

Needed: Abolitionists

Sweatshops in the Los Angeles garment industry should be object of reform advocates

Book Review by David Simcox

The muckrakers of the early 20th century would feel kinship with the authors Bonacich and Appelbaum. Their book is not the mathematical sociologists' cautious tome pocketed with numbing regression tables, but an angry jeremiad again injustice, exploitation, racial manipulation and intimidation in the flourishing Los Angeles women's apparel industry. The muckrakers, though, would be disappointed and puzzled that the workplace abuses they helped expose in the Progressive era have crept back into American garment-making, food processing, agriculture, and other immigrant-employing industries with a virulence that matches the ugliness of the workplace a century ago.

This case study of the pathologies of a particular industry in a particular city (the authors are quick to note that San Francisco and even hard-boiled New York have had greater success in taming sweatshops) underscores a much broader question: Why is U.S. society turning away so mindlessly from the progressive heritage of high standards and fair play in the workplace, housing, public education, civic life, and the marketplace? Why have we become so complacent about lowering the values that gave America its envied qualities? And who or what is to blame for the sickness in Los Angeles?

Globalization and Old-Fashioned Greed

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Bonacich and Appelbaum see a number of demons at work. There is of course "globalization" of the market for garments, a convenient reification if there ever was one to distance ourselves as consumers and investors from the facts of our own greed gone global. The abuses are greatest in the women's fashion industry with its high component of custom work and its demand for rapid adjustment to changing fads. (Producers of men's clothing have the market stability and capitalization to concede somewhat better wages and job security.) One

outcome of globalization on the U.S. fashion industry has been the emergence of mass retailers and discounters such as Walmart, Dayton-Hudson, and Sears as "price-makers" who ruthlessly use oligopolistic power and their option to purchase or produce offshore to hold down the costs of the garments they demand from the manufacturer.

With their reduced bargaining power, Los Angeles manufacturers, to keep their hefty profits, have little choice but to accept the retailers' terms and impose even tighter cost limits on the contractors who will actually make the garments. The contractors then pass the austerity along in spades to their powerless immigrant workers.

The lopsided distribution of the returns from sales display the wages of injustice. For a dress sold at retail for \$100, the retailer gets \$50.00, the manufacturer receives \$35.00, the contractor gets \$15, of which about \$6.00 is split among the workers. Little wonder then that contractors forego such frills as the minimum wage, overtime, and stable hours.

The Contractor System: Ending Employer Responsibility

This citadel of exploitation has effectively resisted

Behind the Label: Inequality in the Los Angeles Apparel Industry

by Edna Bonacich and
Richard E. Appelbaum
Berkeley, CA: University of
California Press
395 pages, \$22.50 paperback



all attempts at change. Unions have a tough time organizing a frightened workforce with zero job security. The immediate employers use their contractor status to dodge responsibility for abysmal working conditions. Contractors are highly mobile and elusive. With little capital invested, they are free to abruptly close businesses, change locations, and reopen under new names, usually a step ahead of the union organizer or wage and hour inspector. Similarly, the manufacturer is able to shun any responsibility for the labor practices of his contractors and to transfer much of the risks of an unpredictable market to the contractors and their workers. The authors wearily conclude that the industry itself is structured to make sweatshops the norm rather than the exception.

As in America's corrupt perishable crop agriculture labor system, and more recently in the rising number of "body shops" contracting out foreign computer programmers, the tyranny of the contractor system is the ease with which it insulates employers from responsibility for their work forces. The authors also see racial manipulation by manufacturers in the industry's division of labor as a barrier against worker solidarity: the contractors are largely Asian and the shop workers largely Mexican and Central American.

Local Government: Coddling an Exploitive Industry

Retailers, manufacturers, and even some of the contractors are doing very well under this system. The Los Angeles garment industry, studded with politically-active and well connected millionaires, is lionized, coddled, and at times subsidized by Los Angeles area local governments, who bask in the city's renown as a "world fashion center." This fashion capital with the glitter of Hollywood draws free-spending visitors from around the world.

The authors estimate that the fashion industry in Los Angeles County employs over 150,000 workers. Perhaps a third of that number work in Orange and other neighboring counties. Two-thirds of women's apparel workers are women and more than seventy percent are undocumented. About a quarter to a third of the contractors are unregistered, underground shops. But the registered ones offer only marginally better labor conditions. The Labor Department estimates that sixty-one percent of registered firms are at some time during the year out of compliance with wage and hour laws.

Only the narrowest of visions allows Los Angeles and its satellite cities to value such a Dickensian industry so highly. They are using public power to preserve and encourage an industry in which in 1990 the average garment worker made \$7,300 a year — a sum seventeen percent lower than what a minimum wage worker would earn working full-time for one year. This is an industry that stiffes its workers for more than \$72 million a year in unpaid wages. All this hardly suggests the sort of

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desirable tax and consumer base that rational economic planners would covet.

One explanation is that much of the considerable cost of caring for and educating a deeply impoverished workforce and its dependents is left to the Federal government or to the State of California. The significant external costs that the industry imposes on local governments in the form of crowded housing, disease, and fire and safety code standards seem to be ignored on municipal balance sheets. The authors recall that the City of Los Angeles, alarmed by the prospect of the sweatshops going offshore, led in creating an advocacy organization, the California Fashion Association. The association had a "labor committee" packed with industry representatives, but no one representing labor.

Thus a public entity, the city, has helped to create an organization that is manifestly pro-business and anti-labor, reflecting the relative power and access of each (p. 274).

The Neo-Liberalism of L.A.'s Liberals

One startling contradiction the authors find is that the owners and beneficiaries of the Los Angeles fashion industry are not rock-ribbed laissez faire Republicans or Libertarians, but mostly liberal Democrats with considerable clout in the upper reaches of the party. Most are European-Americans, though Asian-Americans have made some inroads into the privileged circle. One is reminded of Max Weber's definition of ideology as

“interest-based thought” when reading Bonacich and Appelbaum’s discussion of the elaborate edifice of justification built by the professedly liberal employers and their defenders.

Exploitation? Quite the opposite. The employers claim to be rendering a vital service of providing jobs to poor, inexperienced, and unlettered immigrant workers. Many of these workers are not even worth the minimum wage, they argue. They would be altogether jobless and penniless if society insisted on imposing destructive wage and overtime obligations. And (naturally) the added costs would force the industry to transfer its work abroad. The industry thus deserves praise, not brickbats, for providing a vital entry-level foothold in the labor force for

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low-skilled newcomers to America.

Really disturbing is that both the rapacious fashion industry giants and their high-minded critics implicitly assume that the profuse immigration of unskilled workers with zero bargaining power is a given — and America’s moral duty is to accommodate. How many of the poison fruits of U.S. immigration policy have been sanitized with the proposition: “They’re going to come anyway”?

One might look here for a partial explanation as to why liberals in general have shown little enthusiasm for immigration reform. The intense opposition of the fashion industry’s liberal elites to California’s Proposition 187 shrewdly mixed idealism and cynical self-interest. They piously affirmed liberal cosmopolitan values while trying to derail what might slow the flow of powerless workers or reduce the government’s share of their maintenance costs.

Blaming Immigration Controls and U.S. Foreign Policy

The Federal government is an accomplice, charge the authors, seeing immigration controls as devices for strengthening the hand of employers. In this view immigration status, like race, is used to perpetuate lower class status. The authors’ answer: Abolish the very concept of “undocumented” and welcome newcomers and give them the full protection of law and unionization. Things now seem to be moving in the authors’ direction. However, will a virtually open border have the effect of ameliorating some sweatshop conditions, but transform Los Angeles’ manufacturing and service industries into sector-wide sweatshops?

The authors stretch it a bit when they try to make the Federal government doubly culpable, affirming that Washington’s support for right wing military regimes in the immigrants’ home countries supposedly destroyed democratic movements and social stability. You have to wonder about this reasoning. Would there have been no refugees and migrants if the United States had intervened in support of the revolutionaries, or had not intervened at all? The overwhelming mass of the industry’s operatives come from Mexico, where there has been no U.S. military intervention since 1916, and where the society is becoming steadily more democratic, not less so.

Needed: A Latter-Day Abolition Movement

Perhaps without intending it, the authors show how the industry’s workers are accomplices as well as victims in their own exploitation. They are vital strands in the recruiting network that brings a steady flow of new, powerless workers into the industry. For immigrant women often tied to the home by young children, sewing at home at even the paltriest of piecework pay means survival. So they cooperate with contractors to thwart federal and state inspectors. The attitude of most of the industry’s workers is a stoic fatalism.

The book details the repeated, unavailing efforts of Federal and State labor, immigration, and safety standards inspectors to end the exploitation and assign responsibility for the abuses. Powerful fashion employers are shameless in their manipulations of local governments, state and federal legislators, and other influential entities to pressure the Labor Department and the Immigration Service to stop “overregulating” and

damaging a “good business climate.”

While the authors offer possible tactics for improving workers’ bargaining power and manufacturers’ accountability, they stress that sweatshops are a stubborn institution comparable to slavery and, like slavery, nothing less than a broad-based, multi-front “abolition” movement can extirpate them. The authors see promise of liberation in the growing coalition of labor, human rights, civic, and consumer organizations now pressuring retailers and manufacturers. But much of the movement’s indignation is directed at exploiters overseas and in U.S. protectorates, diverting attention from the cancer of Los Angeles.

The Wages of Injustice for What?

The fashion industry in Los Angeles exemplifies the pathologies of a freewheeling, capitalist, high-consumption society. Mass immigration feeds an exploitive industry whose contribution to meeting human needs is millions of faddish female garments intended to be obsolete not long after purchase. In its supporting role, the advertising industry convinces American women that true attractiveness can only come through adherence to the latest styles. In the sweatshops, throwaway people produce throwaway clothing for insecure consumers, and the social, moral, and environmental costs are passed on to us all. •