Burns does mention this fact, but it is buried in the broader goal of proving how strike tactics can help workers achieve whatever goals they have in mind.

To take one example of how Burns’ overemphasis on the material benefits of the strike limits his discussion of its advantages, consider his argument against the labor movement simply organizing its way out of crisis. Burns asserts that “[i]f workers believed that the benefits of unionization outweighed the risks involved, they would overcome employer resistance and join unions, just as workers did in previous generations” (102). Burns then suggests that to win more members, labor leaders must promise larger benefits, to get workers to believe once again in the benefits of joining a union.

Burns misses the fact that deciding whether to join a union cannot be based on an individual cost-benefit analysis: unions and solidarity are a public good, which as traditional economic theory predicts, would not be maintained if workers only looked out for their self-interest. In short, workers need to develop a culture of solidarity, which is best achieved through emphasizing democratic participation and the fight for the greater good. The goal is, as it always has been, broader participation in the economy and the ultimate transformation of the system.

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John Kenneth Galbraith’s The New Industrial State (1967) portrayed a political economy dominated by corporations large enough not only to control their product markets but also to control the markets for their inputs; not only that, they had sufficient market and political power to wield substantial influence over the long-term demand for their products. Thus, they had the ability to plan future investments, supply purchases, and labor demand.

Assured of their influence over prices and demand, these industrial behemoths were able to create organizations of work in which tens of thousands of employees, from janitors to executives, enjoyed job security, received specialized training, benefited from opportunities to move up within internal labor markets,
shared in productivity improvements, and benefited from employer-provided pension and health insurance plans. As state and federal legislation increased regulation of employment in the 1960s and early 1970s, these large corporations built large human resources departments that ensured compliance with most labor and employment laws, and institutionalized norms of equity and due process within the workplace. (Let’s not glorify these arrangements, however; remember the harrowing working conditions revealed by wildcat strikers at GM’s Lordstown plant in the early 1970s, or reflect on the gender discrimination depicted by Rosabeth Moss Kanter’s [1977] *Men and Women of the Corporation.*)

David Weil’s *The Fissured Workplace* (2014) brilliantly analyzes how the world of employment has changed. Weil holds up Apple Inc. as a symbol of this transformation. While Apple has 750,000 people working to design, manufacture, assemble, market, and sell its products throughout the world, only 63,000 of them are employed by Apple, Inc., mostly doing design and engineering. A regiment of supply firms, contract manufacturers, production service suppliers, and logistics providers employ or contract with the remainder of the workers located in workplaces throughout the world. Since Apple does not directly employ the vast bulk of those working to bring its products to market, it has virtually no legal responsibility for their wages, benefits, conditions of work, and health and safety. Most of this worldwide workforce has jobs considerably worse than those in the industrial behemoths that Galbraith described.

The seminal importance of Weil’s work is to describe how corporations have achieved this degradation of work through the fissuring of the employment relationship. Since labor and employment law place responsibility for adhering to workplace standards on employers, modern corporations have largely succeeded at evading this responsibility by placing the burden of employment in the hands of smaller companies usually situated in highly competitive product and service markets where they have no possibility of maintaining premium employment standards, and little chance to maintain minimal compliance with workplace laws and regulations. Divesting responsibility for maintaining employment standards in competitive global markets is not simply a matter of dumping orders on dependent contractors, Weil emphasizes. Instead, fissured workplaces are only feasible where Apple and other lead companies maintain strict supervision and determining control over their contractors and subcontractors, their numerous franchisees, and myriad firms comprising their global supply chains. Information and communication technologies, the barcode, Internet, Smartphone, GPS, and so on, have made it possible for lead companies to exercise the control necessary to protect their brands’ reputations and maintain their product and service standards, though not, unfortunately, the labor standards in the subcontracted or franchised companies.

Weil presents rich, harrowing descriptions of workplace fissuring in analyses of several industrial sectors, including cable companies, cell phone signal maintenance providers, garment retailers, fast food restaurants, logistics providers,
and hotel chains. In each case study, he shows how lead companies have managed to maintain their control of their brands, products, and services, while creating far-flung workforces for which they bear little responsibility. The result, he argues, are lagging wages, disappearing benefits, degraded work conditions, diminished opportunities for training and upward mobility, greatly increased workplace accidents, and exposures to dangerous substances. Furthermore, the downsides of fissuring extend far beyond workplace conditions; Weil explains how the fatal explosion on the Deepwater Horizon oil rig, which killed 11 people and caused the largest oil spill in American history in the Gulf of Mexico in 2010, was the result of BP’s failure to coordinate the operations of the web of subcontractors working for the oil giant on the drilling site.

In his second chapter, Weil explains how workplace fissuring has been dictated by capital markets which demand high short-term profits rather than the long-term stability sought by post-World War II corporate giants. To the new captains of the financial services industry, living wages, defined benefit pension plans, employer-financed health insurance, job security, on-the-job training, pay increases, and pay tied to seniority all constitute unnecessary drains on the quarterly bottom line. Corporations hesitant to disrupt their post-War employment systems in order to maintain stability are punished by falling share prices, or taken over by turnaround specialists adept in the use of chainsaws. Weil adds nuance to this analysis by pointing out that fissured workplaces pay lower wages not only out of managerial determination to drive down labor costs, but because in the fragmented industry structures, there is no longer pressure to maintain wage equity between high-level managers of the lead companies and the contracted workers who are set to work by subcontractors, franchisees, and distant firms located on the supply chain.

Since Weil is not only a scholar of workplace organization but also a student of efforts to regulate employment conditions, he offers a sophisticated and detailed program to remedy the worst impacts of fissuring through strategic enforcement of legislation and regulation and thoughtful proposals to address gaps or confusions in the law produced by changing economic and organizational realities. Weil, whose appointment to Director of the U.S. Department of Labor’s Wage and Hour Division was confirmed, after a long delay imposed by Senate Republicans, proposes that regulators become strategic and proactive in order to optimize deployment of their meager resources (1600 on-the-ground federal and state inspectors for all of U.S. workplaces). For example, he proposes that regulators focus their enforcement efforts on industries whose structures generate fissuring. This is a far cry from past practice, where officials waited for workers to file complaints before they initiated investigations. Furthermore, Weil argues that regulators should develop relationships with community groups and worker centers which can provide insight into business sectors where labor and employment law violations are rife. Importantly, Weil also argues that laws should be amended to make clear that lead companies bear responsibility for the employment practices of their contractors, franchisees, and suppliers. Since lead companies already maintain standards for product and service quality,
Weil explains, there’s no reason that they cannot use the same or similar processes to ensure compliance with employment standards.

Recent developments in the regulation of work suggest that it is indeed feasible to make lead firms responsible for working conditions of their contractors, franchisees, and supply chains. For example, in May 2014, Schneider Logistics, Wal-Mart’s principal logistics suppliers, was forced to accept liability and make a settlement in the amount of $21 million for its warehousing subcontractors’ violations of wage and hour laws. It should be noted, though, that Schneider did not admit violating the law, nor did Wal-Mart, which had contracted with Schneider to administer the warehouse, accept liability. And in Bangladesh, global unions, nongovernmental organizations, and consumer groups have succeeded in forcing dozens of garment retailers to take responsibility for the safety conditions in their supplier factories under the Rana Plaza Accord. Many large garment retailers, mostly European firms, have, as of July 2014, paid $17 million in compensation to the families of the victims of the horrendous building collapse which killed 1,138 people and injured 2,000 more.

Weil’s book is enormously important because it sheds light inside what has previously been a black box in the study of work and employment. While studies of “contingent” and “precarious” employment have become commonplace in the past decade, Weil’s work explains that this phenomenon occurs within particular industries that share common characteristics, and he analyzes in detail how corporations within those industries have adapted to changing economic circumstances by devising systems of subcontracting, franchising, and global supply chains. Nevertheless, for a full understanding of how and why workplaces are changing, it is necessary to take an even broader view than the industry studies perspective that Weil has employs.

This becomes clear when one considers trucking. In many countries, the U.S., South Korea, China, and India for example, the trucking industry was deregulated in the neo-liberal era. Drivers who were employees of regulated trucking companies became contractors without protection of government regulations, labor, or employment laws. As Michael Belzer showed in his *Sweatshops on Wheels* (2000), in the U.S., what once were good jobs at decent salaries became nightmarish scenes of exploitation, unsafe work rules, and interminable though irregular, hours of service. Conditions in Asia deteriorated even more. In China, for example, truckers employed by the state-owned enterprises were laid off and replaced by refugees from impoverished villages, while employment standards deteriorated into a dog-eat-dog marketplace where heavily indebted drivers had to take whatever price freight brokers dictated.

How did this compare to what happened to truck driving in the European Union, where the industry was not deregulated? At Europe’s largest port in Rotterdam, drivers are still unionized employees, covered by strict national and European labor laws, but now their working life entails driving throughout the continent, never knowing when their employer’s cell phone call will instruct them to pick up a new load and deliver it anywhere from one corner of Europe to the other. With Dutch union power at the truck depots weak, drivers never
know when they will be home and until when they will be on the road. Scheduling family activities or social gatherings is impossible. Road safety has diminished as drivers away from home for weeks at a time suffer fatigue-induced collisions on European highways. Furthermore, truckers and their unions based at the port in Rotterdam no longer can compel employers to reveal what dangerous substances are in the containers they carry, so they cannot protect themselves when they have to unload their trucks at delivery depots. Deaths and debilitating poisonings are increasing. Making matters worse, eastern European trucking companies and their drivers are underbidding union firms, intensifying downward competitive pressures.

While the disappearance of decent work in the trucking industry has different features in the U.S., Asia, and Europe, truckers are losing power everywhere. Clearly, workplace fissuring is only part of the big picture. Understanding what is happening to the trucking industry worldwide requires us to look at a broader canvas than the picture portrayed by Weil’s domestic industry studies analysis.

A broader political economy view can supplement Weil’s analysis in two important ways. First, it allows us to understand the degradation of work as a phenomenon inherent in the transformation of global capitalism, as the financial sector has grabbed the reins of power from the manufacturing empires that Galbraith depicted fifty years ago. Second, it reveals the connection between work’s degradation and the growth of corporate dominance in polities throughout the world.

Though Weil does a good job of depicting the dynamics of a large and diverse set of industries, he does not analyze how the financial sector took power from the industrial giants. The manufacturing and retailing behemoths of the 1960s had achieved autonomy not only by controlling their suppliers and influencing their customers, but also by controlling their own sources of capital. Today, not only are their suppliers global and their customers harder to control, firms like Apple and Wal-Mart no longer are independent of capital markets. Though Weil devotes most of the second chapter to the ways financial institutions force employers to cut costs—labor costs above all!—and boost short-term profits, Weil’s analysis does not enable the reader to appreciate fully how investment bankers, private equity, and hedge funds, and pension fund managers directly and indirectly impact employment policies. To understand this dynamic, it is necessary to peruse another body of literature, of which Eileen Appelbaum and Rosemary Batt are the current thought leaders. Their book, *Private Equity at Work: When Wall Street Manages Main Street* (2014) shows how our world has undergone a tectonic shift in which finance capital now dominates not only whole industries but also the political process that is supposed to regulate them.

There is another way in which Weil’s industry studies perspective does not fully illuminate transformations in the global political economy. Weil simply does not build into his analysis of why work is getting worse the fact that power relations have changed all over the world. Partly this is a matter of politics; corporations have succeeded not only in changing the law (e.g., the Taft–Hartley
Act), they’ve also changed the way that laws are interpreted (see the NLRB’s ever more limiting interpretations of workers’ rights under the Wagner Act, or the Supreme Court’s narrowing of public sector union rights under Harris v. Quinn). The rise of corporate political dominance makes it unlikely that Weil’s legal and regulatory remedies can succeed unless corporate power (and financial sector power, in particular) is brought under democratic control.

Corporate political power is not the only issue, however. For the past thirty-five years, national governments throughout the world, as well as regional and global financial institutions, have imposed a policy of macroeconomic austerity, producing high levels of unemployment and underemployment during periods of recovery as well as at low points in the business cycle. Fissured workplaces are able to recruit disempowered workers from this vast pool of surplus labor. Workers who have watched electronics and pharmaceutical factories flee overseas, steel mills shut their gates, construction companies go out of business, schools lay off teachers, and government agencies reduce their labor forces have no alternative but to take jobs that not only lack legal protections but also don’t pay a living wage.

It follows that Weil’s legal and regulatory agenda, while extremely important, constitutes only part of a larger strategy, a strategy that includes reining in finance, enhancing worker and community power vis-à-vis corporations through organizing workers and building international solidarity, creating broad community-labor alliances, and promoting coordinated, expansionary economic policies throughout the world. While The Fissured Workplace does not fully address this full picture, its penetrating analysis will undoubtedly prove to be the most important contribution to this generation’s understanding of why work is getting worse not only in America but everywhere throughout the world.

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