

Freedom or Private Government?

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Elizabeth Anderson's *Private Government* is an important and timely contribution to contemporary political theory, especially for anyone thinking about freedom in the workplace or about reforming or replacing existing economic institutions. It combines historical inquiry into the egalitarian origins of free-market capitalist theory with a critical examination of the structure of the contemporary capitalist workplace as a form of "private government" (see below) – a subject that deserves much more theoretical attention than it tends to receive.

The book has three main parts. First, in two essays Anderson tells the story of how free-market ideology started with coherent and compelling commitments to freedom, equality, and free trade, to becoming a defence of deeply unfree and unequal capitalist social relations, after which she argues that modern workplace relations are best thought of as a form of private government. More precisely, she argues that workplace relations are properly political relations; that bosses govern their workers much like ministers and monarchs; and that they do so as dictators, lacking

any meaningful accountability to those they govern. Anderson's two brilliant essays are followed by four critical commentaries by Ann Hughes, David Bromwich, Niko Kolodny, and Tyler Cowen, to which Anderson responds.

In the early free-market thinkers that Anderson discusses – including Adam Smith and Thomas Paine – a commitment to free trade and emerging capitalist society was wedded to broader egalitarian commitments and aspirations, which capitalist social relations were (perhaps not entirely implausibly at the time) taken to promote. However, as the results of capitalism became clearer – especially, she argues, with the industrial revolution and the rise of more intensely collective workplaces and strict managerial control thereafter – free-market ideology became increasingly disconnected from the lived realities of capitalism. If anything, free-market theory was re-deployed to support anti-egalitarian and anti-democratic authoritarianism in the name of freedom.

Although the authoritarian and deeply undemocratic nature of workplace relations is clear, "[s]ince the decline of the labor movement, [...] we don't have effective ways to talk about this fact" (Anderson 2017, xx). Anderson's project is intended, therefore, as a project of ideology critique and conceptual innovation, or at least advocacy.

We are told that our choice is between free markets and state control, when most adults live their working lives under a third thing entirely: *private government*. (Anderson 2017, 6).

According to Anderson, thinking about the politics of workplaces today requires reviving the concept of *private government* (Anderson 2017, 40), which she defines as follows:

You are subject to private government wherever (1) you are subordinate to authorities who can order you around and sanction you for not complying over some domain of your life, and (2) the authorities treat it as none of your business, across a wide range of cases, what orders it issues or why it

sanctions you. Government is private with respect to a subject if it can issue orders, backed by sanctions, to that subject in some domain of that subject's life, and that subject has no say in how that government operates and no standing to demand that their interests be taken into account, other than perhaps in narrowly defined circumstances, in the decisions that government makes. (Anderson 2017, 44-5).

This defines "private government" as something inherently anti-democratic and gives good cause to reject it for anyone committed to ideas of freedom requiring non-domination or many relational conceptions of equality (which Anderson has explored extensively elsewhere).

Anderson is careful to point out that a government's privacy is defined relative to those subject to it. This means that whether something is a "private government" focuses not only on whether an institution is kept separate from the state, but on whether "the governed are kept out of decision-making as well" (Anderson 2017, 45). With this concept, she hopes, we can begin to re-assess the structure of workplace relations from an egalitarian point-of-view.

An interesting question in this regard is the extent to which Anderson's analysis applies to workplaces with more stringent workplace regulations than the United States. In countries with stronger workplace protections and systems of co-determination – such as the Netherlands or Germany – it's not clear whether she would think that bosses treat it as *none* of your business which orders it issues or why it sanctions you. (In fact, Anderson is positive towards German-style co-determination.) This does not mean, however, that bosses do not wield a great deal of arbitrary power in these workplaces, and that as a result there are justified concerns about how free and equal (much less democratic) they can justly be said to be. It would therefore also have been interesting to see a more detailed discussion about the extent to which co-determination can render workplaces free and/or equal in an ambitious sense, whether they are able to guarantee workers much effective power over, and voice within, their workplaces, and, if they do, how stable they tend to be over time given how this encroaches (or would encroach) upon the

power of bosses.

In general, the book is (as one would expect) exceedingly well-argued and compellingly written. It tackles a very important and under-theorised set of issues, and it does so excellently. However, I do have some quibbles about the terminology that is sometimes employed, such as "communist" being used to label workplace relations in the contemporary United States (which I find misleading) (Anderson 2017, 38), and the Hobbesian state of nature being described as "a state of anarchist communism" (which is wrong) (Anderson 2017, 46), but these are minor points which are not central to the argument.¹

In the final few pages of the second essay, Anderson considers four general strategies for dealing with private government in the workplace: (1) exit; (2) the rule of law; (3) substantial constitutional rights; and (4) voice (Anderson 2017, 65-71). Although she supports both workers' effective rights of exit and protection under the rule of law, her main focus is on (3) and (4). Here she argues for, on the one hand, introducing a workers' bill of rights to protect them from discrimination and harassment and to protect their rights to privacy when not off-duty, and, on the other hand, introducing a German-inspired system of co-determination, though she stops short of recommending any single model solution (Anderson 2017, 70).

Of the book's illuminating critical commentaries, followed by Anderson's response, Ann Hughes' argument that the Levellers are not best read to be as pro-free-market as Anderson seems to suggest, and Niko Kolodny's pinpointing of a tension in Anderson's critique of workplace relations with respect to democracy, are of particular interest.

Kolodny points out that on the one hand much of Anderson's argument – her emphasis on economic relations being relations of *government*, her critique of domination and unequal social relations in the workplace, etc. – invites comparison between economic and state institutions. This would seem to call for the standard response given by many republican and liberal thinkers (including Anderson herself) when considering state institutions: democracy. On the other hand, however,

Anderson clearly wants to reject democratising workplaces. Ideas for doing this are somewhat briefly dismissed as being inefficient, but the empirical evidence, I think, deserves greater discussion. Anyone concerned with changing capitalist workplace relations needs to seriously consider the efficiency gains or losses involved in democratising workplaces (and more from an empirical view than that of neoclassical theory), the definitions of efficiency used in those assessments, and the trade-offs between efficiency on the one hand, and the value of more free and equal social relations on the other. Given the limitations of the book's size and format, any discussion of these matters is bound to be a bit too short to be completely satisfying. It is, sadly, impossible to do everything in-depth in a single book, especially one which needs room for commentaries and a response. Going forward, however, these questions are vital.

The history of social democracy teaches us something important here. Neither strong workplace regulations, co-determination, or the strongest union power ever seen has been sufficient to create free and non-dominating relations in the capitalist workplace. Should we give up on the former and look to replace the latter with a more democratic alternative?

Notes

1] She also calls Marx an egalitarian without much explanation, which is rather at odds with Marx's consistent opposition to "equality" as a coherent or desirable political value (as opposed to freedom or human development). This is not all that important, because it's not central to her main argument and, more importantly, because there are ways of reading Marx's values and commitments as capturing important aspects of the relational equality she has in mind (Mészáros 1995).

References

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Biography

Paul Raekstad

Paul Raekstad works on questions of how to democratise social institutions. He has particular interests in normative theories of human development, freedom, and democracy; model of future economic institutions like Property-Owning Democracy, Market Socialism, and Participatory Economics; and theories of transition – especially prefigurative politics and proposals for a Green New Deal.

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