

BOOK REVIEWS

Anderson, Elizabeth. *Private Government: How Employers Rule Our Lives (and Why We Don't Talk about It)*.

Princeton, NJ: Princeton University Press, 2017. Pp. xxiii+224. \$27.95 (cloth).

Work and workplace relations have received renewed interest in recent political philosophy. For one thing, the shift in focus from distributions to social relations, to which Elizabeth Anderson has importantly contributed, has boosted philosophical thinking about work by putting intrafirm relations of authority into its spotlight. For another, after fading over nearly three decades, the philosophical interest in workplace relations and their democratization has recently been revived—partly fueled by a renewed interest in cooperativism and other forms of democratic governance amid the Great Recession—as seen in recent work by Samuel Arnold, Alex Gourevitch, Lisa Herzog, Nien-hê Hsieh, Tom Malleon, and Pierre-Yves Néron, among others.

Anderson's 2015 Tanner Lectures—published in this book, with comments by Ann Hughes, David Bromwich, Niko Kolodny, and Tyler Cowen—add to these trends in a threefold way. Anderson first investigates the historical reasons why the employment relationship, once tantamount to unfree labor, is now regarded in much academic and public discourse as a free exchange akin to free market transactions. She next looks into the nature of this relationship, which, contrary to common belief, she depicts as a form of private government—one in which bosses issue directives backed by sanctions in ways that are largely unaccountable to those subject to them. Finally, if only tentatively, she outlines several strategies to address this dearth of accountability in workplace governance, including exit rights, rule-of-law constraints on employers, constitutional labor rights, and granting workers a voice in workplace decisions.

The two lectures are written in Anderson's characteristically crisp and accessible style and show an impressive command of the relevant literature in history, economics, and political philosophy. It is hence particularly fitting that her commentators, to whom Anderson replies in the last chapter, belong to a diverse array of disciplinary niches. The lectures will no doubt importantly shape future debates on workplace governance, even though—non-American readers should be warned—they almost entirely focus on the United States in their analysis of existing employment relations. Given the peculiarities of American corporate and labor law, any attempt to extend Anderson's conclusions elsewhere must be taken with a grain of salt. In what follows, I will first summarize the lectures' content. I will then flag three concerns.

The first lecture carries out the historical inquiry mentioned above. In modern workplaces, bosses' authority (a notion that Anderson uses in its empirical, rather than its normative, sense) is of a formidable breadth. Not only do bosses

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direct and supervise employees; as Anderson vividly documents, they can also prohibit them from exchanging casual remarks to minimize “time theft,” as Walmart does, or from using the bathroom while on duty, as Tyson does, or submit them to suspicionless drug screening, as experienced by about half of US employees (xix). How did such forms of authority come to be regarded as part of a free interaction between equally autonomous individuals or, as some libertarians reckon, as no real exercises of authority to begin with? To answer this question, Anderson examines the economic ideas of the Levellers, Adam Smith, Tom Paine, and other early advocates of free markets. The result is a condensed journey through the history of free market ideology that is worthwhile in itself, independently of Anderson’s use of it in her second lecture. Such early proponents of economic freedom were far from indifferent to the loss of freedom that employment entailed. If they supported free markets as an alternative to existing hierarchies and monopolies, Anderson contends, it is because they predicted that nearly everyone operating in such markets would be either self-employed or employed in small-scale manufacturing businesses (14–15, 21–22).

The Industrial Revolution proved them wrong. Firms dramatically increased their workforces owing to economies of scale (though entry barriers in capital-intensive industries, regulatory capture, and cartelization surely helped), and opportunities for self-employment and jobs in small-scale firms correspondingly decreased. When the facts changed, many workers and thinkers of the left changed their minds and began devising strategies to keep the irreversible new reality of managerial authority in check. They unionized. They campaigned for the Ten Hours Bill. They set up workers’ cooperatives. Yet the ideal of the free market as promoting autonomy at work—according to Anderson, an ideal unfit for properly grasping the peculiar nature of employment—survived, resulting in “a symbiotic relationship between libertarianism and authoritarianism” (36; this point was very similarly made by Chris Bertram, Corey Robin, and Alex Gourevitch in “Let It Bleed: Libertarianism and the Workplace,” *Crooked Timber* (blog), July 1, 2012, <http://crookedtimber.org/2012/07/01/let-it-bleed-libertarianism-and-the-workplace/>; see also David Ciepley, “Beyond Public and Private: Toward a Political Theory of the Corporation,” *American Political Science Review* 107 [2013]: 139–58).

How, then, should we understand the nature of employment, if libertarian thinking stumbles here? The answer, Anderson extensively argues in her second lecture, is private government (a notion whose plausibility crucially depends on its particular meaning, which some may find too stipulative for their taste). Government occurs, Anderson posits, whenever someone has the authority to issue commands to others, backed by sanctions. And whether government is public or private depends, in turn, on whether or not this authority is accountable to those on its receiving end (44–45). Government is thus no monopoly of the state, as nonstate actors, including corporate actors such as employers and managers, can also govern (42). Now, while many states govern publicly, as their officials are democratically appointed and accountable to their citizens, most private businesses do not. For their managers have authority over their workers’ lives in a way that is largely unaccountable to those workers. Moreover, such authority does not stop at the workplace’s exit, Anderson claims (39–40). It also extends to employees’ off-duty lives, for instance, when they are fired for their political views, or for having a same-sex partner, or for the content of their Facebook posts.

To illustrate free market thinking's failure to come to grips with these realities, Anderson turns to the nexus of contract theory of the firm, in which employment relations are treated as entirely akin to market transactions (48–61). On this influential view, employers have no more authority over workers, when they issue commands, than customers have when they tell their grocer to sell them this brand of tuna rather than that brand of bread, as Armen Alchian and Harold Demsetz famously put it (“Production, Information Costs, and Economic Organization,” *American Economic Review* 62 [1972]: 777–95, 777). Both employers and customers have power, yet none of them have authority. Anderson thinks otherwise. According to her, what these theorists, as well as much public discourse, miss is that the grocer remains “independent from [its] customers after selling [her] goods. In the employment contract, by contrast, the workers cannot separate themselves from the labor they have sold; in purchasing command over labor, employers purchase command over people” (57).

How to keep this form of command in check is Anderson's final topic. Those looking for specific blueprints will be disappointed, however. Anderson discusses four strategies but provides no fully fledged institutional prescription. The first of these strategies is the guarantee of exit rights, a cherished ideal of libertarians that Anderson deems necessary, yet insufficient, to ensure freedom at work. Rule-of-law constraints and constitutional rights are examined next. But, indispensable as these may be to reduce abuses of authority—including discrimination, harassment, and unjustified firing—Anderson contends that such limits also fall short of fully protecting employees' freedom. Workers' voice in firms' decisions is also required—a conclusion for which she nonetheless provides little argument and that she could have profitably linked to the incompleteness of labor contracts, as some have. Roughly, given that it is impracticable, and indeed undesirable, to anticipate all work-related contingencies in employment contracts, such ongoing input from workers may be needed to ensure that the resulting managerial discretion properly tracks their interests (see Nien-hê Hsieh, “Rawlsian Justice and Workplace Republicanism,” *Social Theory and Practice* 31 [2005]: 115–42; Bertram, Robin, and Gourevitch, “Let It Bleed”; Iñigo González-Ricoy, “The Republican Case for Workplace Democracy,” *Social Theory and Practice* 40 [2014]: 232–54).

These are, in a very encapsulated form, the book's main claims. Anderson's lectures are ambitious, given the considerable thematic and disciplinary territory they cover in such a short space. Yet while some ambiguities and shortcomings can be traced to the gap between their ambition and their length, Anderson's main claims—and, in particular, the nature, scope, and implications of the very idea of private government—raise more significant concerns, to which I now turn.

An obvious worry is whether the governing authority of bosses and state officials is sufficiently similar, and similarly objectionable when appropriate checks are lacking, to justify Anderson's conclusions. One such conclusion is that, absent appropriate checks, most firms are “dictatorships” (37–41, 50, 63). One may wonder whether this term, which will likely inflame friends and provoke foes, will not also put off some of her less combative readers, who might think that if such a big word is used (we should not forget the sort of entertainments that keep dictators busy, such as torturing, imprisoning, and executing dissidents), the thought behind it must be rather small. Rhetoric aside, we may also ask whether Anderson's analogy between firms and states stands up to scrutiny. Two sources of skepticism can be found in the existing literature (for a critical review, see H el ene Landemore

and Isabelle Ferreras, “In Defense of Workplace Democracy: Towards a Justification of the Firm/State Analogy,” *Political Theory* 44 [2016]: 53–81). To start, there may be certain disanalogies that, although unrelated to governing authority, appear to weaken the plausibility of Anderson’s conclusions—for instance, the tougher competition faced by firms, their legitimately distinctive goals, and the greater importance of efficiency in their functioning. Second, and in relation to governing authority itself, some central features of state authority may be absent, or present to a much lesser extent, in firms.

Three stand out. First, state authority is backed with force, while, much as Stalin once noted about the Pope, we might ask of employers: how many divisions do they have? Second, state authority is final, while managers’ authority is granted by, and legally subordinated to, the former. Third, state authority is harder to avoid, as it is easier to change jobs than to change citizenship (and the latter typically involves having to change jobs anyway). Anderson extensively, and persuasively to my mind, responds to the third worry, but she says very little about the former two. All she says here is that although states may have higher sanctioning powers, employers’ powers are more exacting and sweeping. But this begs the question. Someone who can pinch me every ten minutes may have more exacting and sweeping powers over me than someone who can pull my fingernails out with pliers every ten years. But the former is not nearly as objectionable as the latter and could hardly justify a similar response. The fact that the state can send men with guns if you hesitate to obey its directives, while employers cannot, and the fact that the latter’s directives are legally subordinated to state authority—which in democratic countries roughly reflects citizens’ interests, including those of workers—pose no insurmountable challenges to Anderson’s argument, I think. But more could have been said.

A second concern has to do with the scope of private government. On Anderson’s view, private government affects employed workers but not self-employed workers, whose autonomy at work is characteristically higher. While the latter retain the ability to organize their own work schedule, own their own tools, and do their job without direction from their customers and suppliers, the former are subject to someone else’s authority in such matters. An employment contract is, in brief, an agreement to obey what the employer commands.

This distinction—which was central to much classic thinking about work but is relatively neglected today (notable exceptions include Carole Pateman and David Ellerman)—is key to Anderson’s argument. Its relevance becomes less obvious, however, when we try to square it with what Anderson says about the scope of employers’ authority over their employees, which, according to her, extends to the latter’s off-duty lives (such as when someone is fired for her off-hours political speech or her Facebook posts). Now, these are no doubt instances of power, but are they also forms of authority, as Anderson claims? The doubt arises not because bosses do not exactly issue or enforce commands in such cases, as Kolodny claims (101). After all, bosses’ ability to fire workers at whim may *ex ante* influence the latter’s off-hours behavior, whether bosses use this power or not. Rather, it arises because employers can thus influence workers in their off-duty lives but cannot command them in the detailed and all-embracing way they do on the job.

Moreover, if bosses’ influence over workers’ off-hours lives is a form of authority, as Anderson believes, then how is this relevantly different from the customer-grocer relationship in the example mentioned above? For customers may likewise

influence their grocers' off-duty actions (say, their political speech) by threatening to stop buying from them, thus demeaning the latter's autonomy. (And if this example sounds outlandish, think of how powerful creditors or buyers with monopsony power can influence self-employed workers with no special market power.) One troublesome implication is that if no fundamental difference exists between employment relations and relations with other stakeholders with whom power asymmetries may also arise—including self-employed suppliers, shareholders, consumers, and society at large—it is then unclear why firms' governance should be arranged so that employees' interests are especially taken into account.

A third worry is raised by one of the institutional strategies Anderson discusses. If most firms are dictatorships, democratizing them would seem to be a priority. Yet Anderson hesitates, instead opting for the German codetermination system, in which workers and shareholders enjoy board representation on a near-parity basis (130–31). The disanalogies between state and workplace governance are enough, she contends, to advise against a priori extrapolating arrangements that may be unfit for the latter. We should rather “experiment to learn the costs and benefits of different forms of workplace governance” (131). We may ask why such disanalogies do not also cast doubt on other conclusions that Anderson draws from the alleged parallel between firms and states. In any case, and more importantly, after nearly two centuries of experimenting with workplace democracy, there is no need to rely on this analogy, let alone on a priori arguments, to inform our normative analyses of workplace governance. Anderson's call for experimentation is very welcome. It is hence surprising that she dismisses workplace democratization out of hand, after merely taking a glimpse at the available evidence.

None of these concerns speak against the importance of Anderson's book, whose central idea of private government is powerful and timely. For a long time, Anderson has been doing some of the most painstaking and relevant work in the overlap between philosophy and economics. It is fortunate that she has now turned her attention to the workplace, where many people spend half their waking day toiling under forms of authority that, as Anderson persuasively argues, are often abusive. Given union decline, workplace deregulation, and the expansion of the precariat in recent decades, one can only hope that the book will be widely read.

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Peels, Rik. *Responsible Belief: A Theory in Ethics and Epistemology*. Oxford: Oxford University Press, 2016. Pp. 288. \$78.00 (cloth).

We often attribute responsibility to others for their beliefs and blame them for believing what they do. We say things like “You should not have been so easily taken in,” “The CEO should have known about the fraud,” or “W. K. Clifford's shipowner had no right to believe that the ship was seaworthy on the evidence before him.”

Rik Peels offers a novel and compelling account of responsible belief, and it is the first book-length account of the topic. He appears to interact with the entire literature on the ethics of belief, as well as substantial portions of the literatures