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**DYNAMISM, DOMINATION, & ILLUSION:
HOW THE LOS ANGELES GARMENT INDUSTRY (AB)USES ITS POWER IN A
GLOBALIZED MARKET**

by

KATHERINE E. WARD

**SUBMITTED TO SCRIPPS COLLEGE IN PARTIAL FULFILLMENT OF THE
DEGREE OF BACHELOR OF ARTS**

**PROFESSOR LEWIS
PROFESSOR JUNISBAI**

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TABLE OF CONTENTS

Abstract	3
Acknowledgements	4
I. Introduction.....	5
II. Organizational Metaphors	9
<i>A. Organization as Organism</i>	10
<i>B. Organization as Flux and Transformation</i>	11
<i>C. Organization as Domination</i>	12
III. The El Monte Sweatshop	13
IV. Garment Production in the United States	15
V. The Los Angeles Garment Industry	17
VI. Post-Fordism and Post-Modernism	21
VII. Laborers in the Los Angeles Garment Industry	23
VIII. Owners of Capital in the Los Angeles Garment Industry	27
<i>A. The Los Angeles Fashion District</i>	27
<i>B. Manufacturers</i>	28
<i>C. Retailers</i>	30
IX. Hidden Capital: The California Fashion Association	32
X. Conclusion.....	35
References.....	39

Abstract

The Los Angeles fashion industry presents an exception to the rule of offshore production in the increasingly globalized world market. This thesis conducts an in-depth examination of the Los Angeles fashion industry, specifically focusing on its laborers, manufacturers, and retailers, in order to better understand how Los Angeles is able to feasibly compete with and thrive in the globalized fashion industry. Utilizing organizational metaphors, this thesis examines dynamics of transformation and of power as applied to laborers, manufacturers, and retailers in Los Angeles. Divided into two primary constituents, laborers and owners of capital, I posit the levels of power held by manufacturers and by retailers, the exploitation of laborers, and the pursuit of profits are responsible for the continued existence of the Los Angeles garment industry.

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I.Introduction: The Rise of Fast Fashion

Now thought of as classic, timeless, and perhaps slightly out-of-touch with the broadening consumer base, fashion houses, such as Dior or Chanel, once unequivocally ruled the fashion industry (Ross & Wark, 1999). From their headquarters in Paris, the globally-recognized luxury fashion capital, these classic fashion houses would create the trends twice yearly through the production, release, and publicizing of their seasonal lines. Associated with luxury, class, and status, the position of these houses in the fashion industry seemed impenetrable and many across the world desired to look as though they were donned exclusively in luxury. Manufacturers and retailers across the world looked to the seasonal lines upon which to base their garments, creating nearly perfect duplicates to sell in their respective stores (Cline, 2012). Fashion houses setting “the Look,” as we might call it, from Paris shows the monolithic power they possessed in the fashion industry for decades. Though still influential by way of the global fashion weeks and by the resurgence of vintage into mainstream clothing consumption, the all-powerful institution of luxury fashion houses fell to fast fashion.

In the 1960s, there was an increase in the pace of garment consumption and production, aligning with the post-World War II economic boom that was occurring in developed countries (Ross & Wark, 1999). Before the postwar economic boom, consumption was limited to the purchasing of necessities or of a few garments each year, though individuals with more affluence purchased luxury goods at a pace of their own. However, incomes began to rise which gave way to the broadening socio-economic middle-class, and younger people began obtaining jobs in the United States, giving way to a working class with increasing more disposable income in the United States (Ross & Wark, 1999)

Dethroning luxury fashion as the leader of the fashion industry, fast fashion proved a notion put forth by Wark that said fashion has become “a culture industry” (Ross & Wark, 1999). Both luxury fashion and fast fashion are responsible for creating and fostering the fashion industry internally, while also responding to the broader societal context which shapes the fashion world externally. Luxury fashion houses once sat at the center of the fashion industry for decades, dictating garment trends that helped to foster fashion as a culture industry. In purchasing a dress from Dior, one was buying into a lifestyle of luxury, of hand-finished garments, and of highly-regarded brands which propelled the seller into the illusion, or actuality, of status and class. Luxury fashion was, and continues to be, akin to an exclusive club of elites who can not only afford, but in fact who choose, to pay the high premium of industry-old fashion houses. The shift from luxury to fast fashion as the central pulse of the fashion industry – while partially a response to the economic boom of the postwar era, which was especially seen in the United States – was also a response to the growing industrialization of developing countries, as well as the burgeoning globalization of large industries (Ross & Wark, 1999).

The emergence and proliferation of fast fashion had many components. Popular culture and media were responsible for driving up the demand for fashion, especially of stylistic difference and uniqueness, on an expanded scale. With growing consumer classes in the United States and in much of the rest of the developed world, popular culture had a grip on consumption (Ross & Wark, 1999). Despite the growth of consumer classes interested in purchasing more clothing, the luxury fashion market continued to decline in power and popularity. Ironically, luxury fashion houses were responsible for increasing the demand for fast fashion. The duplicating of clothing designs has always been part of the industry, so heightened public awareness of the price of a luxury item made its fast fashion equivalent even more irresistible

(Cline, 2012). In a seemingly perfect storm, the growing consumer class as well as the cultural expansion of popular figures changed garment manufacturing as it had come to be known.

Fordism was pioneered by Henry Ford in his automobile factories in the early twentieth century. Known for its standardization and efficiency, Fordism is often considered the advanced capitalist mode of production. Fordism promoted standardized working hours, increased wages for factory laborers, and efficiency in production. Increased wages – which coincidentally bolstered and promoted working class consumption of non-essential, supplemental goods – and production efficiency grew to be two sides of the same coin. Efficient production, by way of the economic theory of supply and demand, decreased prices of Ford's automobile. The newfound affordability of Ford's automobiles, of which the prices were decreasing in tandem with the increasing factory wages, worked to promote consumption of the working class (Harvey, 1990). Because these luxury fashion houses set the trends for each industry-wide clothing season, trends were consistent and unchanging over the duration of the fashion season. Due to the stability of the trends of the fashion industry before the 1960s, the manufacture of luxury clothing was orderly and standardized (Ross & Wark, 1999). Without any rush to cycle through seasons as rapidly as possible, all clothing manufacturers followed suit, and the clothing manufacturing industry operated under a sort of Fordism for a few decades, bookended by two periods of sweatshop and slave labor in manufacturing which will be discussed in a later section. While Ford expected the increased wages of his employees to return to the company through the purchasing of Ford automobiles, it is not apparent that luxury fashion houses possessed the same intentions. However, I will use the concept Fordism to apply to the return of capital into the fashion industry broadly and to the standardization and consistency of mass-production used by luxury fashion houses.

As wages and consumption increased in the 1960s, pressures were placed on clothing manufacturing in regards to the selling price of the clothing pieces (Ross & Wark, 1999). Suddenly, the Fordist production which was the standard that had been seemingly solidified by luxury fashion houses was turned on its head. The rhythms of popular culture worked to make standardization, consistency, and scale in clothing manufacturing nearly impossible given the demand for change brought forth by the broadening consumer class (Ross & Wark, 1999). Popular culture paved the way for the emergence of fast fashion, pioneered by global retailer Zara who releases new garments twice weekly into their retail stores (Cline, 2012). Marking the transition from luxury goods produced in a systematic, Fordist manner, Cline describes the present proliferation of fast fashion as such: “The internet age and the dissemination of information through blogs, social networking sites, and tabloids is pushing fashion forward at great speeds” (2012). The distinction of fashion as a culture industry, introduced previously by Wark, is solidified here in the industry’s response to external, societal changes, such as the expansion of the internet (1999). While the broadening consumer base of the 1960s received what they wished for – cheaper, more differentiated clothing options to choose from – ultimately the fashion industry reverted to harmful, even dangerous, Industrial Revolution-era manufacturing practices. As Rodrik asserts: “The true cost of consuming a good is the labor and other scarce resources we have to employ to obtain it, not the money that facilitates the transaction” (2012).

The goal of this thesis is to examine the impacts of globalization on the domestic fashion industry located in Los Angeles, California. With the proliferation of fast fashion retailers, the expediency of fashion trends, and the global race to the bottom, the fashion industry has returned to manufacturing practices found in the Industrial Revolution, such as the use of manufacturing

sweatshops and the use of slave labor. In a globalized world and under conditions such as the North American Free Trade Agreement and the dissolution of the Multi-Fiber Arrangement, off-shore manufacturing is an easily-accessible and incredibly exploitative way for large corporations to take advantage of less stringent regulations that supposedly exist in the United States regarding production. As the only garment hub in the United States that is continuing to manufacture and expand, Los Angeles presents an interesting case of domestic labor exploitation under dynamics of power in the broader context of race-to-the bottom capitalist practices. Analyzing two distinct levels of the Los Angeles garment industry – laborers and owners of capital – I will apply Morgan’s organizational metaphors to describe the context through which, as a manufacturing hub, Los Angeles is able to exist and compete in the globalized world of production. Broken into two constituents, laborers and owners of capital, I posit the levels of power held by manufacturers and retailers; exploitation of laborers; and the pursuit of profits by manufacturers and retailers are responsible for the continued existence of the Los Angeles garment industry.

II. Organizational Metaphors

Before beginning to examine the dynamics of the Los Angeles garment, I will introduce the organizational lens through which the examination will be conducted. Business theorist Gareth Morgan’s *Images of Organization* relates the firm, broadly defined, to various metaphors that explain the firm in relation to its internal operations or its external, broader social environment (2006). With its sheer scale and multitude of moving parts, the Los Angeles garment industry will serve as the firm in relation to Morgan’s organizational metaphors. I will explore three of Morgan’s metaphors: Organization as Organism, Organization as Flux and

Transformation, and Organization as Domination. I will later explore various pieces of the industry, including the history of garment production in Los Angeles, laborers in the industry, and the owners of capital: manufacturers and retailers. Understanding the dynamism of the Los Angeles garment industry will prove useful in understanding the continued power and prominence of the industry globally. Primarily, however, it is important to create a general understanding of each of the three organizational metaphors before moving forward.

A. Organization as Organism

The first of three metaphors which will appear in this thesis, Morgan discusses the metaphor of Organization as Organism. Organization as Organism presents the organization as a living system that exists in response to the surrounding environment (Morgan, 2006). The three main focuses of this metaphor are survival, organizational-environmental relations, and organizational effectiveness (Morgan, 2006). In addressing the main focuses, organizational theorists created an open-systems approach to understanding organizations as organisms. To begin, the open-systems approach places an emphasis on the environment in which the organizations exist. This means that the organization is able to scan the environment and assess any changes through which it is able to develop strategic responses to the aforementioned changes in the environment (Morgan, 2006). Next, it proves useful to regard organizations as composed of various subsystems: just as there are many small parts to a larger whole, the organization is sub-categorized into individuals and groups, all of whom come together to comprise the organization at large (Morgan, 2006). While these individuals and groups within each sub-category might differ in their desires for the organization, all are able to unite under the commonality of the organization and thus are able to function as a homogenous entity. Finally,

the open-systems approach asks the organization to establish alignments between these different subsystems in order to identify and eliminate potential dysfunctions that could present themselves in the organization (Morgan, 2006). Broadly, Organization as Organism posits that the very existence of a firm is contingent upon the surrounding environment, which is unstable and ever-changing. Thus, to survive as an organism the firm must be flexible and adaptive so as to be able to compensate for any sensed changes to the external contexts (Morgan, 2006).

B. Organization as Flux & Transformation

Organization as Flux and Transformation can be seen as an extension of Organization as Organism. Where Organization as Organism posits that the firm must exist in reaction to the external environment, Organization as Flux and Transformation posits that the firm and the environment co-exist in a manner through which they are interacting with and responding to each other. This metaphor explains that there are constant contradictions within the market, whether between employers and employees or buyers and sellers (Morgan, 2006). To apply Marxist theory in order to further this idea of dialectical tension and contradiction, the capitalist's drive for surplus value exists in direct conflict with laborers because of the inclination on the part of the capitalist to reduce labor costs (Morgan, 2006). This tension is an example of chaos theory; capitalists will work to increase the profit margin through increasingly mechanizing the process of production and to decrease wages of laborers to the point that the laborers can no longer purchase the goods which they manufacture (Morgan, 2006). Dialectics such as these apply to Organization as Flux and Transformation because the driving logic of capitalism is based on constant struggle between two distinct groups who can be internal or external to a given firm (Morgan, 2006). Underlying social dynamics breed problems within a firm, especially in regards

to dynamics of power. What many capitalists fail to see, which the Organization as Flux and Transformation metaphor articulates, is how their actions, particularly in regards to the drive to increase production efficiency in factory or sweatshop settings, increased the drive for laborers to gain power through unionization (Morgan, 2006). In the endless pursuit of profits and power, the firm has created its own antagonists.

C. Organization as Domination

Organization as Domination is perhaps Morgan's organizational metaphor that is most relevant to the topic of this thesis. Organization as Domination highlights the asymmetrical power relations at play within an organization, describing a firm as class-based in that industrialization created a clear distinction between capitalists and laborers (Morgan, 2006). Domination of capitalists over their laborers is shown in the continuation of the damaging, harmful, and dangerous practice of sweatshops. Sweatshops, like many other places of production under capitalism, rely heavily on domination in order to operate. As described by Morgan, the secondary labor market consists of lower-skilled and lower-paid laborers who are easily trained and easily replaced (Morgan, 2006). Increasingly, secondary laborers are employed on subcontracting bases because it facilitates the adaptability of a given firm. Organization as Domination, Organization as Organism, and Organization as Flux and Transformation work to build off of each other, as shown by the emphasis of adaptability seen in discussions of all three of the metaphors, respectively. Adaptability is imperative to the success of a firm, especially of a firm in as volatile of an industry as fashion and garment production, which can be explained through the Organization as Domination through the concept of new brutalism. New brutalism is the drive for efficiency and bottom line profits at the expense of the laborers responsible for

production, shifting capitalist production back to Industrial Revolution-era labor practices so long as they remain legal (Morgan, 2006). Secondary labor markets are reflective of social attitudes, prejudice, and discrimination; those relegated to the secondary labor market in a given society are those who are exploited through the so-called new brutalist organization of production. Classic economic theories of rationality permit new brutalism through the pursuit of profits under capitalism, deemed a rational activity because it acts in line with the goals of capitalism and because it does not account for emotional, moral, or psychological elements to factor into decision-making processes. Organization as Domination posits that economically rational ideas are double-edged and ambiguous, creating potentially negative consequences in capitalists' race to the bottom (Morgan, 2006).

The metaphors of Organization as Organism, as Flux and Transformation, and as Domination possess similarities and overlapping structures of analysis that prove incredibly useful in their application to the Los Angeles fashion industry. Each metaphor will be applied to specific sections of the thesis, such as laborers or various subcategories of owners of capital, in order to create a deeper awareness of the dynamics at play within the fashion industry of Los Angeles. Before applying the metaphors to concrete examples from the fashion industry, I will describe a story that sent shockwaves through the eyes of the public in regards to the industry in Los Angeles.

III. The El Monte Sweatshop

On August 2, 1995, media outlets released reports about seventy-two Thai immigrants found working in sweatshops in the greater Los Angeles suburb of El Monte, California (Ross & Su, 1999). Despite the use of sweatshops and exploited labor by manufacturers in Los Angeles

for years prior to the discovery of the El Monte sweatshop, the sweatshop was the first to reach the masses and was even released as breaking news on a national scale. Eight to ten immigrants were confined in two-person apartments where they were forced to work eighteen hours each day, as well as sleep in the same apartment. The apartment compound was enclosed with barbed wire and the news discussed reports of armed guards to reinforce the containment of the Thai laborers (Ross & Su, 1999). They had to stay without access to the outside world. The operators of the sweatshop would pay the laborers next-to-nothing in wages. The operators required the laborers to purchase groceries through the operation-run grocery store on the premises, where the food was marked up in order for the operators to profit even more from their laborers. Though released by community-led mutual aid, the Thai laborers were forced into these conditions for about eight years. From 1988 to 1995, the El Monte manufacturing complex was part of a larger sweatshop operation that spanned much of the greater Los Angeles area (Ross & Su, 1999). As will be discussed in a subsequent section, the division of labor in manufacturing is pivotal to the efficiency, and thus to the success, of the fashion industry. Within the network of sweatshops that were run in conditions similar to the El Monte location, a location in Downtown Los Angeles was responsible for cutting the clothing patterns; El Monte was responsible for sewing the cuts of fabric together (Ross & Su, 1999). While the El Monte laborers were relocated into new jobs within two months of being freed from the slave-like conditions under which they were exploited, it is not an uncommon case for immigrant laborers to be exploited through the garment industry in Los Angeles.

IV. Garment Production in the United States

The long history of garment production in the United States is laced with the use of sweatshops similar to the one discovered in El Monte. The period of American industrialization, roughly ranging from the 1820s to the 1870s, created a mass migration into metropolitan areas where factories were concentrated. Soon, garment factories emerged in many major cities, such as New York, Chicago, Philadelphia, and Los Angeles. With the novel concept of factories, especially in regards to mass-production and centralization of labor, there were few laws by way of regulation and industrial organization. Factory operators took advantage of opportunities to hire women, children, and a growing surplus of immigrant laborers in order to increase their workforce while paying the aforementioned groups substantially less in wages than their male laborer counterparts. By the turn of the twentieth century, workers had begun to strike against their working conditions. In 1909, workers in the Triangle Shirtwaist Company in New York City walked out of their jobs, protesting the unjust and exploitative conditions under which they worked (Ross & Howard, 1999). The protest sparked a series of protests across the country, ultimately resulting in about twenty-thousand workers striking against the unregulated sweatshop conditions in the same year. In 1910, sixty-thousand cloak makers went on strike in New York City, prompting a similar strike in Chicago though on a smaller scale (Ross & Howard, 1999). By this point, there was a laborers' union for women in the garment industry called the International Ladies' Garment Workers' Union, or the ILGWU, founded in New York in 1900. Following the strike of sixty-thousand men in New York, a union for male garment workers was founded, called the Amalgamated Clothing Workers of America, or ACWA (Ross & Howard, 1999). Though many workers were unionized after the formation of both the ILGWU and the ACWA, the proliferation of sweatshops and their dangerous practices continued. In 1911, the

Triangle Shirtwaist Factory sweatshop caught fire, killing an estimated one hundred forty-six garment laborers because they were unable to exit the building (Ross & Howard, 1999).

Sweatshops are garment production facilities where laborers are employed for low wages and in unsafe environments. Laborers work for contractors, who typically own and operate these facilities and the means of production. Manufacturers, also known as contractors or jobbers, are employed by larger retailers. Retailers hire the manufacturer, or rather their labor force, in order to produce an order of clothing. Especially in the decades after the industrialization of the United States, sweatshops were a popular means of production because there were little to no barriers of entry in terms of capital requirement, and because labor laws were nonexistent. In recent years and especially since the passage of the Fair Labor Standards Act of 1938, manufacturers are turning to subcontract their labor force in an attempt to evade labor laws in the United States. However, as can be seen through the organization of both the ILGWU and the ACWA labor unions in the first decade of the twentieth century, federal recognition of the inhumane conditions of sweatshops was rather belated. Even so, by the mid-1920s, about seventy-five percent of garment workers in the coat and suit industry were employed contracting shops (Ross & Howard, 1999). In response to the continued use of sweatshops, membership in the ILGWU and in the ACWA grew from forty-thousand members to over three-hundred thousand members between 1931 and 1933 (Ross & Howard, 1999). Outcries against sweatshops began growing louder, with the United States Secretary of Labor, Frances Perkins, stating in 1933: "If the purchaser does not pay a price that allows for a subsistence wage and reasonable hours and working conditions, then the cost of the 'bargain' must be sweated out of the workers" (Ross & Howard, 1999). For decades, sweatshops were the most common means of manufacturing goods. By the mid-1960s, sweatshops in the United States became relatively obsolete through the

organizational power of labor unions and through the implementation of federal regulations, and through the increase in the mass-production, large-scale Fordism. However, as capitalism continues to dominate and globalization continues to industrialize and develop countries, clothing firms are taking advantage of offshore production and low labor costs. This places pressure on domestic firms who do not use offshore production, which drives them to move towards sweatshops and subcontracting in order to cut their operating costs and remain competitive in a market with their offshore counterparts (Cline, 2012).

V. The Los Angeles Garment Industry

Manufacturing and production in California began in the 1850s, around the middle of the industrialization of the United States. Two major hubs of manufacturing in the state, the greater Los Angeles area surpassed the San Francisco bay area in manufacturing after World War I (Bonacich & Appelbaum, 2000). Because of the increasing industrialization of southern California, the population of Los Angeles grew exponentially during the first half of the twentieth century (Bonacich & Appelbaum, 2000). Fashion as a culture industry truly emerged in this era, particularly in the 1920s with the popular culture recognition of Hollywood as a global core, both socially and culturally. Along with the recognition of Hollywood as a cultural hub came the recognition of clothes made in Los Angeles, creating a demand for consumers to dress like the movie stars (Bonacich & Appelbaum, 2000). Movies, media, and other forms of popular culture worked to create a vision of glamour and creativity, as well as casual and effortless style, that became synonymous with Los Angeles and with the California way of living. Where high fashion and luxury were found in Paris, and where business and professional attire were attributed to New York, Los Angeles filled a niche in the garment industry through its emphasis

on casual garments (Bonacich & Appelbaum, 2000). The Los Angeles fashion industry focused on spring and summer garments due to its temperate climate and surplus of sunshine, producing swimwear, jeans, and light dresses (Bonacich & Appelbaum, 2000). Throughout its duration, the Los Angeles fashion industry has focused on women, with women's apparel comprising approximately eighty-percent of the industry's manufacturing (Ross & Nutter, 1999). As Los Angeles production increased, along with the increasing notoriety of Los Angeles style through popular culture, sweatshops began to reappear throughout the city as an efficient, cheap, and adaptive means of production. Sweatshops began to reemerge around the 1960s, relating back to the postwar economic boom that prompted increased consumption and growing middle classes in the United States (Ross & Nutter, 1999).

Offshore means of production were a response to the growing consumer market for fashion. The increasing amount of clothing imported into the United States increased competition amongst domestic and foreign fashion retailers and manufacturers in developing countries. In the race to the bottom and under increasing competition from offshore manufacturing, Los Angeles manufacturers worked to decrease wages in their domestic manufacturing in order to keep up with the low wages of offshore manufacturing (Bonacich & Appelbaum, 1999). The Multi-Fiber Arrangement, or the MFA, was implemented in 1974. The arrangement imposed quotas on the importation of clothing from developing countries, like Bangladesh, to developed countries, like the United States. The imposed quotas were required to be filled each year in order for the quotas to be renewed, which resulted in the creation of large offshore factories that employed thousands of workers at a given time (Cline, 2012). The North American Free Trade Agreement, implemented at the beginning of 1994, hit the Los Angeles Garment industry hard. NAFTA eliminated most trade barriers between Canada, the United

States, and Mexico, increasing garment imports from Mexico. Many domestic manufacturers and retailers moved their means of production into Mexico, where labor was cheaper and where there were fewer labor laws and restrictions, if any existed at all (Cline, 2012). With both the MFA and NAFTA in effect, Los Angeles-based manufacturers had to remain competitive in order to remain in business, and that resulted in squeezing profits down the supply chain all the way to the wages of the laborers responsible for manufacturing the goods. Under the MFA and NAFTA, those in charge of the garment industry were forced to adapt to the increasing competition or to succumb to business failure. When the MFA was phased out in 2005, imports from China increased and wages in Los Angeles decreased approximately nine percent (Cline, 2012). In 2006, a full-time wage earner lost an estimated \$1,400 due to the impacts of globalization and competition in the capitalist pursuit of profits (Cline, 2012). In an industry as seasonal and ever-changing as the fashion industry, control over the supply chain is incredibly important to ensuring the success of a firm. With the globalization of the industry, retailers and manufacturers have relied on their ability to shrink wages of the laborers in order to remain in control of production. However, offshore production looms over the industry in Los Angeles, threatening to steal means of production away from domestic laborers, especially if the domestic laborers demand higher wages or unionization in order to protect the minimal rights they are given as secondary laborers. As seen in Morgan's Organization as Organism and Organization as Flux and Transformation metaphors, the societal context that was external to the Los Angeles garment industry forced manufacturers and retailers to respond and adapt their practices in order to stay afloat. In attempting to stay afloat by underpaying and exploiting their laborers, manufacturers and retailers returned to Industrial Revolution-era labor practices and reintroduced sweatshops as the primary means of production in the United States for the fashion industry.

The fashion industry relies on exploitation of immigrants as members of the secondary labor market. Los Angeles is the most dynamic and the largest industry in North America, in part because of the easily replaceable immigrant laborers in the secondary labor force (Ross & Nutter, 1999). Los Angeles is a massive center for immigration, ensuring that the garment industry has a large reserve of laborers to aid in their ability for flexible production (Bonacich & Appelbaum, 2000). Political disadvantages, such as lack of resources and lack of documentation, work in conjunction with the vast spread of small factories to ensure that the immigrant laborers do not have many common spaces to organize and unionize (Bonacich & Appelbaum, 2000). Nutter estimates at one point there were as many as 120,000 laborers in the Los Angeles fashion industry (Ross & Nutter, 1999). About eighty percent of the workers, or 96,000 individuals, worked in official, above ground factories and sweatshops. The remaining percentage of laborers work in the underground economy, including illegal sweatshops like the El Monte sweatshop that was busted in 1995 (Ross & Nutter, 1999). Those who work in the underground economy tend to be forced into industrial homework, which is the production of a good within the laborer's residence rather than in a factory or space dedicated to the production of the good. Between 1982 and 1992, the Los Angeles fashion industry grew by one hundred thirty-three percent by way of employees (Ross & Nutter, 1999). As an immigration hub, the fashion industry of Los Angeles is composed of approximately seventy-five percent Mexican workers (Ross & Nutter, 1999). It is through the domination by way of the utilization of the secondary labor force of immigrants, especially those who are undocumented, in part that Los Angeles remains competitive in the globalized fashion industry. Whereas sweatshops transitioned to being an exception in the realm of United States production in the decades between the Fair Labor Standards Act of 1938 and the postwar period of economic growth and consumption of the

1960s, low wages, hazardous working conditions, a lack of job security, and the proliferation of sweatshops have since reemerged as the rule (Cline, 2012).

VI. Post-Fordism and Post-Modernism

Mass production and the fashion industry are in a precarious relationship (Ross & Wark, 1999). Mass production, Fordism even, requires a long duration of standardization in regards to the goods being produced. As discussed, luxury fashion could encourage mass production because it set the trends each season from their couturier houses in Paris. As trends become exponentially more fleeting, the ability to mass produce has been highly compromised. While fabrics can be mass produced on a similar scale to the luxury fashion houses in the decades leading to the 1960s, the issues arise when sewing and finishing garments since that is not only a labor-intensive process, but since decisions regarding clothing finishes are made only two months before the order is due to the retailer (Ross & Nutter, 1999). In a globalized economy, production must be one of the first things to adapt; thus, mass production has been left behind.

Bonacich & Appelbaum explain that the capitalist iteration we find ourselves in now is called new global capitalism (2000). New global capitalism has been accelerating pace since the 1970s. Many indicators of new global capitalism are found in the fashion industry at large: a decline in the welfare state in most developed countries; growth in multinational corporations and global production; entry by developing countries into manufacturing for export; a rise in trade and global competition; de-industrialization in developed countries; decreased job security; and a rise in immigration from poor countries to rich countries (Bonacich & Appelbaum, 2000). Capitalism has transcended national borders, barriers to trade are small, and capital promises industrialization for countries that have yet to do so. Subsets of industries, now competing on a

global scale, must be quick to adapt to changes in the patterns of consumers (Bonacich & Appelbaum, 2000). This means flexible and subcontracted labor, low wages with no overtime pay, and long hours or industrial homework, so long as those steps are sufficient to hold a competitive edge across the world.

In the 1980s and 1990s, the United States transitioned into a post-Fordist manufacturing society (Ross & Wark, 1999; Bonacich & Appelbaum, 2000). As discussed, the era of new global capitalism propelled industries in the United States to move past large-scale mass production, and into specialized, small-batch production (Bonacich & Appelbaum, 5). This is especially pertinent in the country's fashion industry, where adaptability is crucial to survival in Los Angeles. Post-Fordism categorizes manufacturing as governed by decentralized, flexible, eleventh-hour practices that allow for response to changes in consumption without having already over-produced a garment. Post-Fordism has "created a much more effective engine for exploiting workers than existed before the new era of global capitalism," explains Bonacich & Appelbaum (2000). Post-Fordism aligns with the post-modern consumer existence posited by Wark: social identity is frequently expressed through consumption choices (2000).

Manufacturing is creating its own demons by scaling down the means of production to sweatshops instead of large factories. Expressing the emphasis consumers inadvertently place upon flexibility in manufacturing, many tie a perception of their social value and acceptance to owning the newest trend in clothing. In producing the newest trends, manufacturers and retailers are exploiting workers at a rate comparable to the American Industrial Revolution of the mid-nineteenth century.

VII. Laborers in the Los Angeles Garment Industry

Sweatshops are the primary means of manufacturing in the United States as well as across the globe (Bonacich & Appelbaum, 2000). A sweatshop is defined as a factory or homework operation that engages in multiple violations of the law, typically the failure to pay laborers minimum or overtime wages (Bonacich & Appelbaum, 2000). Manufacturers increasingly rely on subcontracting – a system of employment under which individuals outside of the firm are hired through contract to carry out a specific task – in order to produce orders that they received from the large retailers above them in the fashion industry. Subcontracting is a way to circumvent labor laws for retailers and manufacturers because they are legally bound neither to the employees nor the contracting shop which they hired for production. While retailers and manufacturers might have power and leverage to evade punishment for the violation of labor laws, the subcontracting industry is rife with labor exploitation (Ross & Su, 1999). The Multi-Fiber Arrangement, lasting from 1974 – 2005, created conditions that pushed American manufacturing to produce cheap – low-cost, low value-added – goods to be sold for a high profit margin (Cline, 2012). The strikingly low compensation of laborers is due to the decreased imports from foreign, offshore producers (Ross & Wark, 1999). Where high supply of a good lowers its demand, the inundated market of fashion and increased the competition for the available profit by domestic and international retailers. Subcontracting and sweatshops allowed manufacturers to produce at an incredibly cheap rate so as to leave a large profit margin when receiving payment for the completion of a retailer's order. In order to remain flexible and adaptive in the constantly-changing fashion industry, sweatshops and subcontracting allow for manufacturers to meet their order deadlines in an incredibly timely manner. Los Angeles garment production averaged a five to seven-week turnaround time, from receiving the order

from a retailer to fulfilling it (Ross & Nutter, 1999). The risk was vastly reduced by delaying decisions about the manufactured garments, such as dyeing the fabric, until about two months before the given fashion season. While this ensured the manufacturer was not producing the wrong kinds of garments, it also ensured long hours and unpredictable wages for those who were subcontracted to manufacture the garment.

The fashion industry is built on seasons but that means that the precariousness of laborers' jobs in sweatshops and subcontracts is built into the industry. Work peaks in March, with overtime expected during the weeks leading up to the peak; past the peak, manufacturing declines during the summertime. It begins to increase once more in the early winter, though quickly drops back off in January until it readjusts in February, once more leading to the peak in March (Ross & Nutter, 1999). An average sweatshop in the Los Angeles fashion industry has about 25 employees (Ross & Nutter, 1999). The rate of payment is called the piecework rate, where the laborer is paid an amount of money with each designated task completed, whether that is sewing belt loops into a pair of jeans or sewing arms onto a sweatshirt. Piecework rates are permitted by law so long as the laborer gets minimum hourly wage (Ross & Nutter, 1999). However, many manufacturers do not pay the overtime rate, though overtime is typically mandatory for garment laborers. Manufacturers save money through the mandating of industrial homework. Industrial homework is invisible to wage inspectors and to immigration agents, so its very existence already saves the manufacturer the prices of many laborers' wages (Ross & Nutter, 1999). Each industrial homeworker is commonly responsible for renting a sewing machine and paying for supplies on their own dime, while they are paid in cash by their contractors and manufacturers for a fraction of the factory or sweatshop rates. Employers pay in cash in order to avoid federal payroll taxes. Instead, many deduct what would have been the

payroll tax from each laborer's payment and pockets the money for themselves (Ross & Nutter, 1999). Industrial homework flies under the government's radar the majority of the time because it is not centralized in a given factory or sweatshop, but rather dispersed across laborers' residences, and is paid for in cash rather than in federally-recognized paychecks. As discussed in the capitalist race to the bottom, the pressures of cost-cutting come down the supply chain, cutting the wages of laborers rather than cutting the profits of retailers and manufacturers (Bonacich & Appelbaum, 2000). As many garment laborers in the Los Angeles fashion industry are undocumented, they rely heavily on their contractors for employment in the country. However, the labor is unequivocally exploitative and slave-like, resulting in many hoping to work their way out of manufacturing in the garment industry. The process of gaining documentation costs precious resources, such as time and money, which makes it unaffordable in many respects for the laborers (Ross & Mort, 1999). Ultimately, many remain in the exploitative and dangerous sweatshop system of the Los Angeles garment industry.

Sweatshops and garment factories are incredibly dangerous. In the race to the bottom the supply chain cuts all costs surrounding manufacturing, so sweatshops are not equipped with health and safety precautions. They are filled with fire hazards, are not cleaned, and do not provide medical attention to injuries (Ross & Nutter, 1999). In 1989, the Los Angeles Department of Labor began enforcing the Fair Labor Standards Act of 1938. In doing so, the Department of Labor barred the shipment and exportation of goods that were produced in violation of the minimum wage and overtime laws of the Fair Labor Standards Act (Ross & Nutter, 1999). To no avail on the part of the Los Angeles Department of Labor, in both 1994 and 1996 the United States Department of Labor conducted inspections of Californian garment industry factories and sweatshops. The report stated an overwhelming lack of compliance in

factories across various categories, including the Fair Labor Standards Act as well as health and safety regulations. In the sweatshops and factories purported to be in violation of the various standards, the United States Department of Labor found “substantial probability of death or serious harm” (Ross & Nutter, 1999). However, these firms continue to operate under the same conditions due to the lack of intervention and regulation, on behalf of the government, within the fashion industry. In 1997, reports found ninety-six percent of firms contain health and safety violations, while fifty-four percent of firms have deficiencies that could lead to serious injury or death (Bonacich & Appelbaum, 2000). The following year, a report in 1998 found that sixty-one percent of firms in Los Angeles violated the wage standards and hour regulations which had been implemented. Bonacich & Appelbaum estimate that garment workers are underpaid by \$73 million each year in the Los Angeles fashion industry (2000).

The blame of exploitation can travel upwards from the base of the supply chain. Owners and operators of sweatshops – manufacturers – created and foster dangerous and hazardous environments where laborers are overworked, underpaid, and easily replaced. Retailers rely upon these manufacturers because they get their orders done quickly and cheaply, thus creating a power dynamic of top-down exploitation where each level builds upon the last and creates impenetrable layers of domination under which laborers are essentially powerless. As explained in *Organization as Organism*, garment manufacturers responded to the external environment (Morgan, 2006). With the sweatshop system being reintroduced as a means of responding to increasing demand for clothing and increasing competition from offshore producers, power is held by those who capitalized upon the exploitation of the secondary labor force, who do not necessarily have the resources to fight back.

VIII. Owners of Capital in the Los Angeles Garment Industry

A. The Los Angeles Fashion District

Despite its expansive urban sprawl, Los Angeles has formed a compact Fashion District in the city's downtown area. Geographically very dense, the fifty-six block Los Angeles Fashion District is composed of all the industry necessities: production, finance, marketing, and labor. At the center of the district rests wholesale and retail markets, showcasing how one need not leave the confines of the Fashion District in order to see the entire life cycle of a clothing garment from start to finish (Bonacich & Appelbaum, 2000). The compactness of the downtown Los Angeles Fashion District facilitates the dissemination of trends and knowledge throughout all levels of the industry. The immediacy of the Los Angeles fashion industry, thus of the United States as a contender in the globalized fashion industry, is greatly benefitted by the condensed district (Bonacich & Appelbaum, 2000). Approximately half of the industry's garment manufacturers are located in Los Angeles' Fashion District, furthering the centralization of services, such as cutting fabric and sewing garments (Bonacich & Appelbaum, 2000). The centralization of the Los Angeles fashion industry in the downtown Garment District aids in the industry's efficiency and quick turnaround time on orders from retailers.

At the center of the fifty-six city blocks in downtown lies the California Mart (Nutter in Ross, 201; Bonacich & Appelbaum, 2000). California Mart opened in 1964 by two brothers from New York City, who later relocated to pursue careers in women's lingerie in the Los Angeles fashion industry (Bonacich & Appelbaum, 2000). The mart was designed to serve as a centralized location for manufacturing showrooms, and exists as a one-stop shop for retailers who travel to Los Angeles (Bonacich & Appelbaum, 2000). The California Mart expands three million square feet and is home to about 1,500 manufacturing showrooms along with ten-

thousand collections. Aside from its scale, operators of the California Mart produce fashion shows and specialty markets each year in order to maintain the image of the Los Angeles garment industry. As discussed, the compact nature of the Los Angeles Garment District means that the California Mart is proximally located near the largest concentration of manufacturers and contractors in the United States. Systems of accountability are built into the condensed geographic location of the Fashion District: just as trends and knowledge can spread quickly by way of sheer proximity, so can reputations and poor experiences with contractors or manufacturers. By 1990, roughly one hundred-thousand buyers visited each year, with the California Mart selling about \$8.5 billion in wholesale clothing; these two factors made the California Mart the largest apparel market in the country. As the largest apparel market in the United States, manufacturers and retailers in the Los Angeles area *CONTINUE*

B. Manufacturers

Los Angeles-area manufacturers create sample collections to display at garment markets, such as the California Mart, for retailers to pick up in their respective stores (Bonacich & Appelbaum, 2000). By way of capitalism, manufacturing is one of the easier modes of capital accumulation. Manufacturing requires low capital, meaning that it does not require the manufacturer to provide a facility, sewing machines, or other technologies in order for manufacturing to begin; the market also allows for labor to be subcontracted, which proves a simple yet effective way to hire and exploit an individual for the manufacturer's gain (Bonacich & Appelbaum, 2000). Ultimately, those who own the means of production and who have a labor force are called manufacturers, while those who rent the means of production – or who do not provide tools for production at all – as well as who subcontract their labor force are called jobbers. In the case of Los Angeles, the vast majority of people in the manufacture-level of the

fashion industry are jobbers because they rely on subcontracting in the reckless pursuit of profits and in the global race to the bottom. In recognizing that Los Angeles manufacturing is dictated by jobbers, I will continue to refer to both groups simply as manufacturers in order to keep consistent the vocabulary used thus far.

Manufacturers make the decisions that most centrally affect garment industry laborers (Bonacich & Appelbaum, 2000). In their role, manufacturers are responsible for arranging production, purchasing textiles, and wholesaling to retailers. Where the global race to the bottom asks manufacturers to squeeze their labor force of wages in order to increase the profit margin and meet the bottom line, Los Angeles-area manufacturers who do not own the modes of production and do not employ their labor force past subcontracting are able to get through many legal loopholes regarding regulations. When allegations of abuse or of evasion of the Fair Labor Standards Act, for example, are leveraged against a manufacturer, they counter those allegations with the assertion that sweatshop laborers are not employees but rather independent contractors (Ross & Su, 1999). However invalid, especially by way of legality, manufacturers have been given a platform within the fashion industry. It is their practices that are responsible for the wage theft, long hours, and targeting of undocumented immigrant communities that perpetuate the exploitative nature of the Los Angeles fashion industry.

The manufacturer class of the fashion industry is reminiscent of two of Morgan's metaphors: Organization as Organism and Organization as Domination. Manufacturers emerged in order to oversee production facilities and facilitate efficiency within production processes. As the consumer class grew in the United States around the 1960s and as new global capitalism has been globally accelerating its development since the 1970s, the role of manufacturers needed to shift to match the external context. As trade barriers were removed, domestic manufacturers had

to ensure their products were being efficiently and cheaply competed so as not to lose their jobs, their businesses, or their livelihoods. As an Organism, manufacturing adapted to the global race to the bottom; retailers, as well as consumers, though perhaps inadvertently, encouraged cost-cutting measures taken by manufacturers: slicing wages, increasing the amount of work hours, and subcontracting the labor force in order to foster flexible production. Ultimately, manufacturers adapted to answer the calls from the broader environment, resulting in their immense decision-making power over their labor force.

The monolithic decision-making power thus opens conversation around the relation of manufacturers to Morgan's Organization as Domination. The sheer ability for manufacturers to dictate the working life of their laborers is evidence of their domination. In regards to the majority of garment laborers in Los Angeles being immigrants, undocumented or not, manufacturers are relied upon heavily by their labor force especially if the individuals are undocumented. To revert back to the discussion of exploitation, there is a tacit agreement between manufacturers and laborers: manufacturers will not out the laborer as an undocumented immigrant so long as the laborer will work for the manufacturer in whatever terms are set by the manufacturer. The manufacturer's is held above the heads of the secondary laborers in order to ensure their participation in a market that treats them as though they are disposable.

C. Retailers

The widening of consumer credit and the suburbanization surrounding cities led to a concentration of retail stores in specific areas of the United States (Bonacich & Appelbaum, 2000). One step above the manufacturer in the supply chain of the garment industry, the retailer purchases its goods from manufacturers in places like the California Mart in downtown Los Angeles. Large retailers, such as Gap, Zara, or H&M, are the price-makers and oftentimes

manufacturers are forced to accept that (Bonacich & Appelbaum, 2000). While manufacturers squeeze their laborers out of wages, retailers squeeze manufacturers out of their listed prices for orders (Bonacich & Appelbaum, 2000). “Keystoning” is a price-setting phenomenon whereby the retailer sets a garment’s price by doubling its wholesale price, give or take a few dollars (Bonacich & Appelbaum, 2000). Being the largest and most economically powerful group within the fashion industry, retailers have the resources to pick and choose which manufacturers to hire for an order. Increasingly, retailers are incorporating backward integration where retailers take on many functions of manufacturers in the hopes of reducing spending and increasing profit margin (Ross & Nutter, 1999). Many retailers have private labels, in-house design teams, and in-house manufacturing teams, asserting control over the vast majority of the supply chain.

As discussed earlier, control over the supply chain in an industry as temporal as the fashion industry is crucial to the success of a business, be it manufacturing or retail. Consolidated retailers have the upper hand in terms of controlling as much of the supply chain as possible because they hold the majority of the power in the industry by way of economic success and of industry-wide strongholds (Bonacich & Appelbaum, 2000). Retailers, consolidated or not, are able to make large demands of manufacturers under short notice, and they are able to cut the price they are willing to pay if the order is not deemed satisfactory upon receiving it from the manufacturer. Repercussions are felt down the supply chain when this happens: a retailer who does not pay the full price for their order forces the manufacturer to pay less than legal minimum wage, one of the primary requirements under the Fair Labor Standards Act of 1938 (Bonacich & Appelbaum, 2000). Applying Morgan’s metaphor of Organization as Domination, it would be remiss not to discuss how the actions of the retailers have effects on two other major sections of the fashion industry for which the retailer would not exist.

IX. Hidden Capital: The California Fashion Association

Founded in 1995, the California Fashion Association is a non-profit organization comprised of industry manufacturers, contractors, and members of other apparel-related businesses and organizations (Bonacich & Appelbaum, 2000; *Homepage*, n.d.). Acting as a coalition of and a forum for industry members, the CFA was the first statewide forum for the fashion industry and continues to be a prominent industry organization (Bonacich & Appelbaum, 2000). The organization writes: “Our purpose is to foster industry networking and information for compliance with labor law, international trade, and technological advancement; developing a positive image for our industry. The California Fashion Association will focus on the promotion of global recognition for the ‘Created in California’ image” (quoted in Bonacich & Appelbaum, 2000). For the CFA, the image of the fashion industry was of the utmost importance. As Chandler posits, brands are the focal point of corporate success (2020). The importance of an established brand image, clean of sweatshop and labor exploitation is pivotal to the lasting success of the Los Angeles fashion industry. Tainted by the ideas and actualizations of sweatshops, slaveshops, and highly-publicized instances of labor exploitation, the CFA was formed in order to right the supposedly incorrect image of the Los Angeles fashion industry. With the bottom line of profits being the driving force of manufacturers and other industry-related capitalists, the CFA attempts to educate manufacturers on the benefits of technologies that were both cheap and modern, boosting efficiency with the hopes of eliminating sweatshop practices and exploited labor (Bonacich & Appelbaum, 2000). As of 2017, the organization has 176 member associations, categorized into 13 subcategories: Associations, Attorneys / Law Firms, Financial Services / Banks / Factors, Educational Institutions, Event Management, Accountants / Financial Consultants, International, Manufacturers / Retailers, Property

Management, Publications, Services, Suppliers, and Technology (*2017 Membership Roster*, 2017). Organizationally, the members of this association are some of the most elite and influential members of the Los Angeles fashion industry.

Under the present iteration of capitalism, the California Fashion Association acts as a regulation tool for the fashion industry, regulating both the inner workings of the fashion industry as well as outside attempts at interventions. What the CFA represents then is Chandler's notion that stakeholders, broadly defined, must serve as the regulators of the given market in which they are involved (163). Stakeholders are defined as individuals or organizations that are affected by a firm and possess the capacity to affect the firm (Chandler, 58). To apply this definition of stakeholder to the present example of the California Fashion Association in the context of the Los Angeles fashion industry, the CFA is a stakeholder in the broader firm of the Los Angeles fashion industry, acting with the intent of affecting the firm in various ways. Because the market is unable to self-regulate, Chandler describes, it is up to stakeholders to affect the firm through various measures in order to ensure the firm is acting in the best interest of its shareholders (2020). In the instance of the CFA as the stakeholder, the organization is acting as a system of checks and balances to ensure that the fashion industry at large is acting to benefit the stakeholders, especially given the elite membership of the CFA. To explore the idea that the CFA attempts to levy the fashion industry in the best interest of the organization's members, an exploration of Morgan's organizational metaphors of Organism; Flux and Transformation; and Domination will begin (Morgan, 2006).

As defined in a previous chapter, Organization as Organism describes the importance of the organization's ability to adapt and respond to the surrounding environment (Morgan, 2006). The California Fashion Association was founded in response to growing discontent regarding the

fashion industry, both internally and externally. The success of the CFA is largely due in part because of the elite membership who were looking to save their reputations. The industry elites of the CFA sensed a shift in attitudes towards the Los Angeles fashion industry, especially surrounding the manufacturers' use of sweatshops. In sensing this change in public perception, or rather the public recognition of manufacturing exploitation, the industry elites of the California Fashion Association decided to form the organization and rectify the image of the Los Angeles fashion industry. The attempt to rectify also exemplifies Morgan's metaphor of Organization as Flux and Transformation. Where Organization as Organism describes how the California Fashion Association was formed due to the external context of growing discontent with the Los Angeles fashion industry's manufacturing processes, Organization as Flux and Transformation describes how the CFA responds to its environment in order to better serve its elite membership. The CFA and the external environment, both in the fashion industry and outside of the fashion industry, work together in a push-pull relationship, balancing pressures to change and adapt from both sides. Morgan describes this push-pull relationship that the fashion industry and the CFA share, where the fashion industry has perfected its ability to provide low-priced garments while simultaneously alienating their markets on account of these practices (2006).

Ultimately, Morgan's metaphor of Organization as Domination articulates the CFA and its relationship to the broader fashion industry in Los Angeles. Though focused on rectifying the image of the industry, the California Fashion Association is not looking to remove sweatshops as the primary mode of garment production in the country but rather rectify the images of the powerful industry elites whose images are tarnished by the negative publicity of the Los Angeles fashion industry at large. The diversity of membership, including groups and individuals from

nearly every sector of the expansive fashion industry, from finance to real estate to brands, is illusory. The individuals and groups tied to the California Fashion Association are some of the highest up in the industry, managing capital and affecting the lives of those below them – primarily the laborers. In directly benefitting from the very existence of the laborers in the garment district, through the leasing of space to become a sweatshop to the brands who profit from the cheap clothing and even cheaper production. It is not the existence of sweatshops around which the CFA is organized, but around the public awareness of their existence. In not having to care about the exploitation of the laborers in direct, concrete ways other than their effects on the image of the Los Angeles fashion industry, members of the CFA are aware of their dominance over the industry.

X. Conclusion: The Success of Los Angeles

In an increasingly globalized, competitive market that encourages offshore production and cost-cutting labor abuses, how is Los Angeles able to remain a top contender in the fashion industry? With a \$13.3 billion fashion industry coming from the Los Angeles area, the city and its industry serve as an exception to the tacit rule that offshoring is the ideal method of ensuring maximized profits (Ross & Mort, 1999). The Los Angeles fashion industry is the perfect storm to compete globally: it is a large city filled with resources like finance, advertising, law, and fashion schools; immigration labor is abundant, incredibly cheap, and efficient; it is widespread and segmented so as to prevent collective organizing from the labor force; and it searches for loopholes in the regulations in order to evade health and safety standards (Rodrik, 2012). Only ten percent of garment manufacturers sell over \$20 million in wholesale each year. The majority of those manufacturers are based in Los Angeles (Ross & Nutter, 1999). The success of the

fashion industry in Los Angeles is due in large part to the vicious exploitation of the immigrant laborers and the successful evasion of regulations, like the Fair Labor Standards Act of 1938 (Ross & Nutter, 1999). In their domination, manufacturers and retailers control the lives of the immigrant laborers through long hours, low wages, and the constant threat of replacement because of the vast labor reserves due to Los Angeles being an immigration hub. Not only do manufacturers threaten and exploit their labor force, coercing them into remaining in the garment production industry, but popular, conservative anti-immigration sentiments make the exploited laborers dependent on their bosses for work (Ross & Mort, 1999; Bonacich & Appelbaum, 2000). Using this dependence, the manufacturer is able to hold immigrant laborers in their sweatshops, in industrial homework, or in other exploitative means of production in the garment industry of Los Angeles.

The volatility and fleeting trends of the fashion industry also ensure that laborers are unable to organize, unionize, or otherwise protest the conditions under which they are employed. Popular culture, as discussed by Wark, changed the fashion industry forever (Ross & Wark, 1999). Before the mid-twentieth century, luxury fashion dominated the market, and its mass-production was commonplace in the realm of manufacturing. With the proliferation of popular culture, of movie stars, and of Hollywood as the entertainment capital of the world, large shifts in the industrial organization of Los Angeles' fashion industry became necessary (Ross & Wark, 1999). The shifting of industrial organization made it unstable for laborers to maintain, or at the very least have, a share in the wealth produced by the fashion industry. In the global race to the bottom, the industrial organization of the fashion industry, which moved from large-scale factories to small-scale sweatshops, sees to it that laborers are increasingly squeezed out of their deserved shares of wealth, of wages, and of safe working environments. Internally, the Los

Angeles fashion industry is run on the penny-saving, profit-increasing race to the bottom. Externally, however, the Los Angeles fashion industry survives on its fabricated public image.

The general public, well-versed in the fashion industry or not, appear to agree that sweatshops are morally and ethically wrong, but where does that leave us when the industry of fast fashion remains powerful, profitable, and popular? In this post-modern society, our consumption patterns dictate perceptions of social belonging and in-group acceptance. The fashion industry has capitalized on this ideology of consumption as social acceptance by designing, manufacturing, marketing, and selling trendy lifestyles. Apparel produced in Los Angeles is no different, selling the consumers on the casual and sunny southern California disposition. Without direct confrontation with the inner workings of the fashion industry, the average consumer has limited understanding of what is happening beneath the surface in Los Angeles. The lack of awareness and the not-so-public image of sweatshops is what the California Fashion Association and other industry elites are able to capitalize upon. As is the case with many other products we are sold, the life of the garment begins once we have purchased it, not before.

Perhaps then Los Angeles exists through a combination of its exploitative internal structure and its impressive ability to conceal that structure to consumers. As Bonacich & Appelbaum posit, successful industries exist where there is supportive infrastructure. Supportive indeed, the capitalist Los Angeles fashion industry is sustained by internal infrastructures of power dynamics, of labor exploitation and sweatshops, and of the reckless and individualized pursuit of profits. Externally, the Los Angeles fashion industry is sustained by the encouragement of garment consumption that is aimed at the general public through advertisements, popular culture, and structures of capitalism. Simultaneously, the internal and

external factors of the Los Angeles fashion industry work to perpetuate the ideologies of each other. Fashion is vital to the market, to individual's senses of self, so manufacturers must produce garments in order to capitalize on that. Sweatshops are useful for that small-scale, flexible production that luxury fashion's mass-production practices could not meet, but are undesirable to the very public for which the clothes are being produced. With laws like the Fair Labor Standards Act of 1938, perhaps it is challenging for the average American consumer to fathom the fact that exploitation can and does occur within the national borders of the United States. In reality, labor exploitation and the capitalist pursuit of profits know no national border or boundary. As exploitation of individuals occurs through capitalist modes of production in countries external to the United States, exploitation of individuals occurs within the United States simultaneously. Under the guise of economic rationality and the pursuit of profits, manufacturers, retailers, and industry-specific organizations dominate the experiences not only of laborers within the industry, but those who consume the clothing.

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