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The apparel industry is one of the signature industries of the global economy. Sweatshop conditions in Caribbean and Asian garment factories have been the target of well publicized picket lines and boycotts among activists sympathetic to labor, to the point that a popular U.S. TV personality was reduced to public tears when the line of women's clothes she endorsed was exposed as the product of oppressive factories. Most clothing items are easily made with unskilled labor and a few simple machines, so manufacturers can move quickly to take advantage of lower wages or a more favorable business climate. For years producers have been moving out of the U.S. or contracting with offshore suppliers in order to reduce costs, particularly labor costs. However, the global restructuring of the apparel industry has also reshaped what remains of the industry in the U.S., intensifying or shifting the direction of changes already underway.

IMPORT COMPETITION

In 1960 only 2% of apparel goods purchased in the U.S. were imported. By the late 1980s, imports were 30% of the market. Industrialization in the Third World opened low-wage production locations, while free-trade advocacy during the Reagan administration blocked the erection of new trade barriers in the form of increased quotas or tariffs. The surge of cheaper imports put severe cost pressures on the domestic industry. Garment prices, which had been in concert with prices for other goods from 1950 to 1970, fell dramatically in relative terms from 1970 to 1985 before leveling off. Employment also dropped from a high of 1.43 million in 1973 to 1.03 million in 1991 and wages declined from a peak of $8.00/hour in the late 1960s (in 1990 dollars) to $6.50/hour in 1991. Working conditions worsened as unions weakened and workers were pressed to work harder to achieve greater productivity. Much of the industry has gone underground, further eroding working conditions and making accurate assessment difficult. Three regions of the U.S., New York, North Carolina and California, house substantial portions of garment production, but each exhibits a diffferent pattern of growth and employment.

THE RISE AND FALL OF THE NEW YORK APPAREL INDUSTRY

New York has long been a hub of fashion in the U.S. and became the center of the garment industry in the 1800s. Initially, immigration provided abundant, inexpensive labor. However, cost factors in the New York garment industry changed rapidly between the two world wars. Legislation restricted immigration, unions took hold and gained substantial bargaining power, and rents began to rise. Firms which could afford to move did so, while weaker firms closed. Employment dropped after World War II, although unions were able to maintain a high wage structure in the New York industry until the 1970s. After that union membership declined, and wages began to fall as employment continued to drop.

Small shops and contract production fragmented the industry making union organization even more difficult. A new wave of immigration, particularly from China replenished the pool of cheap labor, while the trend toward smaller shops producing less formal, easier to manufacture clothing opened opportunities to immigrant entrepreneurs. Even with these changes, however, the pace of job loss in the industry increased in the 1970s and 1980s .

GROWTH AND STAGNATION IN NORTH CAROLINA

Unlike New York, North Carolina and other areas of the south experienced growth in apparel production after World War II. Better transportation was one among several inducements to growth. The textile industry had already moved from its birthplace in the northeast to the south and, as apparel manufacturing moved into the area, some integration of the two industries took place. Many state governments made strenuous efforts to attract industry with financing and loan subsidies, assistance with recruitment and in some cases outright land giveaways. A key element in "the selling of the south", was suppression of unionization. Most southern states enacted right-to-work legislation which made it illegal to require union membership as a condition of employment.

With the mechanization of agriculture, more southern workers sought industrial employment. White women moved into the garment industry in large numbers, but racial discrimination kept black workers out of the factories until the 1970s. After that the civil rights movement made employment of black women acceptable at the same time that import competition and the diminishing pool of white female labor led employers to seek other, cheaper sources of labor. In North Carolina, where the apparel industry is heavily concentrated and has experienced growth, the proportion of black workers rose from 5% in 1960 to 28% in 1990. In Mississippi, 44% of apparel workers were black by 1990, but in Mississippi and several other southern states, employment in the industry has dropped since 1970. Overall, apparel employment in the south has stabilized; and many analysts and industry insiders are concerned that even the low wages paid to black women are too high to compete with imports.

CALIFORNIA GARMENT BOOM

California provides a contrast to the rest of the country. There the apparel industry is booming. Southern California has had a substantial proportion of garment production since the 1920s, drawn by the fashion conscious movie industry. Expansion after World War II continued into the 1970s as a consequence of burgeoning immigration, low unionization, lucrative products, and "an industrial organization that insulates manufacturers from legal responsibility for labor." The structural aspects of the industry and the characteristics of the labor force reinforce each other.

Legal immigration increased the U.S. labor force by 19% in the 1970s. California was, and still is, a major destination for immigrants, particularly from Asia and Mexico. The dramatic recomposition of the labor force as a whole is reflected in the apparel industry. Non-Hispanic whites once were the vast majority of California's garment workers (86% during the WWII era); by 1980, only 24% of the state's apparel workers were non-Hispanic whites, 50% were Latino and 18% Asian. Black representation in the industry dropped from 8% in 1950 to 5% in 1980. Latinos and Asians were an even higher proportion of production workers in the industry.

Immigration reinforces low wage rates both by increasing the labor pool and by discouraging unionization. Many immigrant workers are undocumented and fear deportation if they exhibit militant behavior. The entrenched white male leadership of the most prominent unions has had difficulty building rapport with the largely Latina workforce. Fragmentation in the industry, which is composed of numerous small shops, is also a hindrance to union organization.

The availability of a large unskilled labor force willing to work for low wages is compatible with the shift in fashion after WWII to casual wear. Casual clothing is less expensive and requires less skill to produce than dressier clothing.

Industrial organization also matches the product base and the workforce, with separable functions parceled out among a large number of small shops often owned by Asian entrepreneurs employing Latino workers.

> "This fragmented structure enables large manufacturers to pass the financial risks of fluctuating product demand to small contractors....[and] to avoid legal problems associated with subminimum wages, poor working conditions, and the infraction of labor standards. Asian and other contractors are thus left in 'middlemen positions,' where labor and union conflicts are most likely to occur."[324]

Taking a look at apparel industry trends in New York, North Carolina and California together, leads to the bleak conclusion that U.S. and Third World working conditions are converging. In the long run, U.S. manufacturers may choose to compete on the basis of quality, style or flexibility, but for the near future the apparel industry depends for survival on deteriorating conditions of work and the availability of low wage labor.