multiplication of needs and their expansion.”<sup>41</sup> Yet this would not occur without the making of comparisons and distinctions, nor is the process entirely without value, as Hegel suggested when he observed, “Coarseness neither makes nor observes distinctions. This culture, holding fast to distinctions and becoming familiar with them, is refinement, and it is under this characterization of need that the ways of universality enter in.”<sup>42</sup>

There is also a connection between refinement and rights. Refinement and the multiplication of needs expand the field on which particular satisfactions can be pursued. Particularity, as he puts it, is "given free rein in every direction,"<sup>43</sup> and indeed with the onset of refinement there are more directions than ever. It should be recalled that one's particular satisfaction is something to which one has a right, according to Hegel, and there is some evidence that he would extend this to encompass a right to refinement. I take it that the phrase just quoted, "given free rein in every direction" alludes to the multiplication of needs; the same phrase is used in the preceding paragraph in connection with "the Idea"—i.e., the unfolding of freedom. "To particularity it gives the right," he says, "to develop and launch forth in all directions."<sup>44</sup>

This way of looking at particular satisfaction and expanded needs begs to be cast in terms of rights. One has a right, Hegel claims, not to be excluded from a community's satisfactions. If satisfaction comes through refinement, as it does within a developed civil society, then refinements are not to be restricted except where intervention is required to prevent parts of the community from being excluded. Skeptics will say I am attributing to Hegel a right to shop. Less crudely seen, however, the position is this: if members of a community have a right not to be excluded from the satisfactions of a community's way of life, then, if that way of life involves civil society, they have a right not to be excluded from its refinements.

Civil society also offers prospects of producer satisfactions. Among these, Hegel singled out a sense of dignity, which he attributes to being economically self-reliant.

It was in order to protect this sense of dignity that he proposed his unusual unemployment policy. Hegel's idea was that workers should be capitalized, on the one hand, and organized by trade on the other; these organizations could moderate market swings by limiting production—by regulating the numbers of producers, if by no other means. This contrasts markedly with what the unemployed are usually offered, when they are offered anything at all: public income support or private charity. Hegel's objection deserves close attention: "In either case . . . the needy would receive subsistence directly, not by means of their work, and this would violate the principle of civil society and the feeling of individual independence and self-respect in its individual members."<sup>45</sup> What is called a "principle of civil society" here must be the principle that every member acts self-interestedly. If the practice of providing cash but not work violates this principle, it follows that there are self-interested reasons for working, apart from the cash returns. There must be a distinct interest that can be achieved only by work.

It is difficult to say exactly what this interest is. In different texts, different interests are suggested. Two of these are (a) the fact of self-reliance and independence and (b) the concomitant feelings of dignity and self-respect. Elsewhere a third element, (c) recognition, is mentioned. Compared with charity, the immediate goal of providing an income “is achieved just as well, but there is also this, that with his product I recognize his freedom to produce it himself; I honor and recognize him, that he has nothing to thank me for but has only himself to thank.”<sup>46</sup> One might take it from this passage that there is also a distinct interest in (d) having no one to thank but oneself. In another of these passages—the most remarkable—it is claimed that, by providing working assets with which to produce, a community does more than foster feelings of self-reliance and dignity. A further result would be knowledge of a particular kind of independence, i.e., the independence that is exhibited in overcoming one’s dependence on others. It is for this that Hegel seems to have reserved his highest praise: “each knows himself to be independent in the face of dependence, in that he overcomes this dependence through his activity. This rational state of affairs is the root of his wealth.”<sup>47</sup>

Arguably the producers’ interest in independence requires self-management. An interest in having only oneself to thank for one’s support is satisfied all too easily: one’s output need only exceed subsistence requirements for this to be true, and in this sense even slaves have only themselves to thank for their means of subsistence. Overcoming dependence through activity is not open to slaves. It is open to those who produce for markets. However, it is not open to those who are not self-managing. Consider what sort of dependence producers face in civil society. According to Hegel it is that their position in the market makes them dependent on others’ needs. Because needs and tastes change quickly, this dependence also makes for considerable vulnerability. If independence is to lie in overcoming this dependence, then it will have to involve self-management, for otherwise producers could not independently respond to the vicissitudes of the market. This sort of independence cannot be offered to a person merely by offering a job, but only by providing capitalization.

In contrast, it is the absence of this sort of independence, along with the recognition and self-esteem that go with it, that are the most demoralizing aspects of pauperization. The feelings of indignation that may be provoked in being reduced to poverty are justified, Hegel thought, since everyone does have a right to make a living, in view of which it is an injustice to be made poor. Yet feelings of indignation are not sufficient to support a sense of dignity. The response of some will be to throw their fate

to chance, and from one point of view that is what the labor market has done to them. Though Hegel's comments on "the rabble" seem dispeptic if not cruel at times, there are some insights to be extracted from them. One is that a life of poverty is not the sort of life that can be managed in the sense that production can be managed. To the extent that one's livelihood is "consigned to chance,"<sup>48</sup> elaborate planning will seem out of place. In the extreme, surviving one's dependence can seem a more reasonable ambition than overcoming it. This sort of dependency, to which one gives in for lack of any apparent alternative, is demeaning, because it excludes a person from the satisfaction of self-reliance, overcoming dependence through activity, and these are satisfactions to which the member of a moral community has rights.

#### 4. *Civil Society Repressed*

One worries that the very notion of a Hegelian critique of socialism is as anachronistic as the notion of Homer contemplating a bust of Aristotle. Hegel was aware of radical egalitarianism among revolutionaries in France during the 1790s, and he was not unsympathetic to them.<sup>49</sup> However, there is no evidence that he was familiar in any detail with the socialist program of Gracchus Babeuf, whose crude socialist program became prominent in the 1796 Conspiracy of Equals, in which Babeuf was a central figure.<sup>50</sup> Consequently, the business of inferring Hegelian views of socialism is a speculative venture; however, we do have his views on the revolutionary egalitarianism of the early 1790s, culminating in the Thermidorian reaction, to use as a model.

The Terror of 1793 struck Hegel as a Rousseauian nightmare. Rousseau held that the particular interests of individual wills should be pursued quite separately from the interests of the general will. Thus he recommended against allowing any political influence to organizations whose purpose it is to protect particular interests, to prevent contamination of the general will with particular interests. This prohibition of particular interests was blamed by Hegel for the collapse of the revolutionary movement in France through the Terror of 1793.

His analysis of the Terror provides a more detailed conception of what I have called the "repression of civil society" by a political community. Suppose members of a political community see themselves entirely as *citoyens*, not at all as *bourgeois*. It would be politically incorrect, as we say, to pursue private interests. The *bourgeois* in each political personality would be repressed by its counterpart, the *citoyen*. Of course, no one can actually avoid pursuing private interests; the object, then is to pursue them

without seeming to do so. Hence one describes one's own individual interests as the what Hegel calls "particular" interests—i.e., the interests of anyone who might occupy a similar social position. If community goals can be described as including the activities of people in these positions, then the individuals can justify their particular ends as components of the community's activity. As Hegel put it in the *Phenomenology*, "each individual consciousness rises out of the sphere assigned to it, finds no longer its inmost nature and function in this isolated area, but grasps itself as the notion of will, grasps all of the various spheres as the essential expression of this will, and is in consequence only able to realize itself in a work which is a work of the whole."<sup>51</sup> While one can continue to pursue particular ends by this redescription, one can do so only as an agent of the community. This would be a hyper-Rousseauian world. Not only would interest-groups be defanged politically, but there would be no honor or status to be gained by belonging to them; on the contrary, members of this community could not so much as recognize themselves as members of particular interest groups. "In this absolute freedom all social ranks or classes, which are the component spiritual factors into which the whole is differentiated, are effaced and annulled; the individual consciousness that belonged to any such group and exercised its will and found its fulfilment there, has removed the barriers confining it; its purpose is the universal purpose, its language universal law, its work universal achievement."<sup>52</sup>

His critique of this outlook rests primarily on one additional assumption. Hegel thought that the members of this sort of community would not tolerate any political division of labor. That is, everyone would think that, whatever the community aims are, and whatever roles must be played by its members in order to achieve these goals, every member must play all the roles.<sup>53</sup> If this is true, and if the community goals have any complexity, it follows plainly that the political activity of a community that suppresses civil society will be self-defeating. Hegel, of course, puts the matter more dramatically, claiming that the community would also act self-destructively: "there is left for it only negative action; it is merely the rage and fury of destruction."<sup>54</sup> Still, one should not be distracted by this destructiveness from the political lessons that, in the long term, are perhaps more important. If a political movement refuses to allow any internal division of labor, then it will not accept representation. That is, the rank and file may allow their representatives to speak on their behalf, but they will not allow them to act. They would especially reject the idea that a representative government could legitimately take initiative on their behalf. A mass political movement that rejects any such political division of labor will either reject

all of the organizational infrastructure that is required for governments to operate (hence rejecting governments altogether), or, if it accepts a government provisionally, then, as soon as the government takes action, it will be seen as a particular faction that has arrogated power to itself.<sup>55</sup> The rejection of political division of labor results either in anarchism or factionalism. The prevailing disposition will be suspicion, distrust of anyone who succeeds in achieving positions of leadership or power.<sup>56</sup>

Hegel's claim, then, was that a community in which civil society is repressed will be politically unstable. This sweeping generalization rested on another, that where civil society is repressed, political division of labor will be rejected. So far as the facts are concerned, Hegel himself must have known that support for these claims was thin. In his favor, one must say that factionalism was afoot especially in Paris of the 1790s, where central organs of government were indeed distrusted, especially by the more radical elements, whose political practices were dominated by the mass democracy of open meetings in the local *sections*. On the other hand, this was, in historical terms, a single case. In his lectures on philosophy of history Hegel rather sclerotically attributed political distrust and suspicion to Catholicism. Yet while holding that the English are less distrustful, he found factionalism to be at work in their politics as well. In this case, an entirely different explanation is required, since British politics, far from repressing civil society, were dominated by it. Of the many instances of revolutionary egalitarianism that have been seen since Hegel's time, few indeed have failed just because the rank and file participants in the revolutionary movement have generally distrusted authority, leadership and political division of labor. Those movements which may have failed for this reason—one thinks of the European anarchist movements—have met their demise by attrition rather than by autodestruction. The central inference, from repression of civil society and delegitimization of particular interests, to refusal of political division of labor and factionalism, is flawed.

There is a more modest inference which might take its place. Again we begin with the assumption that individuals' satisfactions are not to be abandoned or left to chance; however, pursuit of these satisfactions must be justified in terms of prior shared objectives of the community. One imagines that these two requirements might be harmonized in either of two ways: (1) The community collectively determines (a) the goods in which its members will find satisfaction and (b) the manner in which they will be produced and distributed. Alternatively (2) the community adopts the liberal objective of allowing individuals to determine what goods will satisfy them and how they will procure them. One can imagine the slogan: "Let civil



society be civil society!” Obviously the repression of civil society is quite ephemeral under this second alternative. Leaving consumer and producer decisions to its members, the community thereby also allows them to decide when to bring about political intervention. To the extent that rights and laws will be motivated by particular interests, civil society will be repressed no longer.

As one might have expected all along, repression of civil society would entail collective pursuit of individuals’ satisfaction. Not only would the community decide collectively how to procure the means of its members’ satisfaction, but it would also determine, collectively, what those goods are.

This is not an option that is open to a moral community. While a moral community must reproduce its way of life, including convention and consensus about what forms a satisfying life may take, it cannot impose these upon its members. Were there no consensus over satisfying life-patterns, there would be no moral community. Where consensus is threatened, so is the unity of the community. The notion that a community can collectively determine its members’ needs would be ruled out, then, by Hegel’s right to “particular satisfaction.”

It would be a gross caricature to maintain that the socialist societies of the twentieth century were collectivist in attempting to determine people’s needs. There has been no little consumerism pent-up in these societies for some time. If anyone had been trying to tell people what they should want, the people have evidently not listened. One simple account of socialist consumerism is suggested by Hegel’s account of refinement. The expansion of needs by introduction of refinements is driven by producers, he noted, and of course the producers he had in mind were dependent on markets.<sup>57</sup> Socialist producers are dependent not on markets but on state contracts; consequently their tendency to introduce refinements will be dampened. Socialist consumers, therefore, will witness the multiplication of needs through refinements introduced by foreign producers. Indeed, being foreign-made is the sort of quality that would itself become the object of a new, “abstract” need—the need for Western goods. If a Hegelian right is violated in this process, it has less to do with determining one’s own needs than with being turned into bystanders, rather than participants, in their multiplication.

Finally, there is another type of dependency to consider. As I have shown, Hegel’s notion of freedom was not so metaphysical as to ignore the importance of self-reliance. His conception of self-reliance did not rule out community support; he took the fact that one cannot be self-reliant without access to means of production as a reason for bringing capital under social

control.<sup>58</sup> He took special note of the need for self-reliance when commenting on the tendency of free-market economies to emiserate much of their populations—"the standard of living of a large mass of people falls below a certain subsistence level," he observes. The harm that is done to these people is not limited to poverty, to depriving them of goods; also threatened is "the self-respect which makes a man insist on maintaining himself by his own work and effort. . . ." <sup>59</sup> Demoralization through dependency is not limited to the case in which civil society is dominant. If civil society is repressed through non-market production planning, new forms of dependency and demoralization may arise. This, at any rate, is a complaint that is quite commonly made of economics within a framework of central planning. Indeed, one of the architects of *perestroika* has recently summed up a wide range of economic and social problems in the Soviet Union under the phrase, "dependency socialism." The following extract comes from a recent Soviet book review:

"There is no doubt," Alexander Yakovlev writes in his book, "that progress is impeded by those who have gotten used to the old, quiet and, more exactly, stagnant way of life, and look upon the state as a rich philanthropist who gives out blessings almost automatically, regardless of man's labour contribution."

Indeed, the social system under which we grew up and lived can be called "socialism for dependents." It means the power of dependents, the bureaucratic administrative system, the party apparatus, full-time trade union functionaries, and the majority of people who have been depraved by hack work, incompetence, hard drinking and have forgotten how to work dilligently. . . .

"Socialism for dependents" is not real socialism."<sup>60</sup>

##### 5. *New Economic Territory*

On the assumption that centrally-administered, non-market socialism does repress civil society, we can make out a Hegelian critique of it. Admittedly this critique is not remarkable for its novelty. It focusses on two commonplaces of non-market socialist production, that the goods can be unattractive and that the workforce can be unmotivated. What is interesting about the critique is that it rests on principles which have anti-capitalist import as well. The general principle is that no one may be excluded from the satisfactions offered by a community's way of life. Two particular principles follow if the community's way of life is shaped by civil society. One asserts a right to participate in the community of taste by which needs are multiplied. The other asserts a right to dignity and self-reliance as a pro-

ducer, entailing capitalization and self-management. The latter right especially is anti-capitalist, since it could not be established without intrusions upon capital ownership and management rights.

I have not claimed that this position rests on sound theoretical footing. Its chief virtue is that it provides principles that call for a move into new economic territory, beyond free-market and non-market systems. They rule out arrangements in which capital is available and self-management is available for some producers but not all. They also rule out abandonment of the market. Political intervention should leave the producers dependent on the market, but it should also enable them to overcome this dependency—by overcoming the threat of exclusion—and it should enable them to do so “by their own activity.”

Common usage has not yet settled on whether this new territory should be called “socialist.” In the meantime, we shall have to call it “the Hegelian Road to (or from) socialism.”

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## NOTES

1. Ferguson's usage, while best known, was still only one among many. The complex history of the concept of civil society is detailed by Manfred Riedel in ch. 6, “‘State’ and ‘Civil Society’: Linguistic Context and Historical Origin,” *Between Tradition and Revolution*, trans. Walter Wright (Cambridge: Cambridge University Press, 1984).

2. In 1824–25, for instance, his lecture of civil society began with an allusion to the distinction, which he attributed simply to “the French.” G. W. F. Hegel, “*Philosophie des Rechts* (lectures of 1824–5, transcribed by K. G. von Griesenheim),” *Vorlesungen über Rechtsphilosophie*, ed. K.-H. Ilting, 4 vols., (Stuttgart: Frommann-Holzboog, 1973–74) 4: 472.

3. G. W. F. Hegel, *Hegel's Philosophy of Right*, trans. T. M. Knox (New York: Oxford University Press, 1952) 123, §183.

4. *Ibid.*, 161, §260.

5. *Ibid.*, 155–56, §258.

6. *Ibid.*, 161, §260.

7. *Ibid.*

8. One interpreter has made a similar comment about the Hegelian conception of common good: “The common good is a good—and all the related goods— . . . for which . . . we are *responsible* to one another.” Anselm Min., “Hegel on Capitalism and the Common Good,” *Philosophy and Social Criticism* 11 (1986), 39–61.

9. *Philosophy of Right*, 109, §154.
10. *Philosophy of Right*, 156, §258 Remark.
11. "Unfortunately, however, as Fichte did later, he [Rousseau] takes the will only in a determinate form as the individual will, and he regards the universal will not as the absolutely rational element in the will, but only as a 'general' will which proceeds out of this individual will as out of a conscious will. The result is that he reduces the union of individuals in the state to a contract and therefore to something based on their arbitrary wills, their opinion, and their capriciously given consent; and abstract reasoning proceeds to draw the logical inferences which destroy the absolutely divine principle of the state, together with its majesty and absolute authority." *Philosophy of Right*, 157, §258 Remark.
12. *Philosophy of Right*, 147, §236.
13. "... the fixing of the prices of the commonest necessities of life . . . defense of the public's right not to be defrauded, and also the management of goods inspection. . . ." *Philosophy of Right*, 147, §236.
14. "The differing interests of producers and consumers may come into collision with each other; and although a fair balance between them on the whole may be brought about automatically, still their adjustment also requires a control which stands above both and is consciously undertaken." However, he also argues for these protections on grounds that the public is a collective consumer: "The right to the exercise of such control in a single case (e.g., in the fixing of the prices of the commonest necessities of life) depends on the fact that, by being publicly exposed for sale, goods in absolutely universal daily demand are offered not so much to an individual as such but rather to a universal purchaser, the public; and thus both the defence of the public's right not to be defrauded, and also the management of goods inspection, may lie, as a common concern, with a public authority." *Philosophy of Right*, 147, §236.
15. *Philosophy of Right*, 123, §185. See also 128, §195, and 149–50, §243.
16. "In short there are endlessly varied combinations of events through which poverty arises as wealth is produced. As wealth is found on one side, poverty must exist on the other." G. W. F. Hegel, "Philosophie des Rechts; nach der Vorlesungsnachschrift K. G. v. Griesenheim 1824/25," *Vorlesungen über Rechtsphilosophie*, ed. K.-H. Ilting, 4 vols., (Stuttgart: Frommann-Holzboog, 1973) 4: 494, §195 Remark 5.
17. "We are not dealing with external nature here; every tree, every animal belongs no longer to nature but rather to an owner, [and so] the dependence [of people on the market] is so much greater." "Philosophie des Rechts 1824/25, 494, §195 Remark 4.
18. "Philosophie des Rechts 1824/25, 494, §195 Remark 4. See also 606, §243 Remark.
19. When Hegel writes in §244 of the *Philosophy of Right* that emiseration of sections of the population "brings with it, at the other end of the social scale, conditions which greatly facilitate the concentration of disproportionate wealth in a few hands," he is speaking of wealth in means (*Vermögen*) of production. It is made quite clear in §195, Remark 5 of "Philosophie des Rechts 1824/25" that Hegel's intent is to refer to concentration of capital.
20. *Philosophy of Right*, 147, §236.
21. "Philosophie des Rechts 1824/25," 503 §198 Remark 4.

22. *Philosophy of Right*, 150, §243.

23. "Philosophie des Rechts 1824/25," 503, §198 Remark 4.

24. *Philosophy of Right*, 150, §245.

25. On Hegel and guild socialism see H. S. Harris, "The Social Ideal of Hegel's Economic Theory: Hegel's Philosophy of Action," *Hegel's Philosophy of Action*, ed. Lawrence S. Stepelevich and David Lamb (Atlantic Highlands, NJ: Humanities Press, 1983) pp. 49–74. See also David MacGregor, *The Communist Ideal in Hegel and Marx* (London: George Allen and Unwin, 1984). Hegel's program cannot be likened to right-wing corporatism because the producer associations ("corporations") in Hegel's plan were to be neither undemocratic nor state-run. In fact, they were to have sufficient independence from government bureaucracy to counteract bureaucratic abuse and insularity. *Philosophy of Right*, 192, §295, and "Philosophie des Rechts 1824/25," 692–95. "The guarantee against officialdom lies in supervision from above. No less essential than this supervision is the guarantee of independence in the communities and corporations, on the other side." "Philosophie des Rechts 1824/25," 692, §290 Remark 3c.

26. *Philosophy of Right*, 152–53, §252.

27. On advice see "Philosophie des Rechts 1824/25," 691, §287 Remark 3c. On authority (*Berechtigung*) see *Philosophy of Right*, 192, §295.

28. *Philosophy of Right*, 202, §311.

29. *Philosophy of Right*, 130, §199.

30. In §199 Hegel introduces the notion of "universal permanent capital." At once he alludes to the notion and role of family assets, and to the earlier paragraphs in which he had claimed that these were to support children's maintenance, education and eventually (through inheritance) their means of making a living. Knox translates Hegel's word (*Vermögen*) in both cases as "capital"—hence "family capital" in the first instance (§170) and "universal permanent capital" in the second (§199). This is awkward, since Knox must later translate *Vermögen* as "general wealth" (§237) to distinguish it from capital, to which Hegel refers as *Kapital*. I will try to avoid this difficulty by using "assets" whenever discussing what Hegel would call *Vermögen*.

31. *Philosophy of Right*, 130, §199. Again Knox translates *Vermögen* as "capital."

32. *Philosophy of Right*, 148, §237 and §238. Emphasis is mine.

33. "Philosophie des Rechts 1824/25," 399, §147 Remark.

34. *Philosophy of Right*, 106, §147.

35. "Philosophie des Rechts 1824/25," 399, §147 Remark.

36. *Philosophy of Right*, 87, §130.

37. The right to participate in a culture and its satisfactions, conjoined with a right to do so self-reliantly, by one's own methods and means, may jointly constitute a right to *self-realization*. Thus Richard Bellamy conceives of what I have called a right to non-exclusion as a right to self-realization, on which Hegel rests the authority of the state. Richard Bellamy, "Hegel's Conception of the State and Political Philosophy in a Post-Hegelian World," *Political Science* 38 (1986), 99–112.

38. *Philosophy of Right*, 123, §184.

39. "Philosophie des Rechts 1824/25," 491, §193 Remark 2.

40. "Philosophie des Rechts 1824/25," 489, §190 Remark 2.

41. "The need for this equality and for emulation, which is the equalizing of oneself with others, as well as the other need also present here, the need of the particular to assert itself in some distinctive way, become themselves a fruitful source of the multiplication of needs and their expansion." *Philosophy of Right*, 128, §193.

42. "Philosophie des Rechts 1824/25," 490, §191 Remark.

43. *Philosophy of Right*, 123, §185.

44. *Philosophy of Right*, 123, §184.

45. *Philosophy of Right*, 150, §245.

46. "Philosophie des Rechts 1824/25," 497, §196 Remark 3.

47. "This is the universal wealth that stands open to all and which a person has a right to, in order to satisfy his needs. Here the right to his particularity has its existence, its realization, its firm basis; here every individual has the feeling of supporting himself and the dignity of knowing that he satisfies his needs on his own, through his labor. Each knows himself to be independent in the face of dependence, in that he overcomes this dependence through his activity. This rational state of affairs is the root of his wealth." "Philosophie des Rechts 1824/25," 505, §199 Remark 2.

48. "Philosophie des Rechts 1824/25," 609, §244 Remark 2.

49. G. W. F. Hegel, *Dokumente zu Hegels Entwicklung*, ed. Johannes Hoffmeister (Stuttgart: Frohmanns Verlag, 1936) 269.

50. R. B. Rose, *Gracchus Babeuf: The First Revolutionary Communist*, (Stanford, CA: Stanford University Press, 1978).

51. G. W. F. Hegel, *The Phenomenology of Mind*, trans. J. B. Baillie (New York: Harper Torchbooks—Harper & Row, 1967) p. 601.

52. *Ibid.*

53. *Ibid.*, 603–04.

54. *Ibid.*, 604.

55. "Government, a power to will and perform proceeding from a single focus, wills and performs at the same time a determinate order and action. In doing so it . . . excludes other individuals a share in its deed. . . . By no manner of means, therefore, can it exhibit itself as anything but a *faction*." *Phenomenology*, 605.

56. *Phenomenology*, 606.

57. Hegel, "Philosophie des Rechts 1824/25," 493, §195 Remark 1.

58. Though he gives no signs of rejecting private ownership of means of production, Hegel also intimates that capital is properly seen as a social asset, to which all must have access. Whereas producers were once able to count upon the family means, this is no longer possible, and society must take responsibility for this function. *Philosophy of Right*, 116, §170. In civil society, the functions of family capital are to be fulfilled instead by "the universal permanent capital [see Paragraph 170] which gives each the opportunity, by the exercise of his education and skill, to draw a share from it and so be assured of his livelihood, while what he thus earns by means of his work maintains and increases the general capital." *Philosophy of Right*, 130, §199. Social control is to be exercised by industry-wide associations. 152–54, §§252–54.

59. *Philosophy of Right*, 150, §244.

60. *New Times*, no. 24 (June 12–18, 1990), 35.