

UC SANTA BARBARA

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## **L.A. GARMENT INDUSTRY CONTRIBUTES TO WORLDWIDE ECONOMIC INEQUALITY, UCSB PROFESSOR'S BOOK SAYS**

Sociologists Richard Appelbaum and Edna Bonacich find the widening gap between the world's poorest and richest inhabitants unacceptable.

And in their just-published book, *Behind the Label: Inequality in the Los Angeles Apparel Industry*, they use that enterprise and that city as a paradigm to demonstrate how the current brand of global capitalism divides the world's peoples -- and then suggest how that might be changed.

"It basically looks at the structure of the apparel industry in Los Angeles as a microcosm of global production," said Appelbaum, a professor of sociology and director of the Institute for Social, Behavioral and Economic Research at the University of California, Santa Barbara.

"It focuses on all levels of the industry from the retailers on the top to the workers on the bottom."

Los Angeles is the heart of the American apparel industry. While clothing manufacturers have left other U.S. cities for cheaper labor and less governmental

scrutiny abroad, the industry has been growing in L.A.

And with the growth has come the return of the sweatshop.

Why?

Because garment manufacturers can find in L.A.'s immigrant population -- a substantial portion of it undocumented -- the same things they are seeking abroad: large numbers of workers willing to work without complaint in exploitive conditions for illegally low wages.

Appelbaum estimates that there are about 5,000 apparel factories in Los Angeles employing as many as 120,000 garment workers.

According to U.S. Department of Labor estimates, as many as two-thirds of the factories are out of compliance with wage and hour laws.

The highest paid workers, Appelbaum says, earn minimum wage, taking home about \$6 per \$100 of retail value produced.

So who is making money?

Virtually everyone else in the chain.

The authors break it down thus:

A consumer pays \$100 for a dress.

The retailer takes \$50.

The manufacturer gets \$35, but spends \$22.50 on fabric.

The remaining \$15 goes to labor contractors who pay the workers who sew the dress about \$6 and often put out nothing for any kind of benefits.

To Appelbaum and Bonacich, this is simply unfair. "This is a broad social injustice at work," they write. Appelbaum and Bonacich direct their criticism more at the system than at the players who participate in it.

"We are not contending that the beneficiaries of the system plotted for this to happen," they write.

"They simply do what everyone else is doing, and get what the system allots to them.

This is the way the market seems to work.

"But the market does not have a conscience,"

they say.

"It does not take care of the social welfare.

The beneficiaries of the system, even if they are not personally greedy, nevertheless support with all the considerable power at their command a system that ends up benefiting them and hurting others.

Herein lies their culpability."

Bonacich and Appelbaum recognize that all potential solutions are complex. Government agencies charged with policing the industry want compliance with labor laws but are afraid of driving companies to bankruptcy or out of the country.

Workers who want to report workplace abuses or who try to organize unions are faced with job termination and, again, threats by employers to move the jobs out of the country.

Recent efforts to organize Los Angeles workers have failed.

Bonacich and Appelbaum suggest that if the lot of garment workers is to improve, in Los Angeles and worldwide, support will be needed from those who buy -- or choose not to buy -- the products they make.

"We need a modern-day abolitionist movement that joins with workers and unions and puts pressure on the government and the industry to bring about needed change," they write.

A number of such organizations exist and have begun to exert pressure, perhaps most notably on university campuses where they have been successful in steering contracts to make university-licensed apparel away from companies who employ sweatshop labor.

The authors are encouraged by such efforts.

"We are witnessing a challenge to the United States corporate juggernaut that appears to be rolling over the entire world," Bonacich and Appelbaum write.

"... Like the abolitionist movement, the anti-sweatshop movement, working in tandem with workers and their organizations, is creating such moral outrage that the system will be forced to make significant changes."

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