

CONTENTS

List of Abbreviations ix

Introduction	1
1 Labor, Finance, and the Corporation, 1890–1980	9
2 The CalPERS Era	38
3 Labor’s Shares	60
4 Breaking Barriers, Building Bridges	87
5 From Exuberance to Enron	105
6 Executive Pay	127
7 Shareholder Democracy	152
8 Organizing Finance	167
9 The Financial Crisis and Dodd-Frank	194
Epilogue	217

Acknowledgments 225

Notes 227

Index 329

Introduction

THE 1970S AND 1980S were a disaster for America's labor movement. Gone were nearly one out of three members from private industry, once the heart of organized labor. Critics charged that unions had become dinosaurs: archaic and doomed. The one bright spot was state and local government. But the gains there did not stop the loss of numbers—and power—in the corporate sector.

Facing slow extinction, leaders of several unions decided the time had come for a do-or-die struggle to renew and rebuild. There then occurred a burst of activity, including the restructuring of unions, new ways of organizing, and more money allocated to underwrite the effort. Part of the rebuilding involved the use of union pension assets as leverage to add members in the private sector. Capital was harnessed to restore labor's strength.

The engagement with finance had two other purposes. One was to shore up pension plans that were a crucial feature of union membership. The other was to make financial institutions and public corporations more accountable, transparent, and public-minded. The attempt resonated with a century of liberal ideas for reconciling corporate power with democracy. The chain stretched from Louis D. Brandeis to Adolf A. Berle, and on down to John Kenneth Galbraith, Saul Alinsky, and Ralph Nader. By exercising their shareholder rights, union investors affected the governance of the nation's largest corporations even as labor faded from within them.

In the background was financialization, a transformative economic force. The financial sector's share of GDP nearly doubled from the 1970s to the eve of the financial crisis. Corporations acquired the characteristics of commodities, bought and sold by speculators. The irony is that workers' pension funds supplied some of the capital that fueled financialization.¹

Labor's financial turn came on the heels of a shareholder revolt led by public pension plans like the California Public Employees' Retirement System

(CalPERS) and informed by ideas emanating from financial economics. Investors shook off their decades-long passivity and pressed executives to prioritize their interests, what is called shareholder primacy. There were three main demands: tying CEO compensation to stock performance, orienting executives and corporate boards to shareholders, and lowering the barriers to acquisitions. It was an assault on the postwar system under which corporations balanced the interests of diverse stakeholders—executives, employees, and shareholders—without privileging any one of them. Now, shareholders told CEOs to do more for them or lose their jobs.

For the financial turn to succeed, unions needed allies like CalPERS. Of necessity this meant supporting the tenets of shareholder primacy. It was odd behavior for labor unions. But if you're down and nearly out, the ends could be made to justify the means.

The traditional pressure tactic—the strike—and the legal protections for union organizing had lost effectiveness by the 1970s. Employers shed their reticence to replace striking workers and to fire union supporters. An alternative approach emerged called the corporate campaign. Corporate campaigns rely on forces external to the workplace to compel employers to recognize a union, or make bargaining concessions, or settle a strike. They often include shareholder activism and other finance-based tactics to pressure a company's directors, business partners, and creditors. These contributed to an uptick of members in industries such as healthcare, lodging, building services, and occasionally industries beyond the service sector.

In the shareholder realm, labor's signature issue was executive compensation. Unions charged that lofty executive pay was the result of a rigged system. CEOs made out like bandits—in fact sometimes they *were* bandits—while workers' wages flatlined. Unions filed pay-related shareholder proposals at a broad range of companies, not only where they sought more members. Pulling back the curtain on the pay-setting process drove a wedge between executives and workers and allowed unions to raise issues like inequality. The shareholder forum was capacious. Topics that the law kept off the bargaining table, such as takeovers and executive remuneration, were capable of being addressed when unions acted as shareholders.

The claims of shareholder primacy—that shareholders owned the corporation and that their interests should be paramount—led to a wealth transfer from labor to capital. For the most part, however, restraining shareholders was not on labor's agenda, other than admonitions to invest for the long term.

Unions were slow to criticize mounting payouts to shareholders. The seeming embrace of shareholder interests caused some European trade unionists to be dubious of what their American counterparts were up to.²

There is a cottage industry of people who study inequality's causes. The widening pay gap between executives and workers, and between educated and less-educated workers, are well-researched topics. Less often considered is the relationship between inequality and the creed of shareholder capitalism. As economist Thomas Piketty observes, inequality is "ideological and political rather than economic or technological." It is a point that runs throughout this study.³

Historians only recently have begun to reckon with the economic events of the twenty-first century, a period of widespread laxity in business ethics.⁴ Not once but several times during the 2000s, executives at some of America's leading corporations were revealed as malefactors of great wealth, a phrase first used by Theodore Roosevelt in 1907 during an earlier era of excess. Business's damaged reputation offered an opportunity for unions.

In banking, the malefactors caused a financial meltdown in 2008. Because of its newly acquired expertise, labor had a hand in fashioning the legislative response to the crisis, the Dodd-Frank Act. Washington was one place where unions still had some sway. But the final version of Dodd-Frank failed to punish the bankers, which left voters disappointed and angry. The appearance of Occupy Wall Street shortly after President Obama signed Dodd-Frank blindsided unions. Occupy's protests on behalf of the 99 Percent received more media attention than labor's own marches and demonstrations. Occupy Wall Street marks a boundary between history and current events. It is the terminus of this study, although an epilogue is provided.

The late Lloyd Ulman, a distinguished economist, once told his students (I was one of them) that unions had three types of power at their disposal. Two were rooted in the labor market: organizing power and bargaining power. The third was political power. An increase in any type of power strengthened the other two. Over the last fifty years, there's been an ebbing in all of them, particularly in the labor market. Industries with once-high union density, such as manufacturing and transportation, have experienced huge membership losses. Three times—during the Carter, Clinton, and Obama administrations—labor

TABLE I.A. Union Membership and Density, 1973–2019

	Private-Sector Density (%)	Private-Sector Membership (millions)	State and Local Government Density (%)	State and Local Government Membership (millions)	All Wage and Salary Density (%)	All Wage and Salary Workers Membership	Private/ All (%)
1973	24.2	14,954	n.a.	n.a.	24.0	18,089	83
1983	16.5	11,980	37.9	4,744	20.1	17,717	68
1997	9.7	9,363	38.2	5,717	14.1	16,110	58
2008	7.6	8,265	38.5	6,839	12.4	16,098	51
2019	6.2	7,508	35.3	6,087	10.3	14,567	52
			Change (%)				
1973–2019		(–50)		n.a.		(–19)	
1983–2019		(–37)		28		(–18)	

Source: Barry T. Hirsch and David A. Macpherson, “Union Membership and Coverage Database from the CPS,” Georgia State University, www.UnionStats.gsu.edu.

fought without success to rebalance the laws that diminished their power. Three times they failed.

Bargaining power can be gauged by the divergence between union and non-union pay. Economists Barry Hirsch and David Macpherson find a steadily narrowing gap between unionized and comparable private-sector nonunion wages: 26 percent (1983–1992), 24 percent (1993–2002), 21 percent (2003–2012), and 20 percent (2013–2018). In other words, about a quarter of the union wage premium vanished between 1983 and 2018. Because the promise of higher wages is a selling point for joining unions, the premium’s decline diminished labor’s organizing power.⁵

Another measure of bargaining power is labor’s share of a corporation’s financial resources, whether the latter is measured as value-added, earnings, or economic rents. The portion paid to workers has fallen in line with deunionization. In manufacturing, union contraction is responsible for a third of the reduction in value-added received by production workers.⁶

Labor’s political power did not decline as sharply. Writing in the 1960s, political scientist J. David Greenstone observed that unions had become the Democratic Party’s most powerful interest group. Unions, he said, brought new voters into the party, formed alliances with key constituencies, and provided resources for electoral campaigns. It made unions what Greenstone called an “interest aggregator” of the party’s diverse voters.⁷

During the following decades, labor was a crucial part of the Democratic coalition. “Even with a depleted labor movement,” wrote journalist Thomas Edsall in 2014, unions provided to the Democrats “about 5 million votes they would not otherwise have.” No group worked as hard as organized labor to elect Barack Obama in 2008. Coordinating mobilization at the grass roots was Working America, an organization created by the AFL-CIO to build support for labor-backed candidates. To persuade voters and to raise turnout, union volunteers visited ten million households—union and nonunion—and made 70 million phone calls. The AFL-CIO reached out to its white male members, who voted for Obama by a margin of 18 percentage points, whereas their nonunion counterparts voted against him by almost the same margin.

Unions still serve as aggregators for the Democrats, albeit less so than before. They now compete with the party’s other interest groups. They can achieve their political goals if they share objectives with these groups. But Democrats from swing states are wary of helping unions, and unions feel that the party is unresponsive to their needs. According to Steve Rosenthal, a former political director of the AFL-CIO, “The unions basically have become an ATM for Democrats. There is a sense of taking unions for granted, no place else to go, don’t need to do much for them.”⁸

It was difficult for unions to transform their political clout into remedies for their organizing problems. Out of the quandary came a search for new sources of power. Sociologist Nathan Wilmers has identified several strategies that unions recently have pursued, such as working with immigrant and community organizations and accepting into the labor movement quasi-union groups such as workers’ centers. The loss of members made stark the choice between business as usual and the need for new approaches. With their pension funds, unions found a source of power outside the labor market to augment their power within it.⁹

Corporate governance refers to the rules that structure the relationships among executives, boards, shareholders, and employees. Executives make operating decisions, but the board hires them, sets their pay, and reviews their strategic plans. Shareholders vote to approve takeovers and board nominees, and they can petition the board with advisory proposals on a restricted range of topics. Employees lack formal channels for influencing executives and boards, unless they unite to form a labor union in the same fashion that owners

amalgamate their shares. On the sidelines are creditors, who become more important if the firm faces bankruptcy. Joining them on the sidelines are customers, suppliers, and the public. Governance arrangements are created by the actors—private orderings—and by legislatures, regulatory agencies, and the courts. Different sets of rules produce different apportionments of the corporation's wealth to those who have a stake in it. Money and power lie at the heart of corporate governance.

There is variety in governance systems. Governance in the United States is different now from what it was following the Second World War; Germany's and Japan's systems are not the same as in the United States. Within a country at any point in time, companies cluster around particular governance practices, but there are always deviations.

In an important study of corporate governance, political scientists Peter Gourevitch and James Shinn analyze the coalitions that “set the rules of the corporate governance game.” They develop a model with three groups: workers, owners, and executives. Based on their preferences, the groups can form alliances (owners-workers, owners-executives, executives-workers) or play the game on their own. Each group is riven by cleavages, which Gourevitch and Shinn acknowledge but do not dwell upon. Taking stock of the cleavages makes the game more complicated but also more realistic.¹⁰

Owners: At the height of exuberant stock markets in the 1990s, it seemed that everyone was buying shares or receiving stock options from their employers. One financial journalist wrote that America had “democratized” share ownership. The rhetoric was as overheated as the markets; ownership was far from being widespread. It was the affluent who held most of the shares in public corporations, either directly or through retirement plans. Among US households in 2016, the top 1 percent owned 53 percent of all stocks and mutual funds. For the top 10 percent, the figure was 93 percent. Included in the top 1 percent are corporate insiders—executives, founders, and inheritors—who, as we will see, hold substantial stakes.

The bottom half of households own no stock whatsoever. In the three deciles above them are households who own stock—including in their retirement plans—but seven out of ten of these households have holdings worth less than \$10,000. In other words, stock markets are mostly irrelevant for 80 percent of US households except to exacerbate wealth inequality.¹¹

The picture changes when a household member participates in a traditional defined-benefit pension plan, a privileged group comprised of around a sixth

of corporate employees. The stock held in those plans does not belong to them, but it is their deferred wages that helped to purchase it. For private-sector plans, the stock was worth roughly \$45,000 per participant in 2017.¹²

Pension plans are part of a larger universe of institutional investors. The biggest are mutual funds and exchange-traded funds (ETFs), whose equity holdings dwarf those of pension plans. Institutions also include banks, insurance companies, and endowments. They differ systematically in their approach to investment and corporate governance. The upshot is that “owners” are a motley group with diverse preferences. Alliances are structured with different configurations around different issues.¹³

Workers: Through their pension funds, workers participate, indirectly, in corporate governance at companies whose shares are owned by the fund. A route by which covered workers can influence governance is via a pension fund’s trustees. So-called multiemployer pension plans, for private-sector union members, have an equal number of trustees representing employers and the union. State and local pension plans usually permit participants to elect some of their trustees. On the other hand, the trustees of corporate plans—also called single-employer plans—are banks and investment managers and may include executives and directors.

Because of widespread pension coverage and the size of their pension plans, state and local government employees have greater influence over corporate governance than most of the people employed by those companies. Public plans could be indifferent to the situation facing workers in the private sector. But they also could be powerful allies. Around four in ten state and local employees belong to unions, which means that they have some commonality with their private-sector counterparts.¹⁴

Union membership is another channel through which workers can affect corporate governance and the allocation of corporate wealth. Research shows an inverse relationship between a company’s cash holdings and the wages that result from collective bargaining. Also, if a firm is unionized, executive pay is reduced. Thus, worker preferences in corporate governance and the ability to potentiate them vary depending on income, pension coverage, and union representation. Like owners, workers are diverse.¹⁵

Executives: There are divisions among executives too. CEOs who have risen through the ranks have greater sympathy for fellow lifers—and less for shareholders—than do CEOs hired from the outside. Executives behave differently depending on whether they are engineers, attorneys, or MBAs, and whether

their backgrounds are in finance, marketing, or technology. The size of executive stock holdings affects business decisions and the board's composition.¹⁶



For most of the twentieth century, the worlds of finance and labor spun in separate orbits. They drew nearer as the century came to a close and a new one began. It was an era when finance was driving the economy, and unions adapted to the moment. Finance-based pressure tactics, which included shareholder activism but went beyond it, became a regular part of campaigns to add members. The recurring corporate scandals of the 2000s, which angered the public and investors, put the wind at labor's back. After the banking crash, labor's regulatory agenda drew on its financial turn. It was a pretty good showing for an alleged dinosaur.

INDEX

- ABP (Dutch pension plan), 67
- Abrecht, Steve, 24, 57, 121, 183
- accountability, corporate, 26–28, 38, 60, 79, 141, 222, 224, 236n48; and majority voting, 161; and proxy access, 77, 89, 141, 156, 164; and say on pay, 141; and unions, 1, 77–78, 222, 224
- Accountable Capitalism Act, 222
- ACORN, 189, 200
- ACTWU (Amalgamated Clothing and Textile Workers Union), 65, 89, 90, 101, 237n60, 266n7; and corporate campaigns, 31, 32, 33, 34. *See also* UNITE
- ACWA (American Clothing Workers Association), 30–31
- Adelphia Communications, 113
- Adelson, Sheldon, 69, 258n25
- Adelstein, Richard, 13
- Admati, Anat, 112, 138–39, 203, 204
- Adrian Dominican Sisters, 82, 101
- advisory committees, shareholder, 44, 153
- AFL (American Federation of Labor), 11, 13–16, 22, 231n13
- AFL-CIO, 199, 208, 256n15, 325n11; and bankruptcies, 114–15; and buybacks, 220, 325n11; and Carpenters, 121, 122; and CII, 41, 97; and collateral interests, 264n58; and cookbook, 75–76; and corporate governance, 98, 120; and CTW, 65, 178, 185, 188; and Democratic Party, 4–5, 141, 195–96; demonstrations by, 28, 195–97; and Dodd-Frank, 197–98, 203, 206; and dot-com crash, 109, 111, 114–16; and employee directors, 156–57, 296n15; and Enron, 111, 113–14, 115; and executive compensation, 127, 146, 148, 150, 151, 212; and hedge funds, 206, 303n18, 308n46, 316n18; and inequality, 28, 30, 33–35, 65, 67, 90, 125, 126, 262n45; and mutual funds, 77–80, 118; and Occupy Wall Street, 211–13; and Office of Investment, 72, 90–92, 99, 125, 268; and organizing, 28, 30, 33–35, 65, 75, 89–96, 125–26, 218; and pension plans, 33, 41, 57–58, 75–78; and political spending, 83, 92; and private equity, 170, 171, 175–76, 177, 183; and proxy access, 152, 154, 156, 157, 161, 163, 165; reserve funds of, 59, 67, 253n68; and say on pay, 146, 148, 151; and SEC, 138, 140, 154; shareholder activism of, 33, 57–58, 67, 72, 75, 76, 83, 87, 89, 90–93, 98, 120, 139, 218, 220, 264n58, 289n37; and SOX, 79, 117–18; and stock options, 127, 132–35, 137–41, 285n14, 286n21; Sweeney at, 61, 87, 89–90, 93, 121, 196; and takeovers, 75–76; and transparency, 79, 80; and trustees, 93, 234n37. *See also* PayWatch
- AFR (Americans for Financial Reform), 199–200, 209, 213, 328n18
- AFSCME (American Federation of State, County, and Municipal Employees), 79, 253n68, 270n38; and backdating of stock options, 140; and CWC, 93, 94; and home-based healthcare, 323n1; and Occupy Wall Street, 213; and political spending, 83; post-financial crisis, 218; and proxy access, 154, 157, 159, 160, 165; and say on pay, 142, 146; shareholder proposals from, 83, 120, 142, 154, 157, 159, 160; and trustees, 93–94, 269n23

- AIG (American International Group), 118, 146, 190, 198, 318n28; and proxy access, 153–54, 159
- airline industry, 30, 44, 136, 157, 235n37, 266n7, 286n22
- Alcoa, 44, 101
- ALEC (American Legislative Exchange Council), 82, 83
- Alexander, Courtney, 70
- Alinsky, Saul, 1, 25–26, 31, 32, 163, 200
- Alliance for Worker Retirement Security, 80
- Alphabet, 327n17
- Alternative Banking Working Group, 211
- Amalgamated Bank, 31, 33, 69, 220, 324n2; and Enron, 111; and executive compensation, 146, 289n37; founding of, 15; and ownership dispute, 178. *See also* LongView Funds
- Amazon, 218, 283n6
- American Airlines, 44, 136
- American Bankers Association, 190–91, 197
- American Express, 44, 292n55
- Americans for Prosperity, 82, 84
- Americans for Tax Reform, 82
- Anabtawi, Iman, 37
- Angelides, Phil, 39, 98, 100, 142, 276n25, 313n4
- Anheuser-Busch, 62
- Annan, Kofi, 77
- antiwar movement, 24, 28
- Appelbaum, Eileen, 177, 180
- Apple, 67, 147, 159, 283n6
- Applebaum, Stewart, 212–13
- Aramark, 184
- Arden Realty, 62
- ARRA (American Recovery and Reinvestment Act), 147
- Arthur Andersen, 116
- Aspen Institute, 207–8
- asset managers, 80, 95, 318n26, 319n30; and AFL-CIO ratings, 92, 93; and Enron, 112; and financial activism, 33, 77, 78, 97, 120, 125; short-term biases of, 207
- ATTAC (Association for the Taxation of Financial Transactions and Aid to Citizens), 208
- auditors, 106, 124, 199; regulation of, 115, 116, 117–18
- Australia, 156, 185, 227n3
- automobile companies, 21, 26, 58, 255n10. *See also* Chrysler; Ford Motor; GM; Nissan; Renault; Toyota
- Auto Workers. *See* UAW
- Avon Letter (Department of Labor), 75
- Axne, Cynthia, 223
- Bachus, Spencer, 214
- Bahr, Morton, 61
- Bain & Company, 174
- Bair, Sheila, 191
- Baker, James, 180
- bankruptcies, 110–15; and corporate campaigns, 71; and corporate governance, 36–37, 114–15, 221; and fraud, 106; and Great Recession, 194; post-Enron, 113–15; and private equity, 172, 183, 308n46; in union vs. nonunion firms, 113
- banks, 10–15, 24–25, 231n13; commercial vs. investment, 19, 107, 109, 201; corporate governance of, 12, 204; and deregulation, 115; and derivatives, 201–2, 316n17; and Dodd-Frank, 200–202, 213, 214–15; and Enron, 111; executive compensation in, 202–5, 283n6, 316n20; and Federal Reserve Bank, 18, 34, 198–99, 201, 215; and financial crisis (2008), 3, 147, 189, 195–99, 202–5, 317n25; and gold standard, 11; and hedge funds, 201, 205; investment, 7, 9, 12, 19, 108, 109, 118, 139, 201; labor, 10, 231n16; nationalization of, 13; and Occupy Wall Street, 211; and regulation, 19, 107–9, 111, 115, 147, 196–205, 213–16; and SEIU, 189–93; and TARP, 190, 198–99, 203, 204, 321n44; “too big to fail,” 200, 201–2, 315n16; union organizing of, 167, 189–93, 311n69. *See also* Amalgamated Bank; BofA; Citigroup; Federal Reserve Bank; Glass-Steagall; J.P. Morgan Bank; labor banking

- Barber, Randy, 33
Barofsky, Neil, 190
Bass brothers, 40
Batt, Rose, 180
Baucus, Max, 176–77, 181
Bayou Steel, 74–75
Bear Stearns, 160, 194, 195, 205
Bebchuk, Lucian A., 47, 84, 133, 156
Beck, Glenn, 192
Becker, George, 60–61
Benedictine Sisters of Boerne, Texas, 102
Berkley, Shelly, 177
Berkshire Hathaway, 194
Berle, Adolf A., 1, 7, 16, 17–18, 23, 232n24, 232n26, 233n28
Bernanke, Ben, 202
Bertrand, Marianne, 251n53
Beverly Enterprises, 34–35, 60, 64, 180, 238n66, 267n10, 305n33, 306n38
Bhagat, Sanjai, 47, 53, 204
BIT (Building Investment Trust), 58
BlackRock, 165, 214, 220
Blackstone Group, 173, 175, 177, 184, 186–88
Blackwell, Ron, 77, 78, 90, 93, 120; and Enron, 112; and proxy access, 152, 158; and SOX, 117, 118
Blair, Margaret, 36–37, 326n14
Blair, Tony, 105, 142, 273n3
BLE (Brotherhood of Locomotive Engineers), 14, 15, 231n16
Blitzstein, David, 120
blockholding, 9, 41–42, 45, 88, 232n25
Bloomberg, Michael, 118
Boardroom Accountability Project, 164–65
boards of directors. *See* directors, boards of
Boehner, John, 119
BofA (Bank of America), 147, 190, 194, 203
Bogle, John, 79
Bok, Derek, 29
Bolton, Brian, 47
Booker, Cory, 221
Booth, Heather, 198, 200
Borden, 308n46
Borsos, John, 192
Boskin, Michael J., 106
Boston Consulting Group, 135
Boston Properties, 62, 66
boycotts, 11, 31–32, 66, 70, 73, 187, 230n7, 256n15
Brandeis, Louis D., 1, 10, 11–13, 14, 16, 17, 233n28; on transparency, 12, 19, 27, 50, 84, 149
Bratton, William, 109
Breedon, Richard C., 87, 118, 161
Bretton Woods Treaty (1944), 20
Bricklayers Union, 75, 120
Brown, Sherrod, 200–201, 221
Brown, Willie, 73
Bryan, William Jennings, 11
Brynwood Partners, 169
BT (British Telecom) Pension Scheme, 103
Buffett, Warren, 135, 145, 157, 195
building trades, 75, 95, 96, 109, 119–23, 137, 261n41. *See also* Carpenters union; LIUNA
Burd, Steven, 99
Burger, Anna, 190, 191
Burkle, Ron, 170–71
Bush, George H. W., 106, 107, 180
Bush, George W., 80, 144, 147, 195, 264n57; and executive compensation, 145, 151; and SOX, 116, 117; and stock options, 135, 140
Bush, Jeb, 100
Business Roundtable, 44, 117, 135, 144, 223; and Dodd-Frank, 213; and governance principles, 55, 222; and political spending, 80, 81; and proxy access, 87, 152, 154, 155, 157, 158, 162–64; and short-termism, 208
Butler, Judith, 211
buybacks, 50–53, 173, 325n11; and executive compensation, 151, 248n41; and financial industry, 51, 326n12; and investment, 248n42; post-financial crisis, 220–21, 223; and regulation, 27, 209, 222; and shareholders, 50–52, 221, 240n4, 248n41; and share prices, 50–51, 248n41; and unions, 51–52, 129, 220; and workers, 173, 220–21, 248n41
buyouts, 47, 71, 308n46; employee (ESOP), 24, 54–55, 73, 157; leveraged (LBOs), 34, 97, 167; management (MBOs), 54; and private equity, 167, 168, 171, 172, 174, 175, 179, 181–83, 187, 188

- Cadbury Committee (United Kingdom), 45
- California, 44, 59, 98–100, 109, 134, 146, 195, 242n19; ballot measures in, 99–100; union density in, 96. *See also* Los Angeles
- CalPERS (California Public Employees' Retirement System), 1–2, 38–59, 98–100, 103; and Bass Brothers, 40; and buybacks, 51–52, 173, 221; and CII, 41, 43–45, 97, 134; and the cookbook, 43, 45–50, 79, 98, 218, 241n13; and corporate campaigns, 34, 68, 74, 124, 125; and divestment, 28; and Enron, 112–13; and executive compensation, 142, 208; and France, 46; and fraud, 170, 269n25, 276n25, 301n10, 303n17; and hedge funds, 170, 173, 206, 207, 302n16, 318n28; and high-performance work practices, 266n7; and hostile takeovers, 53–54; and investments, 39–40, 59, 66; and layoffs, 53; and majority voting, 158, 159, 296n20; and Maxxam, 123, 280n44; and outsider executives, 246n33; and payouts, 52; and placement fees, 170, 303n17; and private equity, 170, 171, 180, 182, 300n3, 307n40; and proxy access, 88, 153, 154, 157, 159, 163, 165; responsible-contractor policy of, 66, 94; and SEC, 99, 140, 154, 157, 163; shareholder activism of, 43–45, 50–52, 68, 79, 88, 242n17; and share lending, 206, 318n28; and stock options, 134, 140, 246n34, 285n14; and takeovers, 47, 53, 54, 123, 280n44; and transparency, 50, 80; and trustees, 94–95, 98–99, 242n17; and withholding votes, 124–25, 142
- CalSTRS (California State Teachers' Retirement System), 59; activism of, 34, 39, 45, 54, 66, 140; and hedge funds, 173, 302n16, 318n28; and private equity, 171, 182; and proxy access, 154, 163
- Calvert, 146, 292n55
- campaign finance, 27. *See also* political spending
- Campaign GM (Campaign to Make General Motors Responsible), 26, 128
- Canada, 112–13, 227n3
- Cantwell, Maria, 148, 161–62
- capitalism, 14, 15, 207; vs. democracy, 155, 156, 158, 160; people's, 25–26; postwar, 224; public opinion on, 223; shareholder, 3, 111, 133, 172, 221–22, 224, 272n48
- card check, 63–64, 69, 71, 72, 186, 255n11, 309n51
- Caremark, 188–89
- Carlson, Robert, 98
- Carlucci, Frank, 180
- Carlyle, 171, 173, 177, 179–83, 184, 187, 307n43
- Carpenters union, 40, 65, 137, 146, 165, 178, 179, 265n58; and AFL-CIO, 121, 122; and corporate campaigns, 33, 34; and Justice for Janitors, 66, 67; post-financial crisis, 218; shareholder proposals of, 109, 120, 123; and SOX, 115; and Worker-Owner Councils, 95–96. *See also* Durkin, Ed; McCarron, Doug
- Carper, Thomas, 162
- CarrAmerica, 66, 67, 256n15
- Carter, Jimmy, 29
- Casey, Kathleen, 163
- Catan, Emilio, 251n53
- CDA (Corporate Democracy Act), 27–28; Metzenbaum-Rosenthal (1980), 153
- CDOs (collateralized debt obligations), 194–95, 201, 203, 204, 205
- CD&R (Clayton, Dubiler & Rice), 171, 174
- Center for Strategic Campaigns (AFL-CIO), 90
- CenturyTel, 147
- CEOs. *See* executives
- CERES, 34
- CFPB (Consumer Financial Protection Bureau), 213, 214, 215
- CFTC (Commodity Futures Trading Commission), 111, 200, 214, 215
- Chaffets, Jason, 192
- Chandler, Alfred D., 52
- Chandler, William B., III, 156
- Charles Schwab, 80
- Chavez, Cesar, 32
- Chipotle, 217, 324n2

- Chiquita Brands, 77
- Chirac, Jacques, 46, 208
- Chrysler, 106, 157
- CIEBA (Committee on the Investment of Employee Benefit Assets), 41
- CII (Council of Institutional Investors): and buybacks, 51, 173, 220, 221; and CalPERS, 40, 41, 43–45, 97, 134; and the cookbook, 45, 96–97; and corporate pension plans, 41, 97; on executive compensation, 130, 145; and high-performance work practices, 266n7; and hostile takeovers, 54; and layoffs, 53; and members, 40–42; pension funds of, 41–42; and proxy access, 154, 161, 162; and shareholder activism, 40–41, 72, 87, 103; on shareholder primacy, 222; and short-term investment, 208; and stock options, 134, 140; and TIAA-CREF, 243n24
- Cintas, 125
- CIO (Congress of Industrial Organizations), 20, 58, 178. *See also* AFL-CIO
- Cioffi, John W., 116
- Cisco Systems, 134, 137
- Citibank, 108, 125
- Citigroup, 99, 108, 154, 190, 202, 322n48; and Enron, 111; executive compensation at, 146, 147; and TARP, 203, 315n16
- Citizens United* (2010), 81, 83, 84, 163
- civil rights movement, 24, 31
- Clapman, Peter, 218–19
- Clayton Act (1914), 11
- climate change. *See* environmental issues
- Clinton, Bill, 89, 106–8, 171, 259n33, 273n6, 301n12, 328n18; and deregulation, 197, 277n30; and executive compensation, 106–7, 151; and private equity, 187; Third Way of, 105, 107, 109, 207
- Clinton, Hillary, 174, 220, 320n35; and private equity, 176, 181; and say on pay, 145
- Close the Wage Gap campaign, 149
- Coca-Cola, 62, 137
- collective bargaining: and accountability, 77–78; agreements on, 67, 73–75; and executive compensation, 7, 128–29; post-financial crisis, 218, 222; and private equity, 170, 171; vs. proxy access, 166, 296n15; vs. shareholder activism, 60, 61, 62
- Columbia/HCA, 68, 92, 184, 258n21
- Comcast, 126
- Come Home to America campaign, 98
- Committee on Workers' Capital, 185
- Commodities Futures Modernization Act (2000), 111. *See also* CFTC
- Common Cause, 81
- Commoner, Barry, 28
- Community Reinvestment Act, 34
- Compass Group (UK), 184, 185
- compensation, executive, 127–51, 304n22; and AFL-CIO, 91, 92, 127, 146, 148, 150, 151; for bankers, 19, 202–5, 283n6, 316n20; Barney Frank on, 143–44, 145, 146, 151; and buybacks, 151, 248n41; and CalPERS, 142, 208; clawbacks of, 116, 143, 147, 190, 205; and Clinton administration, 106–7, 151; and collective bargaining, 7, 128–29; and the cookbook, 45–46, 48, 49, 52, 202; and directors, 127, 129, 143; and Dodd-Frank, 143, 204, 209, 215, 289n37, 292n57; economics of, 128–29, 282n6; and executive pensions, 289n37; and financial crisis, 147–48; golden parachutes as, 41, 46, 47, 79, 131, 219, 289n37; and inequality, 102, 144, 205, 283n6; and Obama, 141, 145, 147, 148, 151, 205; and Occupy Wall Street, 212, 213; and pay ratios, 148–50; and performance, 2, 125, 127, 129, 130, 145–48, 150, 203–4; post-financial crisis, 218, 219; and proxy access, 160, 163; and regulation, 88, 106–7, 116, 134–36, 139–41, 143–45, 147–50, 198, 203–5; and risk, 132, 133, 136, 139, 147, 202–5, 317n23; and say on pay, 47–48, 128, 141–48, 151, 159, 161, 166, 174, 209, 215, 218, 219, 221, 289n37, 292n59; and scandals, 129, 147, 151, 289n37; and SERPs (supplemental executive retirement plans), 131, 136, 289n37; and severance pay, 91, 138, 144–45, 203, 290n41; and shareholder

- compensation (*continued*)
activism, 23, 120; shareholder proposals on, 88, 126, 129–32, 147, 150, 284n10, 289n37; and short-term investment, 208; socially-based, 78, 130, 132; stock-based, 2, 42, 43, 49, 51, 76, 107, 117, 129, 131, 132–41, 147, 150, 202, 203, 204, 219, 287n31, 296n34; and TARP, 147–48, 198–99, 292n55, 317n23; tax deductions on, 106–7, 133–34, 167, 170, 175, 176–77, 187, 300n2, 322n46; and transparency, 19, 50, 129, 130–32, 141, 148–50, 234n32; and trends, 23, 40, 128–29, 282n6; and union investors, 129–32, 142, 150, 285n14, 289n37; in union vs. nonunion firms, 128–29, 143; and Vote No campaigns, 124, 126. *See also* stock options; wages
- Competitive Enterprise Institute, 85
- Congress, US, 12, 42, 104; and banks, 198–99; and corporate campaigns, 65, 73; and Enron, 104, 110–11, 113, 115; and executive compensation, 91, 106, 137, 138, 143–47, 148; and expensing of stock options, 134, 136; and Great Recession, 195; and private equity, 175–76, 181, 182; and proxy access, 152; and SEC, 87, 160–64. *See also* Democratic Party; House Financial Services Committee; Republican Party; *particular acts*
- Congressional Populist Caucus, 208
- Congress Watch, 81
- Connecticut, 32, 79, 96, 97, 146, 307n43
- consultants: and executive compensation, 127, 129, 132, 141; and independence, 124, 209; and pension funds, 60, 247n38, 318n26
- Consumer Federation of America, 79, 161
- Continental Bank of Chicago, 34
- contractors, cleaning, 62, 179, 283n6; and Justice for Janitors, 65–67; and responsible-contractor policies, 66, 94, 174, 269n23
- cookbook, the. *See* corporate governance principles
- Corker, Bob, 162
- Corporate Accountability Research Group, 27
- corporate campaigns, 2, 8, 30–35, 60, 63–75, 178, 193, 237n57, 255n11, 269n23, 312n73; and ACTWU, 31–32; and AFL-CIO, 28, 30, 33–35, 65, 67, 90, 125, 126; and CalPERS, 34, 68, 73, 124, 125; and Change to Win, 121, 184, 217; and Change to Win Investment Group, 142, 165, 188–89, 324n2; and collective bargaining agreements, 73–75; and Culinary Workers, 68–72, 174–75; and employment discrimination, 31, 32, 89, 92; and HERE, 71–72; international, 184–86; and lawsuits, 43, 68, 70–75, 89; and NLRB, 30, 35, 70, 71, 73; post-financial crisis, 217–18; and private equity, 174, 187; and regulation, 33–35, 64; and SEIU, 33–35, 65–67, 92, 181–87, 192, 217–18, 256n15, 307n43, 309n51; and Steelworkers union, 73–75; and Teamsters, 174–75; and UFCW, 99–100, 101, 165, 189, 217–18; and UNITE HERE, 187. *See also* organizing campaigns
- Corporate Data Exchange, 24
- corporate governance, 5–8, 102, 264n58, 271n39; and assets, 36, 59; and bankruptcies, 113, 114–15; of banks, 12, 204; and capitalism vs. democracy, 156, 158, 160; and corporate campaigns, 24–29, 126; and Dodd-Frank, 195; and employees, 5, 7, 223, 239n71; and Enron, 111–12; and executives, 5, 7–8, 13, 22–23; financialized, 51, 139; and government, 161; and labor unions, 13, 60; and managerialism vs. shareholder primacy, 10, 17–18, 36, 38, 55, 75; post-financial crisis, 218, 220, 221; and shareholders, 5, 6–7, 9–10, 36–37, 38, 43, 59, 75, 110, 115, 221; and social responsibility, 18, 22–29, 38, 77, 78, 98, 103, 254n5; and stock performance, 43, 44, 46–48, 50, 76, 79. *See also* corporate governance principles; managerialism; shareholder primacy
- corporate governance principles (the cookbook), 45–50, 240n4, 268n18; and AFL-CIO, 75–76, 92; and bankruptcies, 113; and Business Roundtable, 55, 222; and

- CalPERS, 45–50, 79, 98, 218, 241n13;
and CII, 40, 45, 96–97; and corporate
campaigns, 66, 68, 72; and Dodd-Frank,
161, 195, 209–10; and Enron, 112; and
executive compensation, 45–46, 48, 49, 52,
202; and ISS, 102–3; post-financial crisis,
219, 224; and shareholder activism, 60,
62–63, 87, 121; and shareholder returns, 52;
and share prices, 46–50, 77, 245n30; and
stock options, 133, 246n34; subversion of,
219, 276n21; and UN, 77
- Corporate Pay Responsibility Act, 88
- Coughlin, Father Charles, 18–19, 233n29
- Council of Economic Advisers, 52
- Countrywide Financial, 142, 190, 289n36
- Cox, Christopher, 118, 140, 160
- Coyle, Martin, 241n10
- CPA (Center for Political Accountability),
82, 83
- Cracker Barrel Old Country Store, 89
- creditors, 42, 205; and bankruptcies, 6, 71, 114,
183; and corporate campaigns, 2, 64, 69, 70,
71; vs. shareholder primacy, 36, 53, 55, 156
- credit unions, 14, 212
- Cremers, Martijn, 245n30
- Crist, William, 45, 95, 98, 247n37, 269n25,
301n10; and corporate governance, 46, 50;
and Enron, 112
- Crystal, Graef, 103–4, 141
- CSR (corporate social responsibility), 77.
See also corporate governance
- CTW (Change to Win), 83, 121, 193, 197, 208,
246n33; and AFL-CIO, 65, 178, 185, 188,
264n58; and Carpenters, 121; and financial
crisis, 177, 190, 197; formation of, 178, 184,
305n29; and international campaigns,
184–85; and organizing, 193, 305n29;
post-financial crisis, 217; and private
equity, 177, 179; and SEIU, 178–79
- CtWIG (CTW Investment Group), 142, 165,
188–89, 217–18, 220, 306n38, 324n2, 327n17
- Culinary Workers (HERE), 69, 70–71
- Cuomo, Andrew, 318n28
- Cuomo, Mario, 242n19, 250n52
- customers: and corporate campaigns, 31, 64;
corporate responsibility to, 6, 18, 27, 38, 55; of
mutual funds, 78, 79; of proxy advisors,
102; vs. shareholder primacy, 24, 53
- CVS drugstores, 188–89
- CWA (Communications Workers of
America), 30, 103, 120, 126, 221, 311n69
- CWC (Center for Working Capital; AFL-
CIO), 90, 93–95
- Dahl, Robert, 23, 27
- Dammann, Adair, 90
- Danbury Hatters, 230n7
- Davis, Gerald, 79
- Davis, Gray, 98, 99
- Dear, Joseph, 153
- Debs, Eugene V., 13
- DeFazio, Pete, 208
- Delaware, 26–27, 53–54, 74, 156, 162, 180, 223
- democracy: vs. capitalism, 155, 156, 158, 160;
corporate, 88, 152, 153, 160, 219; vs. corporate
power, 1, 13, 24, 27, 84, 198, 224; shareholder,
124, 154, 159, 161, 166; union, 312n73
- Democratic Party, 20, 117, 152, 209, 221; and
AFL-CIO, 4–5, 195–96; and CalPERS,
98; and Dodd-Frank, 200–202, 214,
215; donors to, 66, 171; and executive
compensation, 144, 145; and financial
crisis (2008), 195, 200–202; and labor
unions, 4–5, 29, 89, 328n18; and new
populism, 144, 174; and pension plans,
59, 100, 242n19, 252n63; and political
spending, 84; and private equity, 171,
174–75, 176, 177, 187; and stock options,
134, 141, 288n34, 289n36; and workers,
222–23
- demonstrations, 32, 65, 72, 143; by AFL-CIO,
79, 195–97; and corporate campaigns,
72–73; and private equity, 184, 185, 190,
191; and transparency, 79. *See also* Occupy
Wall Street; strikes
- Denmark, 67, 185, 309n51
- Department of Corporate Affairs (AFL-CIO),
90

- deregulation, 29, 82, 114–15, 274n12; and banks, 190, 201–2, 316n17; and Clinton administration, 105, 107–8, 111, 197, 277n30; and Dodd-Frank, 213, 214, 215, 316n17, 322n48; and Enron, 79, 111, 197, 203; and financial crisis (2008), 195, 197; and financial markets, 107, 109, 111, 136, 197, 201; and shareholder primacy, 210; and SOX, 117, 118
- Deutsche Bank, 71
- Dewey Square Investors, 92
- Dillard's, 103
- Dingell, John, 181
- Directive on Hedge Funds and Private Equity (EU; 2011), 172
- directors, boards of, 5, 233n26, 265n58, 291n43; access to, 44, 274n14; and accountability, 77; appearance of, 229n16; and compensation committee, 124–25, 140–41, 157, 198, 209, 289n36; and the cookbook, 45, 46, 246n34; and Dodd-Frank, 209, 214; elections of, 155, 156, 160, 198, 219, 280n44, 298n34; employees on, 157, 222, 296n15, 327n17; and executive compensation, 127, 129, 143; and executives, 27, 47–48, 127; in Germany, 157, 296n16; “hijacking” of, 154, 155, 156, 163, 164, 298n34; and hostile takeovers, 53; independence of, 47–48, 76, 92, 115, 116, 124, 157, 175, 203, 209, 218, 219, 239n1, 277n28; and long- vs. short-term interests, 76, 207; majority vs. plurality voting for, 47, 124, 158–59, 161, 218, 219, 296n20, 297n21; of pension funds, 94; post-financial crisis, 218, 219; and private equity, 170, 175; and shareholder activism, 36, 43, 63, 123, 124, 297n21; shareholder nomination of, 27, 77, 115, 126, 152–66; and share prices, 47–48; staggered (classified), 46, 76, 91, 219, 245n30; withholding of votes for (Just Vote No), 124–26, 142, 170, 189, 271n43. *See also* proxy access
- Disney, 101, 102, 115, 127, 141, 157
- divestment, 28–29, 38, 39, 173
- dividends, 12, 23, 50, 51, 70, 151. *See also* payouts
- Dodd, Christopher, 145, 148, 150, 162, 197, 199
- Dodd, E. Merrick, Jr., 18, 22
- Dodd-Frank Wall Street Reform and Consumer Protection Act (2010), 3, 147–48, 216; and the cookbook, 195, 209–10; and Democratic Party, 200–202, 214, 215; and derivatives, 214, 215, 316n17, 322n48; and executive compensation, 143, 150, 204, 209, 215, 289n37, 292n57; flaws in, 213, 316n17; and Occupy Wall Street, 210; opposition to, 213–15, 322n48; and private equity, 176–77; and proxy access, 152, 162–63; and Republican Party, 195, 213, 214, 215; and shadow markets, 315n17; and Silvers, 197–99, 201, 202, 213, 214, 215
- Dodge v. Ford Motor Co.* (1919), 238n69
- Doerr, John, 136
- Domhoff, William, 24–25
- Domini Social Investments, 161
- Donahue, Tom, 90, 296n15
- Donaldson, William, 83, 113, 140, 154, 158
- Donner, Lisa, 200
- dot-com bubble (2000–2002), 46, 104, 105–10, 119, 138
- Douglas, William O., 233n26
- Dow Chemical, 88
- Dreier, David, 136
- Dreier, Peter, 174
- Drexel Lambert, 42
- Drucker, Peter, 59, 149
- Dubinsky, David, 233n28
- DuPont, 26–27, 146
- Durkin, Ed, 95–96, 99, 120–23, 137, 158, 279n43, 280n44; and executive compensation, 130, 146–47, 292n57; and proxy access, 161, 164. *See also* building trades
- Dynegy, 113
- Eastern Airlines, 235n37
- Eastman Kodak, 25, 32–34, 41, 44, 64, 120, 154
- Ebbers, Bernie, 119
- Echlin Inc., 33, 120
- Edison Services, 100, 270n38
- Edsall, Thomas, 5
- Edwards, John, 145, 264n57
- EFCA (Employee Free Choice Act), 162, 191, 328n18

- E.F. Hutton, 51
Eickhoff, M. Kathryn, 125
Eisenberg, Melvin, 53, 294n3
Eisenhower, Dwight D., 24
Eisinger, Jesse, 148
Eisner, Michael, 102, 127, 136, 157
Ellison, Keith, 150
Ellison, Larry, 136
El Salvador, 101
Elson, Charles M., 152, 203
Emergency Economic Stabilization Act, 147
employees, 5–7; on boards of directors, 157, 166, 222, 296nn15–16, 327n17; buyouts by, 54–55; and corporate governance, 5, 6, 7, 13, 27, 223, 239n71; corporate responsibility to, 18, 38, 55, 221–22; and DB pension plans, 6–7; and Democratic Party, 222–23; and Dodd-Frank, 210; of Enron, 113–14, 116, 118; and executive compensation, 128–29; female, 31; job tenure of, 325n9; and labor unions, 5–6, 192, 224; and pay ratios, 148–50; post-financial crisis, 219–24; and private equity, 168, 173, 174, 175, 179; and shareholders, 1, 3, 6, 13, 15, 20, 21, 24, 36, 51–53, 60, 97, 105, 119–20, 128, 156, 166, 169–70, 220, 221, 222, 223, 242n19, 251n53, 269n23, 287n30; and stock options, 287n30; and takeovers, 53, 251n53; in union vs. non-union firms, 224. *See also* inequality; wages
employment discrimination, 31, 32, 89, 92
endowments, 7, 28, 41, 101, 205, 207
Enron, 126, 270n38, 277n30; accounting methods of, 50, 275n15, 286n21; bankruptcy of, 104, 105–6, 109, 110–15, 276n21; and CalPERS, 112–13; and Chewco, 112; employees of, 113–14, 116, 118; and executive compensation, 102, 129; and JEDI, 112; and proxy access, 152, 155, 156, 158; and regulation vs. deregulation, 79, 197, 203; and scandals, 46, 106, 119; and severance pay, 113–14, 118; and stock options, 134, 135
environmental issues, 39, 77, 78, 82, 165; and corporate campaigns, 31, 34, 74; and labor unions, 64, 92, 261n41
Enzi, Michael, 136
EPS (earnings-per-share), 51, 220
Equitable Life Insurance, 256n15
Equity Office Properties, 187
ERISA (Employee Retirement Income Security Act; 1974), 22, 58, 85, 254n5
ESG (environmental, social and governance) standards, 77, 78
Eshoo, Anna, 136
ESOPs (employee stock ownership plans), 54–55, 73, 157
ETFs (exchange-traded funds), 7, 78, 166, 289n37
ETIs (economically targeted investments), 93, 242n19
Europe, 3, 14, 19–20, 75, 165, 185, 309n51. *See also* Denmark; France; Germany; Netherlands; Sweden; United Kingdom
European Union (EU), 172, 208
Executive PayWatch. *See* PayWatch
executives: abuses by, 17, 258n21; accountability of, 27, 77; anti-union tactics of, 63, 64; appearance of, 229n16; and building trades, 122, 123; buyouts by (MBOs), 54; and corporate governance, 5, 6, 7–8, 13, 22–24; criminal activity of, 34, 111, 112, 113, 116, 138, 140, 198, 276n21, 276n25, 314n10; and directors, 27, 47–48, 127; and dot-com bubble, 109; and Durkin, 121, 123; at Enron, 110, 111; and financial crisis, 198; inside vs. outside, 48–49, 246n33; job tenure of, 325n9; vs. labor, 75–76, 157; vs. managers, 228n10; and pension plans, 58, 274n14; post-financial crisis, 219; professional, 12–13; and proxy access, 156, 166; public opinion of, 114; and shareholders, 2, 8, 22–24, 36, 40–42, 44, 49, 53–55, 61, 87–89, 126, 133, 139, 150, 219, 222, 224, 251n53, 260n38, 285n12; skills of, 12–13, 19, 128, 283n16; and SOX, 116–17, 140; and symbolic management, 326n16; and takeovers, 52–53, 54, 55; and transparency, 78, 79; and worker buyouts, 54–55. *See also* compensation, executive; scandals, corporate; stock options
Exxon Mobil, 154, 165

- Fannie Mae, 141, 189, 190, 194
Farah Manufacturing (El Paso, Texas), 30–31
FASB (Financial Accounting Standards Board), 134–38, 286n21
Fastow, Andrew, 112
FDIC (Federal Deposit Insurance Corporation), 191, 201, 214
Feckner, Rob, 99
Federal Election Campaign Act (1971), 81
Federal Reserve Bank of New York, 198, 285n14
Federal Reserve Bank system, 15, 18, 19, 34, 108; and Dodd-Frank, 214, 215; and transparency, 198–99
Federation Bank of New York, 14
FedEx, 159
Feinberg, Kenneth, 198, 199
Ferlauto, Richard, 142, 152, 154, 162
Ferri, Fabrizio, 137
Fidelity Investments, 72, 79, 108; and proxy access, 161, 164, 165; and transparency, 78, 80
Fiedler, Jeff, 69
Fight for \$15 campaign, 217, 218
Filene Cooperative Association, 13
financial activism, 30–39; of AFL-CIO, 33, 92; and collective bargaining, 73–75; in corporate campaigns, 32, 64, 68, 70, 186; and organizing, 1, 93, 188; and pension funds, 1, 5, 33–39, 224; of SEIU, 64, 186, 192. *See also* AFL-CIO; Dodd-Frank; mutual funds; private equity industry
Financial CHOICE Act, 215
financial crises: of 1987, 317n25; and deregulation, 109, 111, 197. *See also* dot-com bubble; Enron; Great Depression
financial crisis (2008; Great Recession), 194–216; and AFL-CIO, 197–99; and AFR, 199–200; and banks, 3, 147, 189, 195–99, 202–5, 317n25; and Democratic Party, 200–202; early reactions to, 196–97; and hedge funds, 197, 205–7; and investors, 202–10; and majority voting, 159; and Occupy Wall Street, 210–13; and private equity, 167, 193
financialization, 1–2, 9–37, 104, 216; and corporate governance, 51, 139; and derivatives, 195; and labor unions, 10–15, 224; New Deal, 18–24; and pension funds, 29–35; and private equity, 167; and regulation, 216; and shareholders, 15–18, 22–24, 35–37; in the sixties, 24–29
Fink, Larry, 220
Fleming Companies, 91–92
Florida, 14, 59, 83, 100, 180, 270n38
Fluor, 137
Food and Commercial Workers. *See* UFCW
Ford Motor, 21, 58
France, 41, 63, 172, 208, 326n12
Frank, Barney, 135, 140, 191, 197, 291n43; and Dodd-Frank, 214; and executive compensation, 143–44, 145, 146, 151; and private equity, 174–75, 177, 181, 187; and proxy access, 159, 160, 162–63, 165; on Rich pardon, 259n33
Franklin Research and Development (Trillium), 150
Fraser, Steve, 16, 19
fraud, corporate, 325n7; and bankruptcies, 106; and CalPERS, 269n25, 276n25, 301n10; and dot-com crash, 105, 109; and Enron era, 112, 113, 114, 116; and executives, 17, 135, 138, 143–44, 258n21; and financial crisis (2008), 198; and regulation, 113, 116, 122, 198, 208–9; and SEIU, 306n38; and stock options, 135, 138. *See also* executives: criminal activity of
Freddie Mac, 189, 190, 194
Freeman, Richard, 129
Fried, Jesse, 116, 133
Friedman, Milton, 36, 221
Frist, Bill, 258n21
FSRS (Florida State Retirement System), 100
FSRT (Financial Services Roundtable), 191, 209
Fuld, Richard, 314n10

G4S, 185, 309n51
Galbraith, John Kenneth, 1, 23, 28

- Ganz, Marshall, 210
GAO (General Accounting Office), 253n64, 272n48
Gap, 101
Garland, Michael, 77, 164–65
GE (General Electric), 18, 138, 150
Geithner, Timothy, 198, 199, 200, 201, 202, 209
Georgeson (proxy solicitor), 272n48
Georgine, Robert, 119
Gerard, Leo, 79, 171
Germany, 6, 14, 41, 117, 266n7, 326n12; directors in, 157, 296n16; and private equity, 172; and SEIU, 185; and transactions tax, 208
Getman, Julius, 71
Gillan, Kayla, 45, 161
Gillibrand, Kirsten, 221
Ginsburg, Douglas, 164
Glass, Lewis & Co., 86, 143, 247n37, 271n43, 272n48
Glass-Steagall (Banking Act of 1933), 19, 107, 109, 202, 317n25; repeal of, 111, 201
GlaxoSmithKline, 142
Global Compact (UN), 77
Global Crossing, 113, 119
globalization, 77, 105, 291n43
GM (General Motors), 241n13, 255n10; and buybacks, 51–52; and CII, 41, 42; and corporate campaigns, 26, 28, 128; and proxy access, 153, 154; and Treaty of Detroit (1950), 20–21, 23, 30, 52, 128
GMB (British union), 309n51
Goldin, Harrison, 40, 42, 51
Goldman Sachs, 148, 190, 194, 215–16, 253n64, 316n18, 318n28
Goldschmid, Harvey J., 89, 215
gold standard, 10, 11, 233n29
Gompers, Paul, 47
Gompers, Samuel, 11, 13, 15, 230n7, 231n13
Google, 327n17
Gourevitch, Peter, 6
government, federal: and banks, 203; contracts with, 64; and corporate accountability, 27; and executive compensation, 128; and pension plans, 22, 39, 59; and private equity, 173; and SOX, 116; and union activism, 31, 64
government, state and local: labor unions in, 1, 4, 218; and pension plans, 7, 10, 39–40, 59, 97, 100, 101, 108, 109, 171, 218. *See also* pension plans, public
Gramm, Phil, 111
Gramm, Wendy, 111
Gramm-Leach (Financial Services Modernization Act; 2000), 107
Grassley, Charles, 176, 181
Grasso, Richard, 114, 276n25
Great Depression (1929), 15, 16, 18, 19, 22, 223
Great Recession (2008). *See* financial crisis
Green, Mark, 27, 294n3
Green, William, 14
Greenback Party, 11
Greenberg, Hank, 118
Greenberger, Michael, 200
Greenbury Committee (United Kingdom), 45
Green Century Capital, 82
Greenhouse, Steven, 114
Greenspan, Alan, 108, 135, 140
Greenstone, J. David, 4
Grundfest, Joseph, 124–25, 156
Gulf Oil, 29

Halliburton, 101
Hampel Committee (United Kingdom), 45
Hansen, Joe, 178
Hanson, Dale, 43, 44, 45, 87, 103, 125
Harkin, Tom, 208
Harper, Joel, 94
Harrah's Entertainment, 92
Harrigan, Sean, 98–99, 100, 276n25, 303n17
Harris, Seymour, 22
HCA (Hospital Corporation of America), 68, 92, 184, 186, 258n21
Headrick, Roger, 189
health and safety regulations, 32, 33, 64, 181–82, 183, 264n57; and corporate campaigns, 33, 74; and shareholder proposals, 89
healthcare: home-based, 323n1; universal, 20, 92

- health insurance: employer-based, 20, 66, 71, 99, 174, 189; national, 20, 85
- HealthSouth, 62, 138, 258n21
- hedge funds, 76, 79, 107, 182, 316n18; activist, 172–73; and banks, 201, 205; and CalPERS, 173, 206, 207, 302n16, 318n28; and European Commission, 172; and financial crisis, 197, 205–7, 317n25; and LENS fund, 240n4, 308n46; and mutual funds, 79; and pension plans, 170, 173, 202, 205–8, 302n16, 303n18, 308n46, 318n28; and placement fees, 170; and private equity, 167, 168, 170, 176, 177, 206, 302n16; and proxy access, 163, 165; and regulation, 177, 205–6; and Relational Investors, 170, 173; and SEC, 177; and share lending, 206, 318n28; and short-termism, 302n16; and TCI, 303n18; and workers, 177
- Hellwig, Martin, 203
- Henry, Mary Kay, 191
- Hercules Chemical, 44
- HERE (Hotel and Restaurant Employees), 64, 65, 92, 94, 258n25; corporate campaigns of, 68–73. *See also* UNITE HERE
- Hermes Asset Management, 103, 146
- HEROES Act (2020), 252n63
- Hertz car rental, 171–72, 174
- Hewlett-Packard, 67, 102, 159
- High-Tech Taskforce, Senate Republican, 135
- Hilferding, Rudolf, 14
- Hill, Bonnie, 143
- Hillhaven Corporation, 67
- Hillman, Sidney, 20
- Hilton Hotels, 41, 187
- Hines Interests, 66
- Hirsch, Barry, 4
- HIT (Housing Investment Trust; AFL-CIO), 57–58
- Hoffa, James P., 178
- Hoffa, Jimmy, 57, 69
- Hoffman, Christy, 185
- Hollings, Ernest, 110–11
- Home Depot, 51, 62, 142–43, 145
- Honda, 106
- House Financial Services Committee, 109, 144, 159, 197, 204, 215; and private equity, 174–75
- Hubbard, Glenn, 117
- Hubbard group (Committee on Capital Markets Regulations), 117–18
- Hughes, Charles, 12
- human rights, 24, 39, 73, 88, 98, 182, 309n51
- Human Rights Watch, 73
- Huntsman, Jon, 214
- Hurwitz, Charles, 123
- Iacocca, Lee, 106
- IBEW (International Brotherhood of Electrical Workers), 120, 122, 126, 139, 165
- IBM, 44, 103
- Icahn, Carl, 42, 49, 53
- ICCR (Interfaith Center on Corporate Responsibility), 28, 31, 89, 100–102, 146, 150
- IFEBP (International Foundation of Employee Benefit Plans), 95
- Ignani, Karen, 134
- ILGWU (International Ladies Garment Workers Union), 13, 16, 237n60
- Illinois pension plans, 157
- ILO (International Labour Organization), 73, 103; Labour Standards of, 77, 101, 185, 309n51
- ImClone, 113
- immigrants, 5, 15, 16, 65, 121
- Income Equity Act, 149
- index funds, 37, 43, 51, 207, 249n46
- Industrial Areas Foundation, 200
- Industrial Union Department (AFL-CIO), 132
- inequality, 4, 16, 106; and AFL-CIO, 28, 30, 33–35, 65, 67, 90, 125, 126; and buybacks, 51, 220, 221; and Clinton, 106–7; and Dodd-Frank, 205; and executive compensation, 2, 102, 129, 142, 144, 205, 211, 283n6, 287n30; and financialization, 9; and New Deal, 18–19, 20; and Occupy Wall Street, 212; post-financial crisis, 224; and private equity, 168, 174–75; and shareholders, 3, 6, 9, 16, 21, 52–53, 107, 129, 140, 142, 144, 151, 198, 209–10, 212, 220–22, 232n23; and

- taxation, 107, 220, 221, 224, 262n45, 294n5;
and unions, 7, 129, 327n18; and wages, 3,
90, 106, 144, 149–50, 283n6
- insurance companies, 7, 22, 25, 31, 33, 37, 108,
119, 156
- Intel, 67, 137
- interest rates, 108, 194
- International Corporate Governance
Network, 45
- International Employee Stock Options
Coalition, 135, 136
- International Harvester, 232n23
- International Trade Union Confederation, 185
- Internet, 68, 69, 72, 108
- Investment Company Act (1940), 19
- Investor Advisory Committee (SEC), 161
- investors: vs. employees, 220; and executives,
128, 260n38, 285n12; and financial crisis
(2008), 207–10; labor unions as, 60–86;
passive, 79; pension plans as, 7, 10; post-
financial crisis, 219; in private equity,
168–72; psychology of, 274n12; and risk,
202–7; short-term, 207–10. *See also*
shareholders
- investors, faith-based, 73, 82, 83, 86, 89. *See also*
ICCR
- investors, institutional, 39, 45, 51, 62, 80, 158,
161; and access, 274n14; and blockholding,
9, 41–42, 45, 88; and collateral interests,
265n60; and Enron, 110; and executive
compensation, 49, 143, 146, 148; vs.
individual, 37; and long-term interests, 76;
and Office of Investment, 91, 92; post-
financial crisis, 218. *See also* CII
- investors, socially responsible, 77, 78, 79, 83,
86, 103, 149–50, 154, 165, 309n51
- investors, union: and executive compensation,
129–32, 137, 142, 150, 289n37; and proxy
access, 154, 155, 164, 166
- IRAs, 78, 108, 243n24
- IRRC (Investor Responsibility Research
Center), 29, 115
- ISS (Danish multinational corporation), 67,
185
- ISS (Institutional Shareholder Services), 39,
102–4, 143, 271n43, 279n43, 282n1, 285n14;
and the cookbook, 75, 102–3, 247n37;
and corporate campaigns, 72, 73, 124;
investigations of, 272n48; and mutual
funds, 102–3; and shareholder activism,
86, 87, 123; subsidiary divisions of, 103–4
- Jackson, Jesse, 113, 196
- Jackson, Robert J., Jr., 84, 326n11
- James, Letitia, 302n16
- Japan, 6, 41, 106, 149, 266n7, 326n12
- JEDI (Joint Energy Development Invest-
ments), 112
- Jensen, Michael, 36, 49, 133, 139, 260n36
- Johnson, James A., 141, 289n36
- Johnson, Simon, 201
- Joyce, John T., 75
- J.P. Morgan Bank, 12, 18, 34, 92, 99, 102, 160;
and regulation, 19, 108; and short selling,
318n28
- JPMorgan Chase, 111, 146, 214
- J.P. Stevens, 31–32, 197
- junk bonds, 42, 52, 97
- Justice Department, US, 138, 139, 183, 272n48
- Justice for Janitors (JJJ), 65–67, 68, 94, 256n14
- Kahan, Marcel, 251n53
- Kaplan, Steven, 264n58
- Karatz, Bruce, 288n34, 289n36
- Kaufman, Ted, 162, 200–201
- Kaysen, Carl, 22–24
- KB Homes, 288n34, 289n36
- KB Toys, 174
- Kerkorian, Kirk, 51, 52, 69
- Key Votes Survey (AFL-CIO Office of
Investment), 92, 93, 125
- Khanna, Poonam, 126
- Khurana, Rakesh, 48
- Kilgore, Doug, 96
- Killinger, Kerry, 160
- Kim, E. Han, 79
- King, Coretta Scott, 32
- Kirkland, Lane, 89–90

- KKR (Kohlberg, Kravis, Roberts), 167, 184–86, 308n46
- K-Mart, 44, 113, 246n33
- Knights of Labor, 11
- Koch brothers, 84
- Kodak. *See* Eastman Kodak
- Koppes, Richard, 43, 45, 103, 218, 219
- Kozlowski, Dennis, 276n21
- KPS Partners, 170
- Kraft, 169
- Kravis, Henry, 184
- Krippner, Greta, 274n12
- Kuttner, Robert, 198, 200
- Labor, US Department of, 39, 75, 85, 253n64, 254n5, 264n57
- labor banking, 13–15, 119
- Laborers. *See* LIUNA
- Labor Policy Association, 103
- labor unions: allies of, 96–104; bargaining power of, 3–4, 10, 28, 59, 129; decline of, 1, 3–4, 16, 29, 33, 60–61, 217; density of, 3–4, 9, 54, 94, 96, 186, 217; disclosure rules for, 81; financial turn of, 1–2, 8, 10–15, 224; global, 74, 184–86, 187, 308n48, 309n51; growth of, 1, 2, 20; as investors, 60–86; vs. nonunion firms, 4, 7, 16, 55–56, 58, 62, 69–71, 73, 113, 128–29, 143, 224; organizing power of, 3–4, 10; pension plan assets of, 22, 59; political power of, 3, 4–5, 10; post-financial crisis, 223–24; private-sector, 1, 4, 7, 10, 25, 28, 30, 55–56, 64, 67, 81, 120, 122, 158, 161, 174, 217, 220; public opinion on, 223, 224; public-sector, 30, 32, 44, 81, 82, 186, 220, 252n63; reserve funds of, 58–59, 253n68; and scandals, 8, 119; and social unrest, 15–16, 18
- Labour Party (UK), 105
- LACERS (Los Angeles County pension plan), 68
- Ladies' Garment Workers' Union. *See* ILGWU
- LaFarge, 188
- LaFollette, Robert, Jr., 13
- Langone, Ken, 143
- Laslett, Michael, 185
- Las Vegas, 57, 64, 68–69, 70, 71, 72, 177
- laws: antitrust, 10–11, 232n24; labor, 4, 22, 30, 33–35, 66, 71, 73, 82, 83, 101, 103, 162, 193, 222–23, 328; and takeovers, 53–55, 69, 238. *See also* EFCA; PRO Act
- lawsuits, 144, 274n14; anti-labor, 11, 66, 256n14; and corporate campaigns, 43, 68, 71–72, 74, 89; and Dodd-Frank, 214–15, 316n18; and private equity, 180, 184, 190; on proxy access, 163–64; and SEC, 89, 113, 163, 211; and SOX, 138
- Lay, Kenneth, 112, 119
- layoffs, 29, 34, 55, 73, 106, 280n44; and banks, 189, 190; and executive compensation, 92, 130, 150; and hostile takeovers, 53; and private equity, 170, 173
- Lazonick, William, 220
- LBOs. *See* buyouts
- Lehman Brothers, 139, 314n10, 318n28
- LENS (hedge fund), 240n4, 282n1, 308n46
- Lerner, Joshua, 168
- Lerner, Stephen, 65, 180, 185, 189, 218; and private equity, 173, 175; tactics of, 182, 184, 191–92
- Let Wall Street Pay for the Restoration of Main Street Act, 209
- Levin, Carl, 88, 134, 138, 175, 202
- Levin, Sander, 175
- Levitt, Arthur, Jr., 161
- Lewis, John L., 22
- Lewis, Ken, 190
- Lexmark, 147
- Lie, Erik, 139
- Lieberman, Joseph, 134
- Lincoln, Blanche, 201–2, 214
- Lipton, Martin, 39, 42, 55, 146, 155, 209, 210
- LIUNA (Laborers' International Union of America), 65, 120, 122, 140, 142, 179, 246n33, 261n41
- Lo, Andrew, 205
- Locker, Michael, 24, 32
- Long, Huey, 18

- LongView Funds, 33, 68, 69, 97, 120, 220, 266n7; and stock options, 139, 140
- Lorsch, Jay, 48, 209
- Los Angeles, 65–68, 170–71, 303n17
- Louisiana-Pacific, 120
- Lowden, Paul, 70
- Lowenstein, Louis, 39
- Lowe's Companies, 142
- LTCM (Long-Term Capital Management), 205
- Lukomnik, Jon, 49, 273n3, 308n46
- M&A (mergers and acquisitions), 2, 11, 188–89
- Macht, Patricia, 53
- Macpherson, David, 4
- majority voting. *See* directors, boards of
- Malizia, Louis, 115
- management. *See* executives
- managerialism, 10, 36, 38, 55, 75
- Manhattan Institute, 85, 86
- Manor Care nursing home, 179–83, 184, 307n39
- Manufacturers Hanover Trust, 31
- manufacturing sector, 3, 4, 16, 22, 58, 82, 179.
See also NAM
- Marco Consulting, 206, 220, 318n26
- Markey, Ed, 134
- Marriott, 62, 71–73
- Marriott, Bill, 73
- Martin, Homer, 19
- Martin, Trayvon, 83
- Marx, Karl, 59
- Maxxam Company, 123, 280n44
- MBA degrees, 12–13, 19, 128, 283n6
- MBOs. *See* buyouts
- McAdoo, William G., 231n13
- McAlevey, Jane, 192
- McCain, John, 134, 136, 145
- McCain-Feingold (Bipartisan Campaign Reform Act; 2002), 81, 82, 83
- McCarron, Doug, 119, 120, 121–22, 123, 178
- McDonalds, 101, 217, 218
- McEntee, Gerald, 142, 154
- McGuire, William, 141
- McGurn, Patrick, 146, 203
- McKinnell, Hank, 145, 155
- Means, Gardiner C., 17–18, 232nn25–26, 233n28
- Meany, George, 90
- media, 144, 207, 222; and corporate campaigns, 3, 44, 45, 72, 106, 196, 217; on Enron, 114; and private equity, 183, 190, 191; social, 211, 213, 217; and unions, 3, 195, 196
- Medoff, James, 129
- Menendez, Bob, 148, 150
- MEPT (Multi-Employer Property Trust), 58
- Merkley, Jeff, 202, 211
- Merrill Lynch, 113, 147, 171–72, 190, 194, 203
- Metcalf, Lee, 33
- Metropolitan Life Insurance Company, 31–32
- Metzenbaum-Rosenthal Corporate Democracy Act (1980), 153
- Mexico, 79, 101, 150
- M-form (multidivisional) companies, 52
- MGM Grand Hotel (Las Vegas), 69
- Microsoft, 96, 134, 137, 287n30
- Milken, Michael, 42
- Mills, C. Wright, 23
- Millstein, Ira M., 89, 104
- Minow, Nell, 127, 240n4, 266n3, 282n1, 287n31
- Mirvis, Theodore, 209
- Mishel, Lawrence, 205
- Mitchell, Charles E., 19, 203
- Mitchell, David, 31
- Mnuchin, Steven, 215
- Moberg, David, 118
- Modern Corporation and Private Property, The* (Berle and Means), 17–18
- Mondale, Walter, 141
- Monks, Robert A. G., 38–39, 40; and CalPERS, 45, 103; and the cookbook, 75, 219, 239n1, 276n21, 285n14; and ISS, 102, 103; and LENS fund, 240n4, 308n46; and shareholder primacy, 239n1, 240n4, 282n1, 308n46
- Monks letter, 75
- Morgan, J. P., 13
- Morgan Lewis, 191
- mortgages, 14, 15, 196; subprime, 139, 147, 160, 194, 200, 205, 206, 209
- Moynihan, Pat, 25

- Mozilo, Angelo, 143, 289n36
Mullainathan, Sendhil, 251n53
Mullin, Leo, 136
Munger, Charles T., 145
Münterfering, Franz, 172, 173
Murdock, David, 34
Murphy, Dennak, 97
Murphy, Kevin J., 49
mutual funds, 7, 25, 102, 265n60; and executive compensation, 79; and hedge funds, 206; and private equity, 175; and proxies, 84, 165; and regulation, 79–84; as shareholders, 9, 37, 38, 72, 78–81, 84, 91, 107; and socially responsible investing, 78; and transparency, 60, 78–81, 84; and unions, 72, 78–81, 91; and Volcker Rule, 316n28
Myanmar, 73
NAACP (National Association for the Advancement of Colored People), 199
Nabisco, 167
NACLA (North American Congress on Latin America), 24
Nader, Ralph, 1, 26–28, 55, 81, 88, 199, 223; on accountability, 26, 236n48; on directors, 233n26, 239n1; and proxy access, 153, 154, 160, 294n3
NAM (National Association of Manufacturers), 23, 54, 80, 272n48
Nardelli, Robert, 142–43, 145
NASDAQ, 108, 109, 138, 289n37
National City Bank, 12, 19
National Council of Churches, 101
National Electrical Contractors Association, 122
National Labor College, 93
National Recovery Act, 233n28
National Retail Federation, 81
National Rifle Association, 83
National Semiconductor, 137
National War Labor Board, 21
NCCMP (National Coordinating Committee for Multiemployer Plans), 95
NCPERS (National Conference on Public Employee Retirement Systems), 176
NDC (New Democrat Coalition), 162
neoliberalism, 9, 10, 224
Netherlands, 67, 156, 185, 227n3
neutrality agreements, 57, 189, 218, 255n11; and corporate campaigns, 63–64, 65, 68, 69, 72; and critics, 183, 184, 185, 192; and ETIs, 242n19; and HERE, 69, 72, 94, 187; post-financial crisis, 218; and private equity, 179, 180, 183–85, 186, 187; and SEIU, 35, 64, 65, 68, 72, 94, 179–80, 183–85, 186, 191, 192, 256n12; and UAW, 63, 75, 255n10; and UFCW, 189
New Deal, 9, 10, 18–24, 29, 105, 197
New Jersey, 148, 241n16
New Unity Partnership, 178
New York City, 146. *See also* NYCERS
New York City Central Labor Council, 195–96
New York Life, 31
New York state, 96, 176
New York State Common Retirement Fund, 59, 109
New York state pension plans, 97, 140, 164, 208, 218, 241n16; and political spending, 83, 84; and proxy access, 157, 165
Nicaragua, 101
Nike, 101, 103
Nissan, 63
Nixon, Richard, 25
NLRB (National Labor Relations Board), 66, 268n18; and corporate campaigns, 30, 35, 70, 71, 73, 181, 223; elections process of, 35, 63–64, 70, 312; and illegal anti-unionism, 30, 31, 35, 71, 73, 307n39
Noble Energy, 165
Northern Ireland, 88
Northern Trust, 253n64
Norway, 165, 309n51
Nussbaum, Karen, 196
NYCERS (New York City Employee Retirement System), 34, 45, 59, 68, 94, 140, 276n25; and private equity, 171, 302n16; shareholder proposals of, 89, 218; and share lending, 318n28; unfunded liabilities of, 241n16

- Obama, Barack, 5, 66, 174, 234n37, 289n36, 328n18; and Dodd-Frank, 3, 199, 200, 201, 202, 213, 214; and executive compensation, 141, 145, 147, 148, 151, 205; and financial crisis (2008), 160, 197, 321n44; and Occupy Wall Street, 210, 212; and private equity, 176, 177
- OBE (ordinary business exclusion) rule, 88–89, 115–16, 266n7
- Occupy the SEC, 211
- Occupy Wall Street, 3, 195, 210–13, 223, 320n38
- OECD (Organization for Economic Co-operation and Development), 45, 185
- Office of Investment (AFL-CIO), 99, 141, 188, 220, 268n18; and corporate campaigns, 72, 125; and Enron, 111; *Key Votes Survey* of, 92, 93, 125; and Taft-Hartley pension plans, 90–91, 92. *See also* CWC; PayWatch
- Office of Pension and Welfare Benefit Programs (US Department of Labor), 39
- Okuda, Hiroshi, 52
- Olin, John M., 36
- O’Neal, Stan, 203
- Ontario Teachers’ Pension Plan, 112–13
- Operating Engineers, 120, 122
- Oregon pension plans, 169
- Oregon Steel, 62, 268n18
- organizing, union: of banks, 167, 189–93, 311n69; and financial activism, 1, 93, 188, 197; and membership campaigns, 62, 63–64, 178, 192; and pension funds, 29–35, 57, 59, 85; power of unions’, 2–5, 10; as priority, 60–63, 120, 121–22, 178; and private equity, 178–89. *See also* AFL-CIO; corporate campaigns; CTW; private equity industry; shareholder activism; *individual unions*
- organizing campaigns: banks, 189–92; Beverly Enterprises, 33–35, 180, 238n66; Caremark/CVS, 188–89; Columbia/HCA, 184, 186, 258n21; Farah Manufacturing, 30–31; Hertz, 174–75; Hilton, 187; Home Depot, 142–43; J. P., Stevens, 31–32; Justice for Janitors, 65–67, 94; Las Vegas, 68–69; Manor Care, 181–83, 307n39; Marriott, 71–72; and private equity, 167–93; Ravenswood, 73–74, 259n33; Safeway, 99–100; security guards, 185, 309n51; Station Casinos, 69–71; Walmart, 89, 101–2, 143, 147, 217–18, 221. *See also* corporate campaigns
- Oshkosh B’Gosh, 266n7
- O’Sullivan, Terence, 178
- OUR Walmart (Organization United for Respect at Walmart), 217, 221
- Ovitz, Michael, 127
- Oxley, Michael, 80
- Pacific Lumber, 123
- PACs (political action committees), 81
- Palmer Raids, 15–16
- Parsons, Richard, 125
- Patterson, William (Bill), 69, 80, 115, 118, 308n46; and accountability vs. CSR, 77; and ACTWU, 32–34; and CII, 41, 97; and corporate campaigns, 34, 64, 125; criticism of, 95, 121–22; and CTW, 188, 189, 197; and Durkin, 120, 121; and executives, 75, 127; and financial turn, 32; and Office of Investment, 90–91, 92, 99; and stock options, 137, 138
- Paulson, Henry, 117, 176, 197
- payouts, 3, 42, 51, 249n46, 302n16. *See also* buybacks; dividends
- pay ratios, 148–50, 209, 215, 293n63
- PayWatch, 91, 125, 138, 140, 144–45, 203, 290n41
- PBGC (Pension Benefit Guaranty Corporation), 57, 58, 168, 171, 194
- Pecora, Ferdinand, 19
- Pedrotty, Dan, 156–57, 176, 203, 264n58, 316n18
- Pelosi, Nancy, 197, 209
- Pennsylvania, 54, 238n66. *See also* PSERS
- pension funds: as blockholders, 9, 41–42, 88; and buybacks, 51; and cookbook, 45–50, 79, 98, 218, 241n3; and derivatives, 194–95; and financial activism, 224; foreign, 67, 186, 188; and hedge funds, 173,

- pension funds (*continued*)
205–7, 302n16; and hostile takeovers, 52, 53; and ISS, 102; and junk bonds, 108, 207, 250n51; and Justice for Janitors, 65, 66, 67; long-term interests of, 76, 157, 173, 183, 192, 208; and organizing, 29–35, 57, 59, 65–66, 68, 69, 85; and private equity, 168, 169, 170, 181, 182, 193; and proxy access, 152, 154, 156, 164; and risky assets, 108; of SEIU, 220; and shareholder activism, 40–41, 82, 85–86, 115, 218; and shareholder primacy, 51, 59, 85, 123; and shareholder proposals, 110, 120, 130–32, 266n7; and socialism, 59; and SOX, 117; and stock options, 134, 136; stock ownership by, 7, 9, 10, 39–40, 41, 43, 108; taxes on, 208, 209; of Teamsters, 57, 94, 253n64; trustees of, 7, 21, 22, 43, 57, 58, 59, 75, 76, 93–95, 96, 98, 99, 100, 121, 234n37, 242n17, 269n23, 269n25, 270n38, 302n16; and union density, 94; and union investors, 7, 60, 62, 68, 72, 75–76, 87–88, 92, 218. *See also* pension plans
- pension plans: corporate (single-employer), 22–24, 32, 34, 41, 56, 58, 76, 96, 97, 103, 182, 234n37, 265n60; and coverage, 6–7, 10, 55–56; funding of, 34, 43, 54, 57, 82, 117, 123, 169, 172, 173, 194, 224, 241n16; and high-performance work practices, 266n7; multiemployer, 22, 40–41, 56–58, 87, 96, 182; post-World War II, 21–22; private (single-employer), 56, 58, 76, 264n57; and private equity, 168–72, 182; reversions of, 53, 54, 168, 171, 250n50; and shareholder activism, 40–41, 82, 85–86; and shareholder proposals, 10, 120, 130–32, 266n7; single-employer, 22–24, 32, 34, 41, 56, 58, 76, 96, 97, 103, 182, 234n37, 264n57, 265n60; size of, 10, 41, 55–57, 135; social investments by, 57–58; and Treaty of Detroit, 21; types of, 55–59; underfunding of, 57; for union staff, 58–59; in union vs. nonunion firms, 58
- pension plans, defined-benefit (DB), 10, 35, 82, 92, 168, 252n63, 289n37; and Covid-19, 252n63; vs. DC, 30, 99–100, 114, 240n50, 243n24; and employees, 6–7; and labor unions, 55–56; multiemployer, 56–58; post-World War II, 21–22; private vs. public, 56; in union vs. nonunion firms, 55–56. *See also* pension plans, Taft-Hartley
- pension plans, defined-contribution (DC), 82, 250n50; 401(k)s, 30, 56, 78, 95, 108, 110, 111, 114; vs. DB, 30, 99–100, 114, 240n50, 243n24; and Enron, 110, 111, 114
- pension plans, public, 220, 269n25; access of, 274n14; benefit levels of, 108; and CII, 96, 97; in civil service, 22, 59; and corporate campaigns, 34, 68, 124, 184, 189; and corporate governance, 7, 38, 43, 44, 45–60, 110, 218, 241n13; criticism of, m241n13, 44, 45–60, 110, 123, 218, 280n44; and DC accounts, 82, 99–100; and Enron, 110, 112; and executive compensation, 130, 146; and hedge funds, 206, 303n18; and hostile takeovers, 250n52; and Justice for Janitors, 66, 67; long-term interests of, 40, 76, 207; and organizing, 34, 65, 68, 124, 184, 189; and performance, 50, 185, 207, 219; and placement fees, 170, 303n17; vs. private, 56; and private equity, 169, 170, 180, 182, 301n7; and private sector employees, 53, 123, 169, 280n44; privatization of, 100; and proxy access, 152, 153, 154, 161, 162; and Republican Party, 59, 242n19, 252n63; and shareholder activism, 40–41, 63, 109; and share lending, 206, 318n28; stock ownership by, 39–40; and TARP, 198; and transparency, 207; unfunded liabilities of, 241n16; vs. union plans, 97. *See also particular states and cities*
- pension plans, Taft-Hartley (multiemployer DB), 33, 56–58, 96, 120, 122, 140, 318n26; and AFL-CIO, 90–93; and allies, 2, 7, 22, 31, 32, 64, 67, 68, 72, 73, 82–83, 89, 96–97, 100–102, 103, 146, 154, 161; and building trades, 95, 96, 119, 122, 132, 210; and CII, 40–41, 90–91, 92; and criticism, 85, 163, 274n14; and CTW, 189; and deindustrialization, 33; and executive access, 61, 115,

- 123–24, 274n14; guidelines for, 75, 76, 103; and hedge funds, 206; and job creation, 33, 57–58; and member participation, 55, 56, 85, 95–97; and Office of Investment, 90–91, 92; and private equity, 169–70, 182; and shareholder activism, 22, 33, 34–35, 61, 87, 109, 110, 115, 120, 123, 131–32, 137, 140, 158, 161, 163, 179, 218, 279n43
- pension plans, union, 1, 5, 97, 159, 184, 206, 274n14; and proxy access, 152, 161, 162, 163; and TARP, 198; vs. union-influenced, 227n1
- Perdue, Kenny, 196
- performance, corporate: and corporate governance, 43, 44, 46–48, 50, 76, 77, 245n30; and employees, 55, 129; and executive compensation, 2, 125, 127, 129, 130, 145–48, 150, 203–4; and high-performance work practices, 266n7; measurement of, 46; and proxy advisors, 103; and share prices, 46, 47; and stock options, 132, 133
- Perot, H. Ross, 42
- Perry, Rick, 214
- Peterson, Peter G., 186
- Pfizer, 41, 102, 145, 146
- Phalippou, Ludovic, 169, 170
- Pickens, T. Boone, 42, 52, 153, 173
- Piketty, Thomas, 3
- Pilgrim Pride's, 188
- PILMA (Pharmaceutical Industry Labor-Management Association), 122–23
- Pitt, Harvey, 79, 135
- Pittston Coal, 62–63
- placement fees, 170, 248n1, 303n17
- Plumbers union, 115, 120, 122
- PNC/National City, 190
- poison pills, 42, 68, 71, 76, 176; and the cookbook, 219, 240n4; and Office of Investment, 91, 92; and takeovers, 46, 47, 48, 54, 63
- political spending, 37, 81–86, 92, 178, 218, 263n51
- Portman Companies, 66
- Pound, John, 60, 86, 88, 243n24
- power structure research, 24–25
- Pozen, Robert, 118
- Prevost, Andrew, 86
- PRI (Principles for Responsible Investment), 77, 165, 309n51
- PricewaterhouseCoopers, 115
- Prince, Charles O., III, 203, 204
- private equity industry, 167–89, 201, 300nn1–3; and AFL-CIO, 175–76; centralization of, 193; corporate governance in, 223; and demonstrations, 184, 185, 190, 191; and Dodd-Frank, 176–77, 216; and employee wages and working conditions, 170, 171, 173, 174–75, 182–83; and financial crisis (2008), 197, 216; foreign, 185; and hedge funds, 167, 168, 170, 176, 177, 206, 302n16; investors in, 168–72; and labor unions, 170–71; and nursing homes, 179–83; and NYCERS, 171, 302n16; private orderings in, 6, 28, 50, 83–84, 111–12, 128, 203, 214; and regulation, 175, 177, 181; and SEIU, 167, 173–75, 177, 179, 180–83, 187–88, 307n44; and taxation, 167–68, 175–76, 187, 193, 300n2, 308n46; and unionized firms, 169, 170, 172, 174
- PRO Act (Protecting the Right to Organize Act), 222–23
- Progressivism, 10, 12, 13
- proposals, shareholder, 48, 93, 173, 188, 280n46; as binding resolutions, 91–92; from building trades, 109, 120, 122, 123; and the cookbook, 66; costs of, 62, 86; and Dodd-Frank, 215; and dot-com bubble, 109–10; on environmental issues, 64, 100; on executive compensation, 88, 126, 129–32, 147, 150, 284n10, 289n37; and income inequality, 294n5; influence of, 44–45; and majority voting, 158–59, 297n21; of NYCERS, 89, 218; and OBE, 88–89; opposition to, 79, 85–86; and organizing, 61, 62, 64; and political spending, 84; post-financial crises, 115, 218; and proxy access, 152, 153, 163, 164, 165; restrictions on, 88–89; and SEC, 87–89, 124; on social issues, 89, 102; on stock options, 137, 139; on transparency, 80, 220

- proxies: guidelines for, 75–78; and hedge funds, 206; and SEC, 87–89; and shareholder activism, 25–26, 38, 77, 128; and transparency, 78–84; voting of, 78–84, 87–89, 90, 266n7
- Proxies for Health Campaign, 34
- proxy access, 27, 76, 77, 118, 152–66, 294n3, 327n17; and capitalism vs. democracy, 158; and Dodd-Frank, 209, 215; and majority voting, 158–59, 161; and mutual funds, 164–65; post-financial crisis, 160–66, 218, 219; regulation of, 120, 153–55, 157–64; and SEC, 115, 152, 153, 155–66, 298n34, 299n36
- proxy advisors, 75, 102–4. *See also* Glass, Lewis & Co.; ISS (Institutional Shareholder Services)
- ProxyVote Plus, 279n43
- Prudential, 146
- PSERS (Pennsylvania State Employees' Retirement System), 169, 205–6, 207
- Public Citizen, 199
- Public Company Accounting Oversight Board, 118, 135
- public opinion: on big business, 24, 114; and CalPERS, 44, 100; on capitalism, 223; and Democrats, 5, 144; and Dodd-Frank, 214; and executive compensation, 114, 144, 199, 316n20; on unions, 24, 65, 114, 223, 224; on Wall Street, 147, 194, 210–12, 321n44
- Pujo, Arsène, 12
- Pujo Committee, 12, 13
- Pulte Group, 123
- Putnam, 72
- PVS (Proxy Voting Services; ISS), 103
- Qwest, 113
- railway unions, 15, 22
- Rajan, Raghuram, 9, 10, 221–22
- Ravenswood Aluminum, 73–74
- Raynor, Bruce, 32, 178, 187, 191, 192, 193
- R&D (Research and Development), 51, 52, 245n30, 260n37
- Reagan, Ronald, 30, 89, 105, 106, 107
- real estate, 179. *See also* REITs
- Redstone, Sumner, 148
- Reed, Jack, 177
- Rees, Brandon, 91, 144
- Regan, Bill, 200
- regulation: and audits, 115, 116, 117–18; of banks, 19, 108, 115, 147, 199–202, 215; and corporate charters, 27, 222; of derivatives, 12, 200, 201–2, 214–15; of directors, 27, 209, 222; and disclosure, 19, 27, 111, 112, 117, 138–39, 209, 223; of fraud, 113, 116, 132, 198, 208–9; of hedge funds, 177, 205–6; of mutual funds, 79–84; of pension plans, 21–22, 58, 75–76, 82, 85; of political spending, 81–86, 92, 263n51; of stock options, 134–36, 139–41, 147. *See also* deregulation; laws
- Reich, Robert, 105, 266n7, 273n6
- Reid, Harry, 197
- REITs (Real Estate Investment Trusts), 65, 66, 94, 174, 180, 181
- Relational Investors, 170, 173, 301n10
- Renault, 63
- Republican Party, 89, 119, 328n18; and Dodd-Frank, 195, 213, 214, 215, 322n48; and gold standard, 233n29; and pension plans, 59, 82, 97, 100, 242n19, 250n50, 252n63; and political spending, 83, 84; post-financial crisis, 223; and private equity, 177, 187; and proxy access, 152, 158, 159–60, 162; and say on pay, 144, 145; and SOX, 117; and stock options, 135, 141, 289n36; and transparency, 80
- Responsible Wealth, 153–54, 294n5
- RestoretheTrust.com, 138
- Reuther, Walter, 20–21, 58, 174
- Revenue Act (1950), 132
- Revenue Reconciliation Act (1993), 107
- Revlon case (1986), 53
- Reward Work Act (2018), 221, 222
- Rich, Marc, 74, 259n33
- Richardson, John M., 102
- RICO (Racketeer Influenced and Corrupt Organizations), 74

- Riegel-Neal Interstate Banking and Branching Efficiency Act (1994), 107
- Rifkin, Jeremy, 33
- Ripley, William Z., 16
- risk: and derivatives, 194–95, 201; and ESOPs, 54; and executive compensation, 132, 133, 136, 139, 147, 202–5, 317n23; and financial crisis, 147, 183, 201, 210; and hedge funds, 201, 205, 206, 218; and pension plans, 56, 108, 194, 253n64; and private equity, 168–69, 174, 201; and shadow banking system, 197, 317n25; and short-termism, 245; and Third Way, 105–6; and unions, 113; and workers, 30, 105–6, 219, 224
- Rite Aid, 188
- RJR Nabisco, 308n46
- RMBT (UAW Retiree Medical Benefits Trust), 220
- Roberts, George, 184
- Roberts, John, 239n71
- Roche, James, 26
- Roche, Josephine, 233n28
- Rockefeller, David, 29
- Rocky Mountain Fuel, 233n28
- Rodgers, John D., 207
- ROE (return on equity), 76, 203–4
- Rogers, Ray, 31, 32, 64, 237n58
- Rolf, David, 218
- Romano, Roberta, 116
- Romney, Mitt, 174, 201, 214
- Roosevelt, Franklin D., 18, 19, 105
- Roosevelt, Theodore, 3
- Rosenthal, Steve, 5
- Ross, Wilbur J., Jr., 171, 278n34
- Rosselli, Sal, 180
- Rubenstein, David M., 180, 182, 183, 307n39
- Rubin, Robert, 277n30
- Ruggie, John, 20
- Sabo, Martin Olav, 149–50
- SAFE Banking Act, 200
- Safeway Stores, 54, 99, 100, 303n17
- Salomon Brothers, 44
- Sanders, Bernie, 221, 320n35
- Sandino, Tatiana, 137
- Santa Fe Casino Hotel (Las Vegas), 70
- Sarbanes, Paul, 140, 206
- SAS (private software company), 55
- say on pay. *See* compensation, executive
- Scaife, Richard, 36
- Scalia, Eugene, 85, 163, 164, 215, 264n57, 323n50
- scandals, and pension funds: and CalPERS, 241n9, 301n10, 303n17; and Teamsters, 64, 253n64; and ULLICO, 119. *See also* placement fees
- scandals, corporate: and dot-com crash, 109; and Enron, 46, 106, 109, 112–13, 119; and executive compensation, 129, 147, 151, 289n37; and proxy access, 158. *See also* executives: criminal activity of; stock options: backdating of
- Schapiro, Mary L., 160–61
- Schatz, Brian, 221
- Schering-Plough, 146
- Schippani, Michael, 28
- Schröder, Gerhard, 105
- Schumer, Charles, 118, 148, 161–62, 174, 176–77, 209
- Schwarzenegger, Arnold, 99, 183
- Schwarzman, Stephen, 176, 177, 186, 187, 193
- Scott, Lee, 101
- Scrushy, Richard, 138, 258n21
- SDP (Social Democratic Party; Germany), 172
- SDS (Students for a Democratic Society), 24
- Sears, Roebuck, 44, 154, 240n4
- SEC (Securities and Exchange Commission): and buybacks, 50, 325n11; and Congress, 87, 160–64; and corporate governance, 26; and derivatives, 200; and Dodd-Frank, 214, 215; and Enron, 115; and executive compensation, 88, 102, 142, 146, 150, 203, 205; on fraud, 276n25; and lawsuits, 89, 113, 163, 211; and OBE, 101, 115–16; and Occupy Wall Street, 211; and political spending, 83–84; and private equity, 175, 177; and proxies, 87–89; and proxy

- SEC (Securities and Exchange Commission)
(*continued*)
access, 115, 152, 153, 155–66, 298n34, 299n36;
and shareholder proposals, 87–89, 124; and
short selling, 318n28; and SOX, 117, 118; staff
of, 266n5; and stock options, 135, 136, 137,
138, 139, 140, 288n34; and transparency, 79,
80, 85, 141; and Vote No campaigns, 125
- Securitas (Sweden), 185
- Securities Act (1933), 19
- Securities Exchange and Banking Acts (1933,
1934), 19
- Securities Industry & Financial Market
Association, 81
- SEIU (Service Employees International
Union), 24, 61, 100, 269n23; and banks,
189–93; vs. building trades, 119, 120; and
corporate campaigns, 31n69, 33–35, 65–67,
71–72, 92, 94, 181–87, 189–92, 238n66,
256n15, 258n21, 307n39, 307n43, 309n51;
criticism of, 192–93; and CTW, 178–79;
and CWC, 93–94; and executive compen-
sation, 289n37; financial activism of, 64, 186,
192; and financial crisis (2008), 196; and
fraud, 306n38; and home-based healthcare,
323n1; and hospitals and nursing homes,
67–68, 306n38; and international cam-
paigns, 184–85, 186; and Justice for Janitors,
65–67, 256n14; Master Trust of, 64, 67, 68,
190, 267n10; membership of, 30, 193; and
minimum wage, 217, 218; and neutrality
agreements, 186, 192, 256n12; and Occupy
Wall Street, 213; pension plans of, 57, 220;
and politics, 64, 82, 161; and private equity,
167, 178–88, 307n44
- Senate. *See* Congress, US
- Senate Banking Committee, 19, 140, 145, 150,
197, 203, 204
- September 11, 2001, attacks, 73, 136
- Sessions, Pete, 85
- Shad, John, 51, 89
- Shaffer, Jono, 65
- shareholder activism, 1–2, 8, 60–86, 242n17;
and CalPERS, 44–45, 50; and collateral
interests, 60, 62, 96, 101, 121, 123, 125–26,
147, 157, 159, 165, 188–89, 254n5, 264n68,
265n60; and collective bargaining, 73–75;
and the cookbook, 75–78; and corporate
campaigns, 34, 63–73; vs. hedge-fund
activism, 302n16; infrastructure for, 89–96;
and litigation, 241n14; new forms of,
123–26; obstacles to, 85–86, 87–104; and
Occupy Wall Street, 213; and organizing,
60–63; post-financial crises, 115, 218,
219; results of, 50–52; and shareholder
rights, 40, 42, 44, 87–88; and transparency,
78–84
- Shareholder Bill of Rights Act (Cantwell-
Schumer), 161–62, 209
- shareholder primacy, 2–3, 7, 16–18, 26–28,
35–37, 77, 87, 232n26, 239n1; and blockhold-
ers, 42; and corporate governance, 17–18,
45–46, 52; vs. creditors, 36, 53, 55, 156; and
Dodd-Frank, 209–10; vs. employees, 24,
222; legal case on, 238n69; vs. managerial-
ism, 10, 17–18, 36, 38, 55, 75; vs. ownership,
228n10; and pension funds, 51, 59, 85, 123;
post-financial crisis, 219; in post-war
period, 22–24; and residual claimants,
36–37, 221; and unions, 60
- shareholders: abuse of new, 19; as corporate
constituency, 27, 51, 53, 86, 156, 222, 251n53;
and corporate governance, 5, 6–7, 9–10, 37,
38, 43, 46, 59, 75, 110, 115; dispersed vs.
blockholders, 41–42, 45, 88, 232n25; and
employees, 1, 3, 6, 13, 15, 20, 21, 24, 36, 51–53, 60,
97, 105, 119–20, 128, 156, 166, 169–70, 220,
222, 223, 242n19, 251n53, 269n23, 287n30;
and executive compensation, 128–29, 151;
and executives, 8, 23–24, 36, 40, 41, 44, 49,
55, 61, 87–89, 126; and financialization, 15–18,
22–24, 35–37; as individuals vs. institutions,
37; labor unions as, 2, 60–86; mutual funds
as, 9, 37, 38; numbers of, 6–7, 11, 16, 17, 108; and
payouts, 3, 12, 42, 249n46; and political
spending, 83; post-financial crisis, 219;
potential power of, 105; rights of, 1, 11–12, 27,
40, 44, 46, 47, 87–89, 153–55, 157–64, 219;

- short-term, 245n30, 260n37. *See also*
proxy access
- share lending, 206, 296n20
- Sheetmetal Workers, 120, 122
- Sheinkman, Jack, 30–31, 61, 90, 197
- Shelby, Richard, 140, 196–97, 206
- Sherman Anti-Trust Act (1890), 11, 230n7
- Shinn, James, 6
- Shinn, Richard, 32
- Shleifer, Andrei, 53
- short-termism, 12, 39, 53, 55, 76, 172–73, 207–10,
219, 245n30, 260n37
- Silicon Valley, 67, 134
- Silver Purchase Act (1934), 233n29
- Silvers, Damon, 119, 162, 177, 206, 318n29; and
banks, 200, 204; on directors, 77, 141; and
Dodd-Frank, 197–99, 201, 202, 213, 214,
215; on financial crises, 109, 111, 113; and
proxy access, 155, 160, 165; on shareholder
activism, 61, 120; on shareholder rights,
115–16; and SOX, 117, 118; and stock options,
133, 136, 286n21; and TARP, 315n16
- Sisters of Mercy–Detroit, 82
- Sisters of the Holy Names of Jesus and Mary,
150
- Skeel, David, 205
- Slavkin, Heather, 200, 202, 213
- Sleigh, Steven, 95
- Smith, David, 144, 165, 179, 181, 187
- Smith, Jack, 42
- Smith, Roger, 42
- Smith Barney, 99
- Snow, John, 140
- socialism, 14, 59, 223
- Socialist Party, 13
- Social Security, 21, 22, 80, 263n52
- Sodexo (France), 184, 185
- Somers Building Management, 67
- South Africa, 34, 88, 100; divestment from,
28, 29, 38, 39, 70
- Southwest Airlines, 266n7
- Soviet Union (USSR), 160
- SOX (Sarbanes-Oxley Act; 2002), 79, 113,
115–19, 154, 277nn28–29, 286n21; and
Dodd-Frank, 202, 209; and executive
compensation, 143, 205; opposition to,
117–19; and stock options, 135, 136, 138, 140
- Specter, Arlen, 198
- Spitzer, Eliot, 79
- SRI (socially responsible investing), 78, 103.
See also investors, socially responsible
- stakeholders, 2, 6, 23, 36, 46, 53–55, 105, 133,
222–23, 236n48, 273n3, 327n16
- Stanley Corporation, 79–80, 98
- Stark, Pete, 181
- Starwood Hotels, 137
- State Street Corporation, 72, 80, 165, 220
- Station Casinos, 70–71
- steel industry, 62, 73–75, 92, 157, 268n18;
mini-mills in, 259n34
- Steelworkers union, 41, 268n18, 280n44; and
corporate campaigns, 73–75, 92, 101; and
private equity, 171, 173
- Stein, Judith, 29, 30
- Stella D'oro Biscuit Company, 169
- Stempel, Robert, 42, 106
- Stern, Andrew, 61, 162, 178; and nursing homes,
179–80, 238n66; and private equity, 173–74,
175, 187; and SEIU, 35, 68, 184, 191, 192, 193
- Stevens, Whitney, 32
- Stewart, Martha, 113
- Stiglitz, Joseph, 220, 221
- stock market: crises in, 57, 105–6, 109;
development of, 9, 11; exuberance in, 6,
16–17, 43, 108, 110, 134, 210, 274n12; foreign,
160; public opinion on, 194; regulation of,
12, 19, 20, 85, 117, 191, 194, 221; speculation in,
12, 16–17, 18. *See also* compensation,
executive: stock-based; dot-com bubble;
shareholder primacy
- stock options, 49, 285nn14–15, 286n21, 287n31,
287n50, 289n36; backdating of, 139–41, 143,
145, 189, 246n34, 288n34; for directors,
246n34; for employees, 287n30; and
executive compensation, 132–41, 149, 203,
204; expensing of, 133–39, 154–55, 160; vs.
other types of stock-based pay, 137, 138;
post-financial crisis, 219

- stock ownership, 6–7, 16–17, 41, 52, 71, 78, 105, 107, 108, 173, 198, 207, 210, 212, 232n25, 250n51; and pension plans, 55
- Stone, Warren S., 14
- Stout, Lynn, 36–37, 46, 53
- strikes, 11, 13, 19–22, 62–63, 67, 99; of air traffic controllers, 30; and corporate campaigns, 2, 30–31, 33, 74, 192; decline of, 29–30; fear of, 18; vs. financial activism, 69, 73; post-financial crisis, 217; reserve funds for, 22, 58; and Steelworkers, 74–75, 92, 171, 268n18; and Treaty of Detroit, 21
- Strine, Leo E., Jr., 156, 223
- Studebaker, 58
- Stulz, René, 210
- Summers, Lawrence, 53, 107, 201, 202
- SunTrust, 190
- suppliers, 6, 64, 283n6; corporate responsibility to, 38, 55, 156; foreign, 91, 103; vs. shareholders, 36, 156
- Sweden, 67, 227n3
- Sweeney, John, 35, 95, 108, 119, 267n10, 277n30; at AFL-CIO, 61, 87, 89–90, 93, 121, 196; and proxy access, 160, 162; and SOX, 116; and stock options, 135, 141
- SWFs (sovereign wealth funds), 182
- Switzerland, 74
- Swope, Gerard, 18
- Taft-Hartley Act (1947), 22. *See also* pension plans, Taft-Hartley
- takeovers, 103, 289n37; barriers to, 45, 46–47, 48, 53, 54, 63, 92, 244n28; and CalPERS, 47, 53, 54, 123, 280n44; hostile, 38–39, 42, 52–55, 91, 123, 244n28, 250n51; and long- vs. short-term interests, 76, 244n28; and shareholder activism, 46, 62–63; and shareholder proposals, 48, 91; and wages, 53, 251n53
- TARP (Troubled Asset Relief Program), 197–99, 213, 315n16; and banks, 190, 198–99, 203, 204, 321n44; and executive compensation, 147–48, 198–99, 292n55, 317n23
- taxation, 20, 21, 27; on carried interest, 167, 170, 175, 176–77, 187, 300n2, 322n46; of executive compensation, 106–7, 133–34, 149, 167, 170, 175, 176–77, 187, 300n2, 322n46; and income inequality, 107, 221, 294n5; and Occupy Wall Street, 211, 212; post-financial crisis, 224; and private equity, 167–68, 175–76, 187, 193, 300n2, 308n46; and stock options, 133–34; on transactions, 22, 208–9, 211, 212, 319n34, 320n35
- TCI (British hedge fund), 303n18
- Teamsters Union, 30, 79, 91, 189, 289n37; and corporate campaigns, 65, 308n46; corruption in, 57; pension plans of, 57, 94, 253n64; post-financial crisis, 218; and private equity, 171–72, 179; and proxy access, 159, 163; reserve funds of, 253n68; and shareholder activism, 120, 122, 124, 125
- Tea Party, 212
- tech bubble. *See* dot-com bubble
- TechNet (The Technology Network), 135, 136
- technology industry, 67, 96, 134, 135, 137, 138, 287n30, 327n17
- Tenet Healthcare, 64, 256n12
- Teslik, Sarah, 40, 42–43, 97, 116, 153, 154, 242n19
- Texaco, 40, 44, 153
- Texas Instruments, 46
- Thain, John, 189
- Thatcher, Margaret, 105
- Third International, 15
- TIAA-CREF, 45, 140, 165, 208, 219, 243n24
- Time Warner, 44
- Timken Corporation, 173
- TNEC (Temporary National Economic Committee), 232nn24–25
- Tobin, James, 22, 208, 320n35
- Tommy Hilfiger, 175
- Toner, Robin, 144
- Torricco, Alberto, 182
- Toyota, 52
- TPG (private equity firm), 173
- Trades Union Congress, 186
- Trade Union Advisory Council (OECD), 185
- Training Institute (AFL-CIO), 90

- transparency, 78–84; Brandeis on, 12, 19, 27, 50, 84, 149; business opposition to, 85–86, 293n63; the cookbook on, 46, 50, 60, 203; and Dodd-Frank, 215; and executive compensation, 19, 50, 129, 130–32, 141, 148–50, 234n32; and Federal Reserve Bank, 198, 199; of political spending, 81–84; post-financial crisis, 218, 222; and private equity, 168, 169, 174, 186, 188, 192; shareholder proposals on, 80, 220; and stock options, 133, 139, 140, 203
- Treasury Department, US, 76, 85, 117
- Treaty of Detroit (1950), 21, 23, 30, 52, 128
- Trizec Properties, 187
- Truman, Harry, 20
- Trumka, Richard, 63, 196; and Dodd-Frank, 213; and executives, 75, 143; financial activism of, 90, 92, 206; and private equity, 171, 175, 177; and proxy access, 157, 158, 160; and stock options, 137, 141; and “too big to fail” legislation, 201; and transparency, 79, 80
- Trump, Donald, 171, 177, 205, 215, 218, 264n57
- TUC (Trades Union Congress; UK), 157
- TWA, 53
- Tyco, 113, 276n21
- UAW (United Auto Workers), 19, 21, 52, 58, 63, 92, 220, 255n10
- Uehlein, Joe, 35, 74
- UFCW (United Food & Commercial Workers union), 57, 65, 96, 143, 165, 179; and corporate campaigns, 34–35, 189; and Walmart, 101–2, 217–18, 221
- UFE (United for a Fair Economy), 149–50
- ULLICO (Union Labor Life Insurance Company), 14, 119
- Ulman, Lloyd, 3
- UMW (Mine Workers Union), 62–63
- UNI (UNI Global Union), 185, 187, 308n48, 309n51
- UNISON (UK), 186, 309n51
- Unitarian Universalist Association, 101
- UNITE (UK), 186
- UNITE (Union of Needle Trades, Industrial and Textile Employees), 64, 65, 91, 94, 120, 125, 237n60; and HERE, 69, 178, 179, 187
- United Airlines, 157
- United Farm Workers, 32
- United for a Fair Economy, 294n5
- United for Respect, 221
- UnitedHealth Group, 141, 159
- United Kingdom (UK): corporate governance in, 6, 45; executive compensation in, 143; pension plans in, 97, 103, 227n3, 253n66; and private equity, 172; and proxy access, 156; and say on pay, 142, 290n41, 292n59; and SEIU, 67, 185, 309n51; and shareholder activism, 61, 326n12
- United Nations (UN), 77
- United Shareholders Association, 153
- UNITE HERE, 69, 178, 179, 187
- Universal Health Services, 306n38
- Unocal, 97
- Unocal* case (Delaware; 1985), 53, 54
- Unruh, Jesse, 39, 40, 123
- Urban League, 199
- Urban Outfitters, 103
- US Chamber of Commerce, 81, 85, 99, 123, 146; and proxy access, 157, 161, 163; and stock options, 135, 140
- Useem, Michael, 41
- US Foodservice, 184
- USS (British pension plans for university employees), 97
- Valdes, Charles, 41, 241n9
- Van den Steen, Eric, 239n71
- Vanguard Group, 78, 79, 81, 165, 220
- Vencor, 67
- Venetian Hotel (Las Vegas), 69–70
- venture capital, 134, 136, 167, 168, 176
- ver.di (German service-workers union), 185
- Viacom, 148
- Vietnam War, 28
- Vishny, Robert, 53
- Vogel, David, 128
- Volcker, Paul, 200

- Volcker Rule, 202, 214, 215, 316n18
- Voss, Kim, 312n73
- Wachovia Bank, 80, 196
- Wachovia/Wells Fargo, 190
- Wackenhut, 309n51
- wages, 76, 98, 101, 251n53, 266n7; and buybacks, 51, 220; concessions on, 30, 73, 157; and financial crisis (2008), 217, 223; gains in, 232n23; inequality in, 3, 90, 106, 144, 149–50, 283n6; and minimum wage, 20, 65, 217, 218, 323n4; and pay ratios, 148–50; and pensions, 21, 55; and private equity, 168, 169, 170, 179; and productivity, 30, 52, 129; and responsible-contractor policy, 65, 66, 67; stagnant, 2, 106, 144, 196, 224, 232n23; and takeovers, 53, 251n53; union vs. nonunion, 4, 7, 16, 259n34. *See also* shareholders: and employees
- Walden Asset Management, 83, 146
- Walgreens, 165
- Walker, David, 133
- Walker, Matt, 69, 72
- Walmart, 62, 89, 143, 147; and UFCW, 101–2, 217–18, 221
- Walsh, Frank P., 19
- Warner, Mark, 162, 223
- Warren, Elizabeth, 197, 200, 201, 202, 221, 222, 315n16
- Washington State: pension plans in, 169, 183, 184, 186; Worker-Owner Council of, 96
- Waxman, Henry, 203, 314n10
- Weill, Sandy, 108, 125
- Weingarten, Randi, 196
- Weirton Steel, 157
- Welch, Jack, 127, 136, 138, 143, 150, 276n21
- Wells Fargo, 190, 196, 268n18
- Western Federation of Miners, 11
- Westinghouse, 44
- Westphal, James, 126
- Wharton School, 95
- Wheeling-Pittsburgh Steel, 92
- Whirlpool, 44
- White, Mary Jo, 84
- Whitworth, Ralph, 173, 303n17
- Whole Foods, 164
- Wilhelm, John, 69, 73, 178, 192
- Williamson, Oliver, 52
- Wilmers, Nathan, 5
- Wilshire Associates, 62, 247n38
- Wilson, Charles, 20
- Wilson, Pete, 44
- Wilson, Woodrow, 11
- Windstream, 147
- Winpisinger, William, 33
- Wisconsin, 13, 32, 103, 109, 266n7
- Wolf, Pat, 102
- Woodruff, Tom, 184
- Worker-Owner Councils, 95–96
- workers. *See* employees
- Workforce Investment Disclosure Act (2020), 223
- Working America (AFL-CIO), 5, 196
- WorldCom, 113, 114, 116, 119, 133, 158
- World War II, 21
- Wynn, William H., 28
- Xerox, 28, 33, 39
- Yerger, Ann, 130
- Yokich, Stephen, 51, 52
- Young, Beth, 62, 97, 99, 125, 130, 158, 254n4
- Young, Owen D., 18
- Yucaipa Companies, 170
- Zelenko, Carin, 124
- Zingales, Luigi, 9, 10
- Zucker, Michael, 89, 154
- Zuckerman, Mortimer, 66