

Capitalist Workplaces Set Bosses Up To Be Authoritarian Tyrants



Prof. Elizabeth S. Anderson - University of Michigan

Long before the growing interest in economic inequality facing contemporary capitalist societies, radical thinkers and [union](#) organizers were concerned about the authoritarian governance in workplaces. Unfortunately, this concern seems to have taken a back seat in political philosophy during the present era. Elizabeth S. Anderson, a professor of philosophy and women's studies at the University of Michigan, is seeking to remedy this with her trenchant analyses of the coercive and hierarchical nature of capitalist firms and corporations. Her book *Private Government* offers an important reminder that bosses tend to be dictators and that workers' lives are essentially at the mercy of private government.

C.J. Polychroniou: In your book [Private Government](#), you analyze the different facets of modern workplaces and argue that firms and corporations operating under so-called "free market" norms and arrangements are actually coercive and hierarchical in nature, and rule over workers' lives as authoritarian governments tend to do. Can you elaborate a bit on these highly challenging ideas, as most people don't seem to view workplaces as dictatorships?

Elizabeth S. Anderson: Look at the organizational chart of any firm: You will see a hierarchy of offices, with subordinates reporting to their bosses, and bosses issuing orders to subordinates that must be obeyed on pain of sanctions such as getting fired, demoted, harassed or denied decent hours. That's all it takes to make a little government — the power to issue orders to others, backed by threats of punishment. If the workplace is a government, we can ask, what is the constitution of that government? The answer, in nearly all cases where workers lack union representation, is that the constitution of workplace government is a dictatorship. Workers don't get to elect their bosses. They don't have a right to participate in the firm's decision-making about the terms and conditions of their work. For the most part, they have little effective recourse if their bosses abuse them, other than to quit.

Workers even lack the power to hold their bosses to account for a wide range of abuses at work — *even when those abuses are illegal*, such as [sexual harassment](#) and wage theft. The scale of [wage theft](#) — effected by forcing workers to work off the clock, work overtime without extra pay and numerous other scams — is vast. It exceeds the sum total of all other thefts in the U.S. The vast majority of workers who are sexually harassed face illegal retaliation at work for complaining. So most keep silent. More and more, employees are forced to sign mandatory arbitration agreements, which strip them of their right to have their case be heard by a neutral judge following legal procedures. Instead, they must go to an arbitrator chosen by their employer, who is bound by no procedures, and knows that the arbitration contract will not be renewed if they render too many judgments in favor of the worker. No wonder workers under mandatory arbitration are far less likely to win their cases, and when they win, receive far less compensation than workers who sue their employer in court. It's a recipe for mass abuse. While many workers — particularly those in management or with rare skills — get decent treatment, millions of ordinary workers suffer under awful working conditions, low pay, unstable hours, and subjection to discrimination, wage theft and other illegal treatment.

Dictatorial employer control over workers doesn't even end when workers are off-duty. The default rule in the U.S. is "employment at will." This means that, with a few exceptions (mostly having to do with discrimination), employers are legally entitled to fire, demote and harass workers for any reason or no reason at all. This rule opens the door to punishing workers for things they do while off-duty. Many

workers have been fired because their boss disapproves of their choice of sexual partner, support for candidates and political causes the boss doesn't like, unconventional gender presentation, recreational use of marijuana on days off and other personal decisions. When a Coke worker can be [fired for drinking Pepsi](#) at lunch, it's easy to see that the scope of employer control over workers' lives is nearly unlimited.

You maintain that most people can't see what private workplaces are all about. Do you mean to say that employees can't see where authority lies and that they don't realize the power that employers have over their lives? How could this be possible? Is it related to the pathology of "free market" ideology? Is this what grants legitimacy to capitalist firms and corporations in the eyes of employees and the general public?

A Zogby poll of U.S. workers about 10 years ago found that 25 percent regard their workplace as a dictatorship. Why don't they all recognize the reality? I think this is because political discourse about work frames vital issues of worker freedom in terms of "freedom of contract." Because workers are always legally free to refuse a job offer or to quit, people talk as if workers are free. But this free-market freedom only guarantees workers the freedom to starve. The critical questions should focus on what employed workers are free to do at work and off-duty. Talk about "free markets" distracts us from recognizing that the standard employment contract puts workers under the thumb of their bosses and strips them of their rightful freedoms. Thousands of slaughterhouse workers lack the freedom to use the bathroom during their eight-hour shift. They are told to wear diapers to work! When employers restrict even the most basic bodily functions of their workers, it's ridiculous to pretend that these workers are free. While the *acceptance* of the employment contract is, from a legal point of view, voluntary (even when workers are desperate for a job), the *content* of the contract puts workers under the subjection of their employers.

Free-market ideology refuses to accept this framing, because it insists on the illusion that the content of the employment contract represents a meeting of minds over terms that have been freely negotiated between the parties. In reality, the vast majority of employment contracts are oral, not written, with workers knowing none of the terms other than what the employer chooses to tell them. This is possible, because the *state* has written the default terms of the employment contract in its laws regulating work. In that sense, the default

employment contract is much like the default marriage contract, the terms of which have also been written by the state. Quick question to married readers: Do you know whether your marriage follows common law or community property? This follows from the state where you reside, not (unless you have a prenuptial agreement) from terms you negotiated with your spouse. The vast majority of workers never get an opportunity to negotiate, either. This is because the state has already decided, in the default employment contract, to deal virtually all of the authority cards to employers. Since employers are already holding the authority cards, they have little incentive to deal any of them back to the employee in negotiations. So, most don't bother to hold negotiations.

What about all the latest trends in many workplaces where the tendency is to get employees to feel, through various creative schemes, that they are all part of the big picture? I have in mind such corporate tactics as group meetings on leadership ("everyone can be a leader"), encouraging communication in common areas, rewarding individuals as "employee of the month," and so on and so forth. These schemes are obviously designed to increase employee satisfaction and productivity, but are they not also designed to promote a further sense of "false consciousness" about power relations between employers and employees?

While employers have immense legal and practical power over workers, it's important to recognize the vast diversity of worker experiences. These are often dependent on their skill level, rank in the organization, experience, and demographic characteristics, such as their race, gender, sexual orientation, age and health status. Firms also vary a great deal in their work cultures. Some workers have great jobs, where they enjoy the respect of their co-workers, interesting jobs, autonomy in fulfilling their duties, good pay and enough leisure to have a life outside work. If these workers suffer from false consciousness, it is mainly in failing to appreciate how little protection they have if circumstances change. An economic downturn, a new boss who is petty or abusive, a pregnancy, illness, or any number of other circumstances could turn a dream job into a nightmare, with few recourses available to the worker.

Yet, there was a time, not that far back, when workers' resistance to private dictatorships was rather widespread and in fact, quite well organized. What will it take for employees to recognize the coercive, hierarchical and oppressive nature of private workplaces?

Labor unions have always played a critical role in generating the knowledge, as well as the organization, that workers need to defend their interests. In our

individualist culture, with its rhetoric of “personal responsibility” and freedom of choice, it is all too easy for atomized workers to blame themselves when something goes wrong at work. “Is it just me? Am I oversensitive?” are often the first questions victims of sexual harassment ask about their experience. When workers come together to share their experiences, they recognize that problems for which they blamed themselves are due to the system to which they are subject. A revival of the labor movement is needed to raise workers’ consciousness beyond our individualist discourse of free markets and freedom of contract. It’s already happening, with the [Fight for \\$15](#), teachers’ strikes in several states, and organizations outside traditional union structures, such as ROC United. But we have a long way to go.

One final question: Do you think that the emergence of the gig economy will result in a new organizational setting for the modern firm that will deviate from the description you have provided of private workplaces as dictatorships?

Technology now enables firms to hire workers by the task, rather than the job or the career. But the short-term nature of this work doesn’t change who is calling the shots. Firms such as Uber claim that their drivers are independent contractors, even while they minutely regulate how they do their jobs, and the terms and conditions of their work. Such misclassification of employees as independent contractors is pervasive, offering workers the illusion of personal autonomy, while depriving them of the benefits they are legally entitled to have as employees. Many firms hire temps to do work identical to that done by their regular employees, at a fraction of the pay and benefits, and with far less security. For the most part, the [gig economy](#) is generating a new precariat, not a class of self-employed, autonomous workers. If gig workers organized, however, they could win better conditions for themselves. There is no substitute for collective action. Contrary to all the hype about the gig economy, tech alone won’t secure their freedom.

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C.J. Polychroniou is a political economist/political scientist who has taught and worked in universities and research centers in Europe and the United States. His main research interests are in European economic integration, globalization, the political economy of the United States and the deconstruction of neoliberalism’s politico-economic project. He is a regular contributor to *Truthout* as well as a

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