



Hegelian Reflections on Agency, Alienation, and Work: Toward an Expressivist Theory of the Firm

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Abstract

Hegel's practical philosophy has important insights for understanding the ethical role of the firm in modern society. From a broadly Hegelian perspective, the firm's role in society is to facilitate freedom, that is, the concrete realization of rational agency. It does this by providing the institutional structures, norms, practices, and modes of discourse necessary for individuals to link their subjective aims with objectively valid societal aims, embodied in the firm's purpose. Accordingly, I first present a Hegelian account of the link between action and social structure, before arguing that the firm, when it functions properly, enables individuals to express their capacity for rational agency within concrete social contexts. I then draw upon Paul Adler's Marxist analysis of the development of organizational structures and processes to support the viability of a broadly Hegelian account of the firm within a contemporary economic context. I conclude by outlining a number of practical implications of this account, before explaining its implications for two prominent theories of business ethics, the MacIntyrean perspective, and the Market Failures Approach.

Keywords Hegel · Action · Strategy

In modern states, the citizens have only a restricted share in the universal business of the state, yet it is essential to provide ethical individuals with a universal activity over and above their private business. This universal activity, which the modern state does not always offer people, is found in the corporation. – Hegel.¹

Like Adam Smith, Hegel was one of the foremost theorists of the, then nascent, market society. He offers an extended analysis of civil society, discussing both markets and the proto-firms that he calls “corporations” as key institutions in modern society. More importantly, Hegel aims to provide a detailed ethical rationale for these institutions that includes but goes far beyond highlighting their role in promoting economic growth and development. In an innovative manner, Hegel combines a perfectionist notion of human agency (see Brink 2019), rooted in the work of Aristotle, Kant, and Fichte, with an account of the

¹ Hegel (2008: 227).

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role of markets in society heavily indebted to Smith (2003; see Herzog 2013). For Hegel, the Good is freedom concretely realized (Moyar, 2021), and, he argues, modern economic institutions play a crucial role in this regard, providing the social context wherein individuals can self-consciously link their subjective aims with objectively valid societal purposes.

Hegel has had little impact on organization studies and business ethics. In part, this may stem from the complexity of his work, yet other grand theorists like Aquinas (Sison and Fontrodona, 2012), Kant (Bowie 2017), and Giddens (see Seidl and Whittington 2014) have been influential within these fields. Another potential factor behind Hegel's lack of impact within organization studies and business ethics involves Marx's critique of Hegel's political economy. Prominent readers of Hegel have argued not only that Hegel's (2008) account of civil society is flawed but also that he implicitly acknowledges this fact, in effect, setting the stage for the development of Marxism (Ruda 2011). This line of research suggests that Hegel's political economy is obsolete and of little relevance in a contemporary context. From a similar perspective, Klikauer (2016) draws upon Hegel to critique existing corporations and offer an alternative approach to corporate governance and the firm, one more focused on ethical rather than economic objectives; by contrast, I argue that for Hegel the economic and ethical are mutually implicated and that technological developments suggest a growing potential to reconcile these two elements coherently within the firm (see Adler 2022). Another important exception is Ross (2008), who outlines the main elements of Hegel's account of the corporation and considers its relevance in a contemporary context, particularly in terms of the role of legislation in making the Hegelian corporation feasible. This article complements Ross's focus on the relevance of Hegel's practical philosophy to business ethics but goes further both by linking Hegel's account of the corporation with his theory of action and by drawing upon organization theory and strategy to provide further support for the feasibility of a broadly Hegelian view of the firm in a contemporary context.

For business ethics, a Hegelian approach offers an integrative perspective linking a number of different concerns that are often found in different research perspectives. With the Market Failures Approach (MFA), Hegel shares a focus on economic efficiency as being a central purpose of the economy. And with virtue-based approaches to business ethics, especially the MacIntyrean approach (Moore 2017), Hegel focuses on the role of the modern economy in shaping participants' characters. By bringing these two different considerations together, a Hegelian perspective explains how firm members are socialized so as to appreciate the societal purpose of economic activity, thereby overcoming merely self-interested motivation. In doing this, it overcomes limitations of both perspectives, including, the MFA's failure to explain how or why individual's pursuing self-interested objectives may care about the societal purpose of economic activity, and the MacIntyrean approaches tendency to pit the pursuit of excellence within specific organizations against the promotion of social welfare through efficient economic activity.

As such, I aim to develop a Hegelian theory of the firm, which both draws inspiration from Hegel's account of the corporation and explains how these insights can be of relevance in a contemporary context. Drawing primarily upon the *Philosophy of Right* and to a lesser extent on the *Phenomenology of Spirit*, I first outline three related aspects of Hegel's practical philosophy: his philosophy of action, theory of alienation, and account of the corporation. In doing this, I argue that for Hegel (2008), the corporation is an important locus of the concrete realization of freedom. From this perspective, freedom is viewed as rational agency, where this involves the self-conscious recognition that one's subjective aims, i.e., one's preferences or desires, are grounded in objectively valid reasons for action (see Moyar 2011). I also link this account of agency with Hegel's (2019) claim that markets overcome the form of alienation characteristic of premodern, feudal societies (see Siep

2014). Following this, I note the Marxist critique of Hegel’s account of civil society before offering an alternative, Marxist account of the modern firm (Adler 2022), based in organization theory and strategic management, which provides support for the Hegelian view of the corporation as a form of community that unites ethical and economic objectives, facilitating moral development and economic efficiency. I conclude by discussing the practical and theoretical implications of this Hegelian account of the firm.

Toward a Hegelian Theory of the Firm

Hegel’s (2008) developed social theory explains the structure of society in terms of its role in facilitating rational agency (Brooks 2012). As such, a Hegelian theory of the firm must be situated within this theoretical perspective, explaining how the practices and institutions comprising the firm facilitate rational agency. The firm does this by mediating, or *making rational*, individual agents’ pursuit of their subjective aims, i.e., financial success and personal satisfaction, and by facilitating self-knowledge concerning the nature of their goals and their capacity as agents (Taylor 1985). The firm mediates the pursuit of subjective satisfaction – i.e., success, enjoyment, financial gain, status, etc. – by enabling agents to pursue these goals in a manner that promotes the general welfare, that is, by linking individual aims with the universal, objectively valid aims of society (Moyar, 2011). Work, for example, provides a paycheck for the worker while simultaneously creating value for various stakeholders, including customers.

Likewise, the firm not only objectively links subjective aims with societal purposes but also enables its members to come to a better appreciation of this link between their subjective aims and societal goals, that is, to gain a more adequate self-knowledge of themselves as agents, such that the universal import of their actions is better appreciated. (Taylor 1985). Fundamentally, this means that agents pursuing self-interested aims are given the social context necessary to understand that their self-interested pursuits are socially beneficial, which not only alters the nature of their actions – giving them a self-conscious direction toward the common good – but also giving the agent greater meaning and satisfaction (Moyar, 2011: 193–194), allowing her to know that she has good reasons for pursuing her (partially) self-interested aims. Accordingly, I first outline Hegel’s theory of action, before explaining the threat of alienation stemming from an agent’s inability to adequately understand her reasons for action as objectively valid. I then explain the role of the corporation in overcoming this form of alienation in the *Philosophy of Right*, before noting both the Marxist critique of Hegel’s account and outlining an alternative Marxist perspective drawn from organization studies that lends support to a Hegelian account.

Action

At the core of Hegel’s practical philosophy, and thus the basis of his contribution to business ethics is the question of what institutions and social structures are needed to “remove arbitrariness” from an agent’s capacity for action (Brooks 2012: 31; Taylor 1985). In other words, Hegel is concerned with identifying the social conditions of rational agency, which he describes simply as *freedom*. From a Hegelian perspective, the corporation plays a central role in facilitating freedom, understood as rational agency, but to see why this is the

case it is necessary to better understand Hegel's (2008) account of agency, what he calls the *will*.

Hegel distinguishes three “moments,” or aspects, of the will. The first aspect is the element of universality, involving the “ability to free myself from everything, abandon every aim, abstract from everything” (Hegel 2008: 29).² The upshot of this aspect of the will is that human beings, in acting, are not determined to any specific aims but rather have the ability to set any or all objectives aside, as being inadequate or unworthy. The second aspect of the will is the element of determination, where the agent fixes on a specific course of action (Hegel 2008: 31). The second aspect of the will, involving the choice of a determinate objective stands in opposition to the first aspect, where the will is not determined to any course of action.

These opposing aspects of the will create an inherent tension within human agency since any chosen option may also be rejected if some other dimension of value is considered. For example, a specific product, such as a Tesla may be chosen because it is affordable and sustainable. But this option could be rejected insofar as the agent chooses to focus on other desirable qualities, such as performance and luxury, in which case a Corvette Stingray might be chosen. Thus, a choice in favor of one option does not negate the fact that the chosen option may be less desirable along some other dimensions of value in comparison with other options that were not chosen. Without some way of identifying valid criteria for choice, this tension between determinacy and indeterminacy is unavoidable.

The third aspect of the will brings these two previous aspects together. Hegel says that it is “particularity [...] brought back to universality” (Hegel 2008: 31). More plainly, the third aspect of the will concerns the choice of a particular option because this option meets universally valid criteria, for example, choosing the Tesla because justice requires a commitment to sustainability,³ where these values are mutually recognized by society members as valid (see Moyer 2021: 210). Hegel (2008: 33) calls this unification “the concrete concept of freedom,” where this indicates the role of specific social structures in making rational agency, or freedom, possible. More specifically, it is only when the goals inherent within specific social contexts can be recognized as achieving universally valid aims, that is, as being grounded in valid reasons that are recognized as such, is it possible to achieve freedom. The goals of a parent, for example, involve aims that are essential to the preservation and maintenance of society and, thus, are universally valid, whereas those of a criminal are not because they ignore the norms necessary for personhood (see Hegel 2008: 100, 171–172). As I argue below, when all goes well, this role of mediating universal values in specific contexts is performed by the firm, thereby enabling its members to pursue their own subjective aims in a manner that contributes to universally valid aims (see Moyer 2011), i.e., social welfare.

In order to understand the relationship between this Hegelian conception of agency and the firm, several considerations are pertinent. First, the content of specific choices – the second “moment” of the will – are only given specificity within particular social contexts. Human beings, for example, do not merely eat but rather eat foods that are derived from

² Compare Aquinas (1981) *ST I Q. 82 Art. 2. Ad 1*, “The will can tend to nothing except under the aspect of good. But because good is of many kinds, for this reason the will is not of necessity determined to one.”.

³ To fully articulate the sense in which sustainability is a valid reason for action, for Hegel, would require linking it with the institutional structures of one's community, rather than merely viewing it as an abstract value (see Moyer 2021), though this is not particularly difficult considering the potentially catastrophic impact of unsustainable practices on human life and communities, more generally.

practices informed by a specific culture (Rödl, 2020). As such, an agent's choices are both enabled and constrained by the "objects" that are available for choice within given social contexts (Pippin 2008: 149). A Medieval peasant could not choose to like a post on social media or to eat at a fast-food restaurant just as we cannot choose to go on a crusade⁴ or to pledge allegiance to a feudal lord.

Second, no particular aim is valid just because of its particularity. In other words, bare appeals to personal preference – "I like this car" – do not provide good reasons for a choice but rather express arbitrary personal characteristics⁵ (Rödl, 2018: 99–100). As such, this type of claim would not provide an adequate reason for the choice of the Corvette over the Tesla. Instead, Hegel (2008: 41) argues, it is only insofar as the agent self-consciously adopts freedom, or rational agency itself, as her aim that can she overcome the threat of arbitrariness. To further extend the example, someone choosing a Tesla merely because she has been told that sustainability matters has still not overcome arbitrariness in her choice; this requires three additional conditions. First, she must choose a car that meets objectively valid standards, in this case, sustainability standards. And second, she must adopt this standard because she recognizes that it is universally valid,⁶ for example, because it is unjust to harm vulnerable populations and future generations, merely in order to enjoy a car that goes faster. Third, these standards must be recognized by society members and concretely embedded in her social context, as sustainability is in various ways (though arguably not to an adequate extent). In this way, she makes rational agency her fundamental aim and ultimate criterion of action. That is, she acts because she recognizes that it is rational to act in this way, i.e., to purchase a sustainable car.

Thus, choice is dependent upon social context. Coupled with the fact that bare preferences for particular choices are not self-justifying, this raises the possibility that social contexts may vary in the extent to which they make available options for choice that are grounded in universally valid objectives. As Pippin (2008: 132) argues, on the Hegelian view "to live freely in the world amounts to not feeling estranged from it, to being 'at home' in it" (Pippin 2008:132) because it is a social context wherein one can understand one's choices as being grounded in universally valid reasons that are recognized by society members as such. By contrast, estrangement, or *alienation*, involves the inability to identify good reasons for one's action (Moyar, 2008: 155), to understand why one is acting in such a manner. Here one sees one's own choices as arbitrary, grounded in facts about one's historical context, rather than universally valid reasons. Consider again the choice of the Tesla. Until relatively recently, electric cars were not available for purchase. As such, the option for a sustainable automobile was not available within agents' social context, making it impossible to choose an automobile on objectively valid grounds. Some prescient individuals were likely to have purchased automobiles, all the while knowing that this means of transportation should be foregone. Likewise, it is only relatively recently that sustainability has gained widespread recognition as an objectively valid reason for action.

One further point is relevant. For Hegel, action is expressive since it is through acting that one's aims and values gain determination (Brandom 2019; Moyar 2021; Taylor 1985).

⁴ By "crusade, I am, of course, referring to the Medieval military campaigns.

⁵ Rödl (2018: 100) says, "Explaining thought, we turn away from any given character of the thinking subject; we consider what she thinks alone. In this way, thought, the act, is objective: it depends on no given character of the subject, but on what she thinks alone."

⁶ Hegel (2008: 41) says, "In having universality, or itself qua *infinite form*, for its object, [i.e., in making rational agency its aim] the will is free not only *in* itself but *for* itself also."

In other words, an agent's purpose or reason for action is often initially implicit (Brandom 2000: 90; Moyar 2011) and focused narrowly on a task at hand. "I am pulling this lever." After seeing the consequences of one's action and gaining a better appreciation of its meaning, one may be in a position to redescribe the action as "building a car," or if it is an electric car, as "creating a more responsible car," or even "contributing to a more just future." Likewise, agents' particular choices give specificity and determinacy to universal values such as sustainability. But the individual's ability to gain this understanding of her actions depends upon both the actual social structures in place, i.e., the firms and markets that make this car available to consumers, amongst other conditions, and the language necessary for this articulation, a language capable of expressing the ethical significance of the action. As a result, freedom, as a matter of overcoming alienation, is an achievement and, thus, the result of a process occurring over time (Speight 2001: 46). In the following section, I discuss alienation in greater depth before discussing the role of the corporation in overcoming alienation by providing a context where individual preferences may be linked to universally valid reasons for action (Moyar, 2011).

Alienation

Moyar (2008: 160) offers an extended definition of the Hegelian view of alienation, saying, "An individual is alienated when he fails to be able to answer satisfactorily the warranted question 'Why' about his actions, where the answer and the question presuppose that he affirms the reasons for action as dependent upon his own free judgment, that his language expresses his commitment to the transparency of those reasons in determining the action, that the authority of the reasons depends on their referring to the core purposes of the agent's conception of a fulfilling life, and the agent can provide a story connecting his specific actions in recognized social space to those core purposes." In other words, alienation occurs when an agent recognizes that her actions demand an adequate justification but where she is unable to provide this justification by appealing to the role of her actions in contributing to a fulfilling form of life. That is, where she cannot view her actions as a part of a mode of life wherein each of her specific aims fits with her other aims in a coherent, rationally ordered whole (see McDowell 1979; Rödl 2007, Chapter 2) that is self-sustaining (Moyar, 2021). While Hegel's account of alienation continues to be influential (Brandom 2019), especially through its impact on the Marxist tradition (Jaeggi 2014; MacIntyre 1984), what is less often noted is the importance that Hegel (2019) accorded to the, then burgeoning, capitalist social structures, specifically the market and the corporation, as a means of overcoming alienation (Siep, 2014: 156; Moyar 2017: 90).⁷ This account provides the basis for a Hegelian theory of the firm.

Hegel (2008; 2019) identifies two sets of factors that may contribute to alienation: inadequate conceptual frameworks or modes of discourse concerning the nature and purpose of human agency, and inadequate social structures. Both factors are important for understanding the role of the firm in overcoming alienation. While there is no way to completely distinguish between particular social structures and specific forms of discourse or conceptual frameworks, Hegel's (2008: 133) discussion of the formal conscience, in the *Philosophy of Right*, offers an example of the first type of factor. According to this perspective, which

⁷ In part, this failure stems from an anachronistic attempt to assimilate Hegel's critique of pre-capitalist social structures, to the Marxist critique of capitalism (see Cole 2014).

had prominent supporters in Hegel's day as in ours, conscience involves the "absolute title of subjective self-consciousness to know in itself and from within itself what is right and obligatory [...] and at the same time to maintain that whatever in this way it knows and wills is in truth right and obligatory." Conscience, in other words, is here taken as the sole and ultimate standard of practical rationality. This extreme subjectivist view of conscience is alienating since it undermines the very idea of objective standards with which action could be in accord.⁸

In a contemporary business context, a similar form of subjectivism represents a related source of alienation. This has been called, the "norm of self-interest" (Grant and Patil 2012; Miller 1999). As Miller (1999: 1053) says, "The norm of self-interest prescribes that people pursue their self-interest, but, more than this, it prescribes that they pursue their self-interest narrowly defined. To satisfy the strictures of the self-interest norm, people's actions must conform to, at least crudely, the strictures of neoclassical economic theory." Miller (1999: 1057) argues that this informal norm is not only often enforced by misguided managers but also self-enforced by organization members, who often downplay their pro-social actions, such that "they are loathe to acknowledge that these acts may have been motivated by genuine compassion or kindness." Again, the norm of self-interest is inherently alienating because it prevents agents from understanding their actions as directed toward objectively valid ends, and barring this, agents cannot explain why they have good reasons for their actions. That is, the norm of self-interest requires agents to appeal solely to self-interest to justify their actions, making it impossible to fully articulate objectively valid reasons for their actions.

A second source of alienation concerns social structures in which conflict and contradiction prevent participants from concretely realizing freedom, where the successful pursuit of subjective aims necessarily puts one at odds with the requirements of justice, and the pursuit of just, or universally valid aims, requires the rejection of one's subjective aims. In this case, "the individual stands over against a society which does not express him" (Taylor 1975: 171). Hegel's discussion of the inadequacies of pre-capitalist, or feudal, social structures, in a noted section of the *Phenomenology of Spirit*, titled "Culture and Alienation," offer an example of this, which is especially relevant to understanding the role of the firm in contributing to the concrete realization of freedom. In this section, Hegel offers a stylistic rendition of feudal society, where, he argues that for members of this culture "the power of the state is good," and private "wealth is bad," or at least this is how the society is so structured and understood (2019: 247). This creates an inexorable conflict between the individual and her particular goals and the publicly recognized goals of the community supported by the state. The individual faced with this dichotomy experiences alienation, involving either an inability to understand her reasons for action as valid or an inability to understand her reasons for action as *her* reasons for action. When she serves the common good, she must sacrifice herself and her own particular concerns, and when she pursues her own aims, she sees her actions as "bad," as unjust, and thus lacking in warrant, insofar as she sees them in conflict with the common good.

Continuing this passage, Hegel (2019: 248) says, "A conscious being... find[s] in state power something that's quite simply essential to him and his overall sustainment (what he is in himself), but not his individuality as such (what he is for himself), sooner finding that action by him as individual is obviated and that he's reduced to obedient compliance." In

⁸ It should be noted that Hegel does not reject the role conscience but argues that it should be informed by objectively valid standards, concretely embodied within specific social contexts (see Moyar 2011, 2021).

other words, the pre-modern agent either supports the state where his public identity – as a good subject – is affirmed. In which case, he foregoes his own private goals, in something like blind obedience to authority – incapable of understanding why these public goals are good *for him*. Or he pursues his own private aims, publicly seeking personal wealth, and identifying as a *bad* subject, who cannot offer good reasons for his actions. In this context, service to the common good, and the pursuit of personal aims are seen as mutually exclusive and perpetually in conflict. Likewise, pursuit of the common good is alienating because the reasons that might be offered for this course of action, are not linked to the particular identity, interests, and concerns of the agent (see Moyar 2011: 182).

For the agent in the context of pre-capitalist social structures, the public good is then experienced as “repressive, something bad, since instead of being compatible with his individuality it’s patently incompatible” (Hegel 2019: 248), its pursuit requiring the agent to act in an entirely self-negating way. In the same section, describing the developing sense of self characteristic of modern capitalism, Hegel (2019: 248) identifies a solution to this form of alienation, saying, “Wealth, by contrast, is something good; it enhances the enjoyment of all, is at their disposal, and provides each and all a conscious sense of having a self of one’s own. In principle, wealth is beneficence for all; and if it sometimes withholds anything, failing to accommodate one or another need, this is but an accident in no way diminishing its all-pervasively necessary function, which consists in its being dispensed among all individuals and serving as a thousand-handed provider.” Siep (2014: 181) comments on this passage, noting that “Here Hegel is following the understanding of the ‘wealth of nations’ advanced by what we today call the ‘classical’ economics of Adam Smith.”

Hegel was very much impressed by Smith’s (2003) notion of the invisible hand (Herzog 2013) and here it provides a novel way of understanding the relationship between private wealth and the common good. From this perspective, the pursuit of private gain is no longer seen in opposition to the common good, but rather as key means of promoting the wellbeing of community members, since economic growth, in principle, benefits everyone. (Of course, market failures of various sorts may undermine the mutually beneficial nature of economic growth.) Otteson (2019: 4) gives a concise statement of the Smithian position, saying, “Pursuing one’s self-interest by seeking to create value for others is not only acceptable, it is morally praiseworthy” (see also Bruni and Sugden 2013). Hegel is claiming something similar, i.e., that markets enable agents to pursue particular actions, which give expression to goals and interests that can be personally acknowledged while recognizing that they have good reasons to pursue such personal goals because these actions also support the common good, benefiting everyone. Thus, on this understanding of pre-capitalist, feudal societies, alienation stems, firstly, from the absence of well-functioning markets and, secondly, from the accompanying inability of participants to understand their pursuit of private gain as a means of also benefiting other community members. Hegel’s appeal to a modern, Smithian conception of the market (Siep, 2014: 181) as a means of overcoming alienation may be somewhat surprising, given the influence of Marx’s accounts of the role of the market in creating alienation but an appreciation of Hegel’s account of the role of markets in overcoming alienation offers important insights into the ethical role of the firm in modern society.

The Corporation as a Locus of Freedom

From this perspective, Hegel’s (2008) account of civil society and the corporation, in the *Philosophy of Right*, is especially relevant, showing specifically how modern economic

institutions are constitutive of freedom understood as rational agency. Hegel (2008: 181) calls “the creation of civil society... the achievement of the modern world which has for the first time” fully acknowledged the importance of both the universal concerns of the common good and the particular interests of the individual. Civil society comprises the core institutions of a market society, including markets, corporations, and administrative agencies that administer justice and address specific problems of production and distribution. Civil society overcomes alienation by linking individual aims with objectively valid, societal purposes.

As such, modern society, represents a series of “nested purposes,” whereby individuals contribute to the common good by pursuing their particular aims with their specific roles (Moyar, 2011: 182). As Hegel (2008: 182) says, “If I further my ends, I further the ends of the universal, and this in turn furthers my ends.” But on its own, the fact that there are objective links between individual and societal purposes within a modern market society is not sufficient to overcome alienation. Thus, Hegel (2008; 2019) endorses the Smithian notion of the market as functioning to harmonize private and public interests but he goes beyond Smith, arguing that civil society facilitates freedom both by establishing objective links between subjective ends and objectively valid aims but also by enabling individuals to become consciously aware of this connection. The individual must not only (objectively) benefit society through her pursuit of private aims but also understand and endorse the connection between her subjective aims and objectively valid public purposes. And, according to Hegel, it is the corporation that facilitates the self-conscious appreciation of this link between individual and societal purposes. As Hegel (2008: 227) says, “[I]n fending for himself a member of civil society is also working for others. But this unconscious compulsion is not enough; it is in the corporation that it first changes into a known and thoughtful ethical mode of life.”

First, it must be reiterated that Hegel’s (2008) corporation is not the modern firm. Hegel was writing as capitalism was beginning to take hold but long before the limited liability corporation was definitively formed (see Mayer 2018). As such, it is unclear whether he had any definite historical institution in mind⁹ (Herzog 2013). Some have suggested that Hegel’s corporation most resembles modern-day labor unions (Kain 2014; Moyar 2021), where the focus is on the role of these institutions in promoting the wellbeing of their members, but this is misleading. Hegel emphatically states that corporations are distinct from guilds insofar as the latter often attempt to benefit their members at the expense of the larger community. As he says, the “corporation is not a closed guild” (Hegel 2008: 227). Accordingly, a focus merely on the role of the corporation in benefiting its own members fails to distinguish this institution from the “closed guilds” that Hegel rejected and, thus, a focus on its role in promoting social welfare, more generally, is necessary. For this reason, Hegel’s corporation must function within a regulated but efficient market, producing goods and services that enhance social welfare and benefit members of the larger community. Thus, Wood (1990: 242) rightly notes that modern firms perform many of the same functions as Hegel’s corporations. By contrast, labor unions do not engage in trade within free markets or produce goods and services to meet the needs of community members, even

⁹ As Moyar (2017: 91) says, “A key part of the story of the reintegration of the particular in the universal is that within civil society itself there are what Hegel calls ‘corporations’... Deciding what would qualify as a corporation in Hegel’s sense is no simple task, but I do think that this demand to find a more universal sense within civil society itself is something we can draw on as we justify or critique our existing institutions.”

though their members do within the firms where they work. As such, it would be misguided to equate labor unions, on their own, with the Hegelian corporation, despite the fact that they also perform some of the functions of the latter (Kain 2014; Wood 1990: 242), especially those related to the welfare of their members (see Hegel 2008: 225), functions that firms also often perform (see Lee and Miller 1999).

That said, Hegel's corporation is especially relevant for understanding the modern firm because he argued that the former must perform both an economic and ethical function within modern society, that is, the corporation should both contribute to social welfare and give its members a concrete ethical identity, in terms of the promotion of a specific aim that contribute to social welfare (Hegel 2008: 224; Moyar 2021). To be precise, for Hegel, the corporation's ethical function directly depends upon its economic function, since its members' ethical identities and self-conceptions derive from their understanding of their role in promoting social welfare through their work. As Hegel (2008: 227) says, "in tending for himself a member of civil society is also working for others. But this unconscious necessity is not enough; it is in the corporation that it first changes into a known and thoughtful ethical mode of life." Accordingly, a Hegelian approach to the modern firm eschews applied ethics approaches and, thus, need not look to external ethical norms to govern the firm's behavior; instead, it suggests that firms should be managed so that their economic function contributes to their ethical role in society, and, likewise, so that their ethical role does not undermine their economic function, since both aspects are intertwined.

Before considering its implications for the modern firm in greater depth, three aspects of Hegel's corporation, are relevant for understanding its ethical function in modern society: the role of the corporation as an *association* or type of community, the role of *recognition* in the corporation, and its characteristic process of cultural formation or *bildung*. More specifically, for Hegel (2008) these three aspects of the corporation make it the locus of freedom, where its members become capable of self-consciously linking their subjective aims with objectively valid societal purposes (Moyar, 2011), thereby realizing freedom, with this understood in terms of the third "moment" of the will, where particular choices are grounded in concretely embodied, universally valid reasons for action. As such, the Hegelian corporation, when it functions properly, enables its members, who may begin by saying, "I am earning money," to learn to say, "I am working responsibly as a member of my profession," until they can ultimately say "I am meeting the needs of my fellow community members." This progression is a form of ethical development, which, thereby, overcomes the threat of alienation.

First, the Hegelian corporation is a type of community or association centered around work, which unites laborers, managers, and owners (Kain 2014) and "protect[s] its members against particular contingencies" (Hegel 2008: 225), such that within the corporation, members are socialized. Hegel (2008: 224) says, "Hence a selfish purpose, directed towards its particular self-interest, apprehends and evinces itself at the same time as universal; and a member of civil society is in virtue of his own particular skill a member of a corporation, whose universal purpose is thus wholly concrete and no wider in scope than the purpose involved in the [particular] trade, its distinctive business and interest." In other words, within the corporation, the pursuit of self-interest, i.e., making money, comes to coincide with the pursuit of intersubjectively specified objectives, for example, work performed according to certain determinate specifications, which are generally beneficial to society.

This process changes the way that members understand themselves and their motives and comprises the educative function of the corporation. Hegel (2008: 184) says that for "private persons whose end is their own interest," the attainment of personal aims is,

initially, “mediated through the universal which thus appears as a means to its realization.” In other words, work is initially performed according to recognized standards in a way that satisfies customers’ needs, merely because this is necessary to attain financial success or personal satisfaction. But as a result of working within the communal context of the corporation, this order between self-interest and universally valid, societal aims is reversed. “Practical education, acquired through working,” Hegel (2008: 191) says, “consists first in the self-perpetuating need for something to do and the habit of simply being busy; next, in the strict adaptation of one’s activity according not only to the nature of the material worked on, but also, and especially, to the arbitrary will of others; and finally, in a habit, produced by this discipline, of objective activity and universally applicable skills.” In other words, what occurs in the corporation is a process of habituation, where the individual gradually adapts herself to the requirements of fellow members, i.e., managers and owners (see Kain 2014), and ultimately to objective standards of her profession. In doing this, she becomes sensitive to the needs of community members, more generally. Thus, “subjective self-seeking turns into a contribution to the satisfaction of the needs of everyone else... with the result that each person in earning, producing, and enjoying on his own account is *eo ipso* producing and earning for the enjoyment of everyone else” (Hegel 2008: 191–192).

A final, important aspect of Hegel’s account, concerns the corporation’s role in facilitating the recognition of its members’ contributions to society. As Hegel says, in the corporation, “the capability and livelihood are recognized, with the result that the corporation member needs no further external evidence to demonstrate his skill and his regular income and subsistence, i.e., the fact that he is somebody. It is also recognized that he belongs to a whole which is itself an organ of society in general, and that he is interested and actively engaged in promoting the less selfish end of this whole” (2008: 225). Public recognition confirms the corporation member’s new self-identity, resulting from the educative process, such that she understands herself as working in order to achieve objectively valid, societal aims, i.e., those promoted through her profession, giving her an objective standing in society. In this way, the corporation concretely realizes freedom, insofar as individual aims are both linked to objectively valid purposes (Moyar, 2011) and publicly recognized as such (Moyar, 2021), so that it becomes possible to be “at home” in the world (Pippin 2008: 132).

Hegel’s Corporation after Marx

Hegel’s corporation is a key institution within his account of civil society, explaining how subjective aims can be linked with objectively valid, societal purposes (Moyar, 2011; 2017:91). But a crucial presupposition of Hegel’s account concerns the compatibility between the ethical aspects of the corporation, i.e., the three aspects of the corporation that comprise its capacity to concretely realize freedom, with competitive, albeit regulated, markets. This compatibility was challenged by subsequent developments during the Industrial Revolution, as Marx (2007) argued vigorously.

Competitive markets are important in Hegel’s account of civil society for at least two reasons. First, markets allow for subjective freedom, or free choice (the second “moment” of freedom), but regulations that are too extensive may hamper this type of freedom. As such, an excessively regulated economy, designed primarily to protect workers, may inhibit the ability of community members, more generally, to exercise freedom of choice, undermining the role of civil society in concretely realizing freedom, in its fullest sense, by giving scope to subjective freedom. Second, associations that benefit their members primarily

through protectionist regulations that mitigate the impact of competitive pressures within markets, as the medieval guilds did at times (see Ogilvie 2019), may operate at the expense of the larger society, which is one reason why Hegel (2008: 227) differentiated the corporations from “closed guilds.” Insofar as this is the case, regulations designed to protect corporations from competitive pressures potentially undermine the ethical function of these associations, by mitigating their members’ willingness and capacity to promote the welfare of the larger community through their contribution to the satisfaction of the needs of community members. This has arguably occurred in some state-run corporations, where regulations have had the effect of insulating these corporations from competition and led to inefficient operations (Heath and Norman 2004). As such, Hegel’s account requires the corporation to function within competitive markets, even though there is definitely a role for regulation within Hegel’s account (Herzog 2013; Moyer 2021; Ross 2008).

However, as Marx (2007) argued shortly after the *Philosophy of Right* was published, in the years leading up to the middle of the 19th Century, economic developments involving industrialization challenged the compatibility of each of the three aspects of the corporation, which Hegel (2008) viewed as essential to its role in concretely realizing freedom, with competitive markets. More specifically, Marx argued that competitive pressure and the pursuit of profits lead capitalists to adopt modes of production that were antithetical to Hegel’s account of the corporation. Against Hegel’s (2008: 224) claim that the corporation was an association or community, where common interests contribute to socialization and ethical formation, Marx (2007: 77) argued that, as a result of competitive pressure in the labor market, “one man is estranged from the other,” obstructing the formation of a community of work. Similarly, against Hegel’s (2008: 191) claim that the corporation functions to promote the worker’s moral development, Marx (2007: 77) argues that industrialized work, again resulting from competitive pressure and the pursuit of profits, ends up “degrading spontaneous activity,” treating the free activity” of the workers as a mere “means to his physical existence.” This is especially a result of the division of labor and the mechanization of production, and it leads to the dehumanization, rather than the development, of workers. Finally, against Hegel’s (2008: 225) claim that the corporation facilitated the recognition of workers in terms of their role in contributing to society, Marx and Engels (1998: 48) argue that the development of capitalism, in fact, leads to a growing class of persons, the proletariat, who are viewed as “social scum,” having no place within society.

Hegel had already acknowledged these problems, at least to some extent, when discussing the “rabble” in the *Philosophy of Right*. Hegel (2008: 221) says, “When the standard of living of a large mass of people falls below a certain subsistence level—a level regulated automatically as the one necessary for a member of the society—and when there is a consequent loss of the sense of right and wrong, of integrity and of honor in maintaining oneself by one’s own activity and work, the result is the creation of a rabble of paupers.” Here the creation of a “rabble” is presented as a result of market dynamics, especially overproduction. Hegel (2008: 191) also acknowledges that the division of labor “makes work more and more mechanical.” These comments have led some to argue that despite its apparent optimism, the *Philosophy of Right* is therefore clearly not an apologetic book, but rather emphasizes that the state he presents in its internal rationality is not here to stay” (Ruda 2017: 176; see also 2011), in effect reading Hegel’s account of modern economic structures as, in fact, much closer to Marx’s than may appear at first glance. That said, others have argued that Hegel presents a plausible account of a regulated market society, where the state is able to overcome the difficulties noted by Marx (Kain 2014).

In contrast to Marxist readings of Hegel’s theory of civil society (Ruda 2011), another recent stream of Marxist analysis, this one centered especially upon organization theory

and strategic management, actually provides support for Hegel's account of the potential for the corporation, or rather a version of the modern firm, to reconcile ethical and economic objectives in a coherent manner. In a series of books and articles, informed by extensive empirical research, Paul Adler has argued that the increasing importance of knowledge as a valuable strategic resource has led to increased competitive pressure for corporations to become forms of community that embody commitments to a societally valuable purpose and contribute to the development of workers skills, abilities, and ethical character. This is because trust and commitment to a prosocial purpose facilitate more efficient governance of knowledge and coordination of intangible resources under conditions of uncertainty and change than do coercive forms of hierarchical authority (Adler 2001; 2022; Adler and Borys 1996). Adler (2015; 2022) explains these developments by drawing upon Marx's (1990) notion of the forces of production.

Challenging the labor process theory, developed by Braverman (1998) and others, which posits the increased deskilling of labor as a result of technological development, Adler (2007; 2015) argues that technological development has not led to increased deskilling but rather the opposite, making human capital increasingly important within the production process. Adler (2022: 6) says, "the labor process is continually reshaped not only by its interaction with the valorization process (which expresses the capitalist 'relations of production'), but also by the cumulative advance of technology (which expresses the progressive development of the 'forces of production')—and the development of workers' skills is part of the development of those forces of production."

As such, Adler (2015; 2022) argues, there is a structural contradiction between the relations of production, which are constituted by capitalists' structural power and ability to both extract value from labor and to impose disciplinary restrictions, such as increased deskilling, and the forces of production, comprising society's store of human capital and technology, which, as technology develops, require a more skilled workforce and more collaborative relationships between workers, managers, and investors/owners to operate efficiently. Importantly, Adler's Marxist account of the impact of the developing forces of production on organizational structure and strategy (Bodrožić and Adler 2018, 2021) lends support to the Hegelian account of the role of the corporation in society. More specifically, it suggests that technological developments making knowledge an increasingly important strategic resource are leading to increased alignment between economic and ethical objectives within the firm, despite the ever-present possibility of conflict between labor and capital (Adler 2001; 2005; 2015; 2019; 2022; Adler and Borys 1996; Adler and Heckscher 2018). In addition, key elements of Adler's (2022; Adler and Heckscher 2018) framework directly align with the three aspects of Hegel's (2008) account of the corporation.

First, whereas Hegel (2008) argues that corporations should comprise communities of workers, Adler argues that firms are increasingly embodying a novel mode of organizing called "collaborative community" (Adler and Heckscher 2018; Adler et al. 2008). Based upon a commitment to a substantive, valuable, societal purpose, and an ethos of mutual concern between members, corporations that embody this type of community, Adler argues, benefit from greater trust, better coordination in the face of uncertainty, improved innovation, and better quality in production. Second, this type of value-rational-focused, corporate community facilitates *bildung*, involving the moral development and enculturation of employees. More specifically, it instills an "ethic of contribution" involving "a shared conviction that the most important virtue is contributing to the achievement the organization's purpose," where the latter is centered upon some valuable societal aim, i.e., meeting the needs of specific external stakeholders (Adler and Heckscher 2018: 93). This lends support to Hegel's (2008: 191) claim that

the corporation should support the moral education of its members. Likewise, because the firm as a collaborative community is centered upon producing high-quality products and services that contribute to valuable, prosocial aims (Adler 2015; 2022), it provides a context wherein employees may gain recognition for their contribution to society. As one interviewee said, indicative of this point, “We want to be proud of our cars – we don’t need to hear any crap about how a neighbor bought one of our cars that was built on Friday or Monday and how it’s falling apart” (Adler 2022: 8).

More broadly, Adler’s Marxist account of the development of the forces of production and the corresponding evolution of organizational structure and function provides an alternative to Ruda’s (2011) pessimistic reading of Hegel’s (2008) account of civil society, suggesting an important tendency within capitalist society that promotes the continuing alignment of ethical and economic objectives within the firm. As such, the modern corporation can plausibly be seen as a key locus of the concrete realization of freedom, realizing key elements outlined in Hegel’s (2008) account of the corporation, despite continuing tensions (Adler 2015; 2019). Adler offers several different examples of organizations embodying this form of collaborative community, including automobile manufacturers (Adler and Borys 1996), software development firms (Adler 2005; 2015), and healthcare organizations (Kochan et al. 2008; Kochan et al. 2010). And because of the widespread importance of knowledge within the modern economy, there is every reason to think that the factors highlighted by Adler (2022) are widely relevant to other organizations throughout the economy.

Summing up, Adler’s work provides broad support for a Hegelian view regarding the potential for harmonizing economic and ethical objectives within the firm. Some readers of Hegel (Ruda 2011) have drawn upon Marxist themes to argue that he offers no viable account of civil society because changing modes of production have made it impossible to link economic and ethical considerations in a modern context. By contrast, Adler’s (2022) work, focusing on further changes in production, offers a contrasting perspective. Also drawing upon Marxist themes, Adler (2001; 2015) argues that the increasing importance of knowledge within production has given ethics greater importance in firms’ efforts to achieve efficiency. As such, Adler highlights important trends within the economy that provide support for the viability of a Hegelian view of the firm as an institution that links ethics and efficiency.

Discussion

In this article, I have drawn upon Hegel’s discussion of agency, alienation, and work, primarily in the *Philosophy of Right*, and secondarily in the *Phenomenology of Spirit* to present the outlines of a Hegelian, or expressivist, theory of the firm. From this perspective, the firm performs a key ethical function in society, providing the institutional structures, norms, practices, and modes of discourse necessary to link individuals’ subjective aims with objectively valid societal aims. That is, the firm, when it functions properly, enables individuals to express their commitment to objectively valid aims and their capacity to act as rational agents within concrete social contexts. I have also argued that Adler’s (2022) Marxist analysis of the development of the forces of production and their impact on organizational structures and processes provides support for the Hegelian view of the firm’s key function of concretely realizing freedom by linking ethical and economic objectives.

Before concluding, I outline a number of practical implications of the Hegelian view of the firm before explaining how it relates to two prominent research streams in business ethics.

Practical Implications

At first glance, it might seem surprising to suggest that Hegel has insights that are relevant to managerial practice but in the light of the previous discussion, several points are worth noting. First, and perhaps most importantly, Hegel's (2008) theory of action and account of the corporation provides an account of the microfoundations of sustainable firm performance. Research in microfoundations focuses on "individual nature, agency, and choice" and the organizational structures and processes that aggregate actions into beneficial organizational outcomes (Barney and Felin 2013: 139). In terms of the microfoundational perspective, the Hegelian view provides an account of human agency such that individuals are both motivated by subjective aims but also intrinsically orientated toward ethical, or substantive aims. Likewise, the Hegelian view of the corporation explains how organizations that embody communities of work, facilitating moral development, and societal recognition for their members can generate and sustain moral motivation, which may contribute to long-term sustainable performance (Birkinshaw et al., 2014; Adler 2001; 2022; Lindenberg and Foss 2011). This is important for managers and other practitioners because there is a constant danger that practitioners will be influenced by bad managerial theories (Ghoshal 2005; Ghoshal and Moran 1996), which, by assuming that organization members are opportunistic and merely motivated by subjective aims, may have a performative effect (Ferraro et al. 2005), leading members to act accordingly. Hegel's account suggests that individuals are capable of pursuing subjective aims as well as objective values and that by focusing on individuals' pursuit of the latter – adopting an attitude of trust – a positive performative effect may result (Brandon 2019). Likewise, by extending trust to fellow organization members, managers may not only promote the moral development of members by providing opportunities to act virtuously (Bernacchio 2019; Weaver 2006) but also facilitate better firm performance (Adler 2001; 2015).

There are several other more specific ways that managers and organization members can better implement the Hegelian vision of the firm as an expressivist context that concretely realizes freedom. First, managers should consistently highlight the firm's prosocial purpose. Hegel (2008: 224) says that the corporation has a "universal purpose" that is "wholly concrete" and coextensive with the ends of the particular "trade" performed by members. For Hegel this concrete, prosocial purpose provides the basis of the corporate community and facilitates its processes of moral development. Adler also highlights the importance of a prosocial purpose for firm performance (2022: 8) saying, "what was distinctive about these organizations, and what made them enabling rather than coercive bureaucracies, was that managers and employees shared a purpose—making the best product they could." Thus, managers should highlight the firm's prosocial purpose through mission statements, other modes of discourse, as well as in the way that rewards and punishments are given (Birkinshaw et al. 2014; Lindenberg and Foss 2011).

Second, Hegel (2008: 191) emphasizes the formative function of work within the corporation, whereby it develops a "habit [...] of objective activity," that is, a type of virtue focused on the performance of work in a manner that meets the needs of community members. This occurs through "discipline," processes of skill acquisition, and the "strict adaptation" to the will of others, including especially managers and, ultimately,

customers. We now know much more than Hegel did about how organizations can implement organizational processes that enhance motivation and skill development. One important element concerns team and task structures that enable participants to appreciate the connection between their particular actions and broader, prosocial, organizational goals (Lindenberg and Foss 2011). Second, formalization, that is, the implementation of rules and standardization procedures, plays an important role in facilitating collaboration between organization members and fostering the development of skills (Adler and Borys 1996), but formalized rules should be implemented through widespread and ongoing participatory processes (Adler 2015). This facilitates identification with the organization, such that organization members willingly adapt their actions to the prosocial, organizational purposes supported by standards and rules. Finally, hierarchical authority plays an important role in coordinating the actions of organization members and promoting the development of skills but authority should be functional, based upon knowledge, and subordinated to the organizations' purpose (Adler and Heckscher 2018; Lindenberg and Foss 2011). This not only contributes to formative processes within the organization but may also limit the potential for alienation stemming from arbitrary forms of power (Anderson 2017).

Third, Hegel (2008: 191) notes that the division of labor enhances skill development and efficiency but also potentially "makes work more and more mechanical." Experience confirms Hegel's intuition in this regard, the division of labor has often resulted in extremely mechanical tasks. As such, tasks should be divided to facilitate specialization and the generation of knowledge but not to such a degree that task division decreases skill formation, motivation, or creates a silo-mentality that inhibits collaboration with other organization members (Adler 2022; Morroni 2006). Organization members should also be cross-trained so that they can better develop the skills needed to integrate their specialized functions with others in the organization (Adler 2015).

Finally, managers should explicitly acknowledge the link between firm success and the institutional environment provided by the state, giving expression to the virtue of patriotism (Hegel 2008: 240–241). This also has two implications. First, by appreciating the importance of the myriad of ways that the state contributes to the success and wellbeing of individuals and corporations, organization members will have greater reason to promote compliance and adhere to regulatory requirements, since they will see regulations as ultimately contributing to their own wellbeing. As Hegel (2008: 241) says, "We trust that the state must subsist and that in it alone particular interests can be secured." Second, by appreciating the importance of the state, and the way that corporate activity supports the common good, organization members' actions will have greater significance (Moyar 2011: 193–194), thereby further enhancing their moral motivation (Birkinshaw et al., 2014). Thus, managers should explicitly articulate the way that corporate interests harmonize with social and political purposes and take steps to avoid causing harm to broader societal values (Bacq and Aguilera, 2022).

Theoretical Implications

The Hegelian theory of the firm also offers an integrative perspective for business ethics research by linking several considerations that are often found separated in differing research streams. Specifically, the Hegelian view is strongly focused on the role of the firm in facilitating character formation, or *bildung*, sharing this concern with virtue-based approaches (Hartman 2013; Moore 2017: 85) but unlike many proponents of the virtue

ethical approach (Beadle 2008; MacIntyre 2016, Chapter 4), the Hegelian approach adopts a Smithian view of economic activity (Herzog 2013: 54) as directed toward mutually beneficial transactions (Bruni and Sugden 2013; Otteson 2019), transactions that promote the general welfare while also satisfying the agent's particular aims. This contrasts with much research drawing upon a virtue ethical perspective in business ethics that often adopts a more pessimistic view of the ethical status of markets (MacIntyre, 2007). Likewise, the Hegelian perspective links a distinctive notion of agency with a concern for the analysis of social structures (Brooks 2012; Stein 2019). This provides the potential link to concerns characteristic of the MFA (Heath 2006), regarding the societal purpose of firms and markets, with concerns typical of virtue ethics regarding character formation and virtuous agency (Moore 2017).

Before concluding, I briefly note the implications of the Hegelian account developed in this article for these two prominent theories of business ethics. A first and obvious point of comparison is with the MFA (Heath 2006) since it focuses on the societal purposes of markets and firms. While Heath (2014) and Hegel (2008) both acknowledge the importance of Smith's (2003) "invisible hand" account of the market mechanism, Hegel goes further than Heath, in arguing that the corporation functions to bring the implicit, prosocial purpose of work to explicit consciousness, thereby contributing to character formation. Heath (2014: 29) explains his view succinctly, as follows, "[T]he primary reason for introducing the profit motive into the economy is to secure the operation of the price mechanism. The price mechanism is in turn valued for its efficiency effects. It allows us to minimize waste." By contrast, Hegel (2008: 227) says, commenting on the invisible hand mechanism, that "this unconscious compulsion is not enough," and highlights the role of "the corporation" in providing "a known and thoughtful ethical mode of life" where members receive recognition for, and self-consciously acknowledge, their service to the common good. Thus, from a Hegelian perspective, a key shortcoming of the MFA is its failure to acknowledge the moral educative function of the corporation. This not only ignores the importance of the value of freedom as concretely realized within the context of the firm but also makes it difficult to understand why managers would willingly endorse the societal purpose of the market, that is efficiency, rather than exploit market failures when it is to their advantage. Moreover, without a robust notion of character development within the firm, the MFA's demand that managers avoid exploiting market failures can only appear as an "*ought-to-be*," an imperative that has no basis in existing social structures (Hegel 2008: 111).

Whereas the MFA aims to articulate the ethical norms specific to market institutions, virtue-based approaches to business ethics (Solomon 1992), in a different but parallel manner, aim to articulate the ethical norms inherent within organizational dynamics and the process of production. This is especially apparent in work that has drawn upon MacIntyre's (2007) concept of a practice (Moore 2005; Sison and Fontrodona 2012; Tsoukas 2018). This approach warrants comparison with the Hegelian account presented above, both because MacIntyre's (see 1996) notion of practice draws heavily upon Hegel's (2019) understanding of work and because they diverge sharply concerning the standards that ought to govern work. The MacIntyrean approach conceptualizes firms as practice-institutions combinations which are inherently morally textured, involving the formation of character, and directed toward morally salient 'internal goods,' goods that are specific to the activities characteristic of the practice (Moore 2017). Moore (2017: 56) notes that internal goods are "internal because we can specify them only in the terms of the activity of which they are a part—chess in this instance—and because it is only by taking part in the practice of chess that we can really appreciate what these internal goods actually are." Thus, the goods of chess can only be explained in terms of the game itself, and persons unfamiliar

with the game will have no way of adequately grasping the forms of value that are attainable within it. As MacIntyre (2007: 189) says, “Those who lack the relevant experience are incompetent thereby as judges of internal goods.”

When applied to productive practices (MacIntyre 1994; Moore 2005) – practices that figure centrally within commercial organizations – this claim about internal goods raises the question of the role of consumers in shaping the standards of excellence defining the products and services offered on the market, since MacIntyre’s (2007) account excludes any role for them in shaping the conceptions of excellence informing practices. Hegel also acknowledges the role of standards of excellence within the corporation (2008: 226). “The skilled worker, Hegel says, is “the person who produces the thing as it *ought* to be and who encounters in his subjective activity no resistance to the aim he is pursuing” (2008: 191, italics added). But Hegel has a different – more universal – ethical vision concerning the nature of the standards of excellence of productive practices. Hegel says, “The fact that I must direct my conduct by reference to others introduces here the form of universality. It is from others that I acquire the means of satisfaction and I must accordingly accept their views. At the same time, however, I am compelled to produce means for the satisfaction of others. We play into each other’s hands and so hang together. To this extent everything particular becomes something social” (2008: 189). Thus, it is through the production process that we come to practically acknowledge the needs of others (Hegel 2008: 186; Heisenberg 2018: 5), shaping our activities to accommodate those needs. This means that the standards of excellent work must explicitly embody a recognition of consumers’ needs.¹⁰

MacIntyre (2007: 273–74) acknowledges the dangers of relativism insofar participants within specific practices may become myopically self-enclosed, and disconnected from the broader common good. But by defining the standards of excellence of practices solely with reference to practitioners’ conceptions of value, it is difficult to see how this danger can be avoided since on this conception there will be no necessary link between work and the needs of the wider society (see also Tsoukas 2018). For Hegel, by contrast, the market provides a means of being concretely responsive to the needs and welfare of others. And while the business-minded individual – when focused on consumer needs – may have it “in mind to act selfishly, it simply doesn’t know what it’s doing” (Hegel 2019: 192), such an agent does not realize that she is benefiting society precisely by pursuing success in the market.

MacIntyre (1982, 2007) argues that only insofar as practices are insulated from market pressure can they properly pursue excellence. But from Hegel’s (2019: 190) perspective, by ignoring the role of consumers in shaping the standards of excellence within productive practices (see Keat 2008), the MacIntyrean approach fails to adequately give ethical significance to the needs and welfare of society members (Tsoukas 2018), thereby relying upon a conception of value that is arbitrary or parochial. As Hegel (2008: 227) says, [A] corporation is not a closed guild; its purpose is rather to bring an isolated trade into the ethical order and elevate it to a sphere in which it gains strength and honour.” For Hegel (2008) this reference to “the ethical order” points to the role of work in meeting needs and promoting the welfare of society, more generally. As such, from a Hegelian perspective, the standards of excellence characterizing work must be fundamentally informed by a conception of the needs of customers.

¹⁰ In a related passage, Hegel contrasts the worldly individual’s focus on personal aims with the “knight of virtue” (2019: 188, 190), who eschews ‘worldly’ pursuits, favoring pure moral intentions. But Hegel argues that the pursuit of virtue disconnected from the social processes of the world, is itself merely an arbitrary abstraction, “only in the mind,” lacking reality.

Conclusion

Hegel wrote at a time when the corporate form was still developing. As such, his account of the corporation in the *Philosophy of Right* does not provide a fully developed ethical theory of the modern firm. But as I have argued, it provides important insights concerning the ethical role of the firm in modern society, specifically in terms of its capacity to provide a concrete context for the realization of freedom. From a Hegelian perspective, freedom is the actualization of rational agency in specific social contexts, where subjective aims are linked to objectively valid societal purposes. Shortly after it was written, Hegel's account of the corporation was challenged by the technological and economic developments that drove the Industrial Revolution.

While prominent readers of Hegel have argued that his account of civil society is fatally flawed (Ruda 2011), I have drawn upon an alternative Marxist perspective (Adler 2007; 2015; 2019; 2022), closely integrated with research in organization theory and strategy, to suggest that the growing importance of knowledge within production points toward the increasing alignment of ethical and economic objectives within the firm. As such, I have sought to articulate a Hegelian, or expressive, theory of the firm. The firm is expressive both because it provides its members with a context where they can make practical inferences linking their subjective aims with objectively valid, societal purposes and because it allows them to concretely realize their capacities for rational agency, allowing them to express themselves as rational agents (Moyar 2011; 2021).

But with Charles Taylor (2015: 14), we might ask, “[H]ow is this a solution? ... Is Hegel just juggling with words here to make the unthinkable look as though it were necessarily true, as some of his hostile critics have maintained?” How is this a theory of business ethics, if it seems merely to suggest that ordinary business practice is ethically sound? First, it is important to acknowledge that there is an important truth underlying this objection. Hegel rejects utopian solutions to social conflict that lack any basis in actual practice (Amiridis 2018; Taylor 1975). Instead, his philosophical project aims to enable inhabitants of modernity to become reconciled to the modern social milieu by re-envisioning and better understanding the ethical aims and purposes that implicitly animate modern society. For Hegel, “True reconciliation has to do with seeing the human world as resting on acceptable reasons, or, again, to put it as loosely as possible, as having a rationale to it” (Pinkard, 2017: 43). But this should not suggest any form of conservatism or complacency about the real problems facing the business world since the interpretative process, whereby agents gain a greater capacity to express themselves – i.e., to tell better stories about what they are doing when they engage in business (Freeman 2018) – necessarily transforms subsequent actions (Taylor 1985). Thus, recounting Hegel's account of the Good as the concrete realization of freedom (Moyar 2021) to the next generation of business practitioners, as a story of reconciliation between the individual and society, promises to fundamentally shape – and improve – the way that business is practiced.

Declarations

Ethical Approval This article does not contain any studies with human participants or animals performed by any of the authors.

Conflicts of Interest The author has no conflicts of interest to disclose.

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