

**The Gloves-Off Economy: Workplace Standards
at the Bottom of America's Labor Market**
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Labor and Employment Relations Association
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Brief Summary

The Gloves-Off Economy is a compilation of scholarly articles written by various experts and academics. The book focuses on marginalized, low-wage workers and professions that are being exploited by unscrupulous employers. The main thesis of the book is that these low wage workers are “part of the ‘gloves-off’ economy, in which some employers are increasingly breaking, bending, or evading long-established laws and standards designed to protect workers (1).” However, the authors also provide strategies for improving lives and working conditions of those struggling in the gloves-off economy.

Facts and Findings

This book highlights several factors which have led to the formation and exacerbation of the gloves-off economy. One of these factors is employment law within the United States. As one of the authors notes, “[e]mployment law reaches out to regulate only specific work arrangements; it does not apply to all firms and all workers” and many workers within the laws reach “nonetheless slip through the law’s grasp as a result of imperfect enforcement (31).” Further, employers have been implementing unethical and illegal policies in an attempt to subvert their responsibilities under United States employment laws.

One of the main problems identified with labor and employment law in the United States is that its coverage does not extend to large portions of US workforce. The most “prominent” problem is the distinction made between “employee” and “independent contractor (34).”

Whereas employees enjoy protection under labor and employment laws, independent contractors are almost universally excluded. Despite the fact that “independent contractor” seems to imply a skilled, high-paying profession many low-wage workers fall within this category including day laborers, street vendors, taxi drivers and home health aides (34).

Furthermore, US employment and labor laws contain minimum requirements for coverage that must be met before an employer is subject to compliance. For example, many laws also have minimum thresholds for total employees. In order to be covered by the Family Medical Leave Act, for instance, an employer needs have a minimum of 50 employees (296). Title VII protection only extends to employers with 15 or more employees. Many small businesses don’t have to comply with these laws because they do not have the required number of employees.

Additionally, some of the laws specifically exempt certain workers from their provisions. Home Health Care workers are excluded from OSHA protection and the right to organize unions. Also, some home health jobs are excluded from coverage by the minimum wage and overtime requirements of the FLSA (118). In an industry such a home health work, where it is estimated that the field is 95% female and largely made up of Latinos and African Americans, the potential for abuse and is extraordinary (119).

Employers also try to insulate themselves from liability by subcontracting out the work of many low-wage professions or by misclassifying their workers. As mentioned earlier, independent contractors are not covered by most labor laws. Unscrupulous employer’s looking to avoid liability will misclassify their employees as independent contractors (43). Many employers engaged in a practice known as “double-breasting” whereby the employer sets up non-union subsidiaries to avoid their obligations (75). Many industries such as office cleaning, building security, and janitorial work have been outsourced to non-union companies. These companies lowered wages and cut benefits in order to become more competitive in the open market.

Additionally, marginalized groups in the United States who are covered by employment laws are hesitant to exercise their rights because of the fear of retaliation and the potential costs (48). The marginalized groups include undocumented immigrants who may be afraid to exercise their rights in fear of being deported (137). Many immigrants also pay hefty fees to get to the United States and cannot afford to lose their job (145). Other marginalized groups such as single women and ex-convicts face similar obstacles. Many have difficulty finding jobs and don’t have the resources to be out of work for long periods of time. They may be facing more abuse because of this.

Another factor leading to the gloves-off economy is deunionization and deregulation. The last several decades have seen a dramatic decline in private sector unionization rates (68). Along with this deunionization has come a dramatic decrease in employment standards for workers in many of the industries (70). With the loss of unions workers lost the strength of their collective voice. These workers now became even more susceptible to employer abuse. Further, deregulation in the 1980's accelerated deunionization in many industries including the construction industry (74).

Recommendations

The authors in this book suggest a wide range of ideas in order to combat the gloves-off economy. One recommendation is to strengthen the enforcement of existing laws (52). This would involve increasing enforcement activity and using better, more effective enforcement methods. One example is where private attorneys or non-profits take on large scale, class action lawsuits. These lawsuits help to make sure employers are classifying their workers properly and following the law. Public agencies should also focus their efforts where large impacts can be made in a particular industry (52). Instead of focusing solely on complaints, these agencies should systematically investigate major employers in industries that are notorious for the violations of employee rights.

One of the authors also makes recommendations directed towards unions and how they can improve their strategies to increase membership. This author helped organize and participate in the unionization of janitors at the University of Miami. The author's task of organizing seemed to be especially difficult given the perceived obstacles to organizing and industry comprised of immigrant and otherwise marginalized employees. (249). However, the daunting task that faced the author did not deter him, but required new tactics and strategies to be developed in order to reunite the janitorial workforce.

One of the organizers' most successful techniques was their effort to put pressure on the highest level and most powerful decision makers (249). Despite the fact that building owners had subcontracted their janitorial work, they were still seen as major players, and pressure was applied to them. The organizers focused attention on "key relationships" of the powerful and went after them. This "meant focusing on the pension funds and banks that finance the building owners' operations, identifying various ways to affect these corporations and people who control them (249)." This also meant refusing to accept that building owners had shed their financial or moral responsibilities to the workers simply by subcontracting the work. Civil disobedience and other aggressive

measures aimed at disrupting business operations were critical to putting pressure on the power brokers (250).

Another strategy advocated by several of the authors is to internationalize the unionization campaigns. These efforts recognize that we are living in a global economy where capital engages in a race to bottom. As one author put it, “[t]he economy is interrelated and global, and so must be our organizing (264).” Since capital races to the bottom, it is important to ensure that workers around the globe are not being marginalized, underpaid and discriminated against.

However, it is not just unionizing that must go global. One author finds that living wage campaigns and community development benefit agreements are instrumental in improving the lives of workers in the gloves-off economy (269). The grassroots living wage campaign had tremendous success in its first 10 years in the United States; more than 130 cities and counties had implemented living wage ordinances. However, the author asserts that these campaigns must be organized internationally to help workers around the globe (282).

Finally, enforcement of the existing laws is critical to protecting workers struggling in the gloves-off economy. Enforcement by private individual, litigants faces many challenges and is not likely to have a dramatic impact (46). Government enforcement of the laws is needed in order to see dramatic impacts. Recently, enforcement numbers have dropped dramatically in terms of employers criminally prosecuted and the fines levied against them (157). Cuts in funding have also hampered the efforts of agencies who task it is to enforce labor standards (158). This trend must be reversed. In order to combat widespread abuse among marginalized workers, enforcement of existing laws must be increased to ensure that worker’s rights are not being trampled.

Critique

While this book provides valuable insights into the problem of the gloves-off economy and provides possible solutions to these problems, it is not a book that could read or understood easily by those who would most benefit from it. This book is set up so that each chapter is a scholarly and intellectual article written by a different author or authors. These articles are written by academics for academics. Accordingly, it is not a book that the average janitor, day laborer, home health aide, ex-convict, immigrant, or even low-level union organizer would be able to understand. If the book were written in a less intellectual and more readable manner, then its findings and recommendations could reach a much larger audience and have a greater impact on society.

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