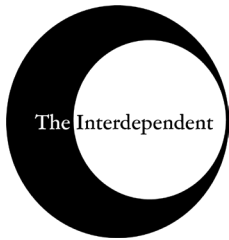


# **Made in Italy by China: Human Impacts of Globalization on Modern Garment Production in Prato**



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## **Abstract**

Fashion employs more people on earth than defense and agriculture combined and contributes more greenhouse gas emissions than all of Europe, making it a conspicuously key actor in the global economy and a villain in the health and sustainability of the planet. Humans today consume more clothing than ever before. As a result of this demand, garment production systems have been reorganized globally to provide the cheapest, most efficient workforce possible. Reliant on global connectivity, the industry exploits labor from marginalized communities who restructure their lives around the requirements of modern fashion—extreme flexibility and the ability to work grueling hours for low wages. It is well established that the fashion industry poses a threat to the environment. However, also implicated in garment consumption and production practices are the health and safety of its workers. In this article, I investigate how and why Prato, Italy is home to a significant population of Chinese migrants producing a specialized kind of low-cost fashion, *pronto moda*, often under hazardous conditions that have led to tragic factory disasters. Utilizing a theoretical framework of transnational relationships and localized distributions of labor, I analyze how migrants in Prato created a system of clothing manufacturing that significantly changed fashion fabrication and the potential for disaster that exists therein. This case study is crucial in understanding how our culture of consumption has led to these dangerous extremes and the global implications of our purchasing tendencies on both the natural world and our fellow humans. I argue that beyond implementing improved health and safety regulations in factories, the path towards an equitable fashion system—free of disaster—requires a societal and cultural reevaluation of how and why we buy the clothes we do.

## **Keywords**

Pronto Moda; Fast Fashion; Globalization; Migrant Labor; Prato; Wenzhou; Labor Distribution; Localization

## **Introduction**

Within my first month of studying in Italy, my fashion-business professor brought my attention to Prato, a small city thirty minutes from where I lived in Florence, known for textile manufacturing. He spoke of the Chinese-migrant-led culture of garment assembly that has taken place there since the 1980s. After preliminary research, I soon realized it was a compelling case study into how globalization has affected garment production and led to unsustainable environmental consequences.

This article considers how modern consumption habits, coupled with a globalized culture and economy, have made it possible for modern slavery, or the severe exploitation of other people for personal or commercial gain, to occur in garment factories in Italy (Breen 34). As garment workers risk their lives every day in unregulated factories with inadequate health and safety protections, society must evaluate how far we are willing to go in the race to the bottom.

As you read this thesis, I implore you to consider the clothes you are wearing: Do you know where your shirt was made? Of course, you can read the tag, but you likely do not see the story or the more significant implications behind the “made-in” label. When you reach the final pages and leave this work behind, I hope you will appreciate the value of knowing the conditions under which the clothes we wear every day are made and perhaps reconsider how you consume clothing.

## **Local Labor, Global System**

As Steger describes it, globalization refers to “the multidimensional and uneven intensification of social relations and consciousness across world-time and world-space” (Steger 17). More simply put, globalization is the process of global connection, interaction, and integration. Describing this “time-space compression,” David Harvey explains that people, goods, information, and capital can travel across the planet faster than ever before, making geographically distant places intimately connected in ways they never before were (Ceccagno 7).

While it does, of course, take many different forms, two of the most common types of

globalization are *embodied*, the movement of people, and *object-extended*, the movement of traded products and goods (Steger 11). In the case of fashion, these two forms converge. With a general shift towards market liberalization and the departure of the state as a crucial economic entity, the mass manufacturing of fashion has flourished with the help of offshoring labor, that is, moving work to foreign countries for cheaper employment (Godart 48; Thomas 3).

### **Localization, Deterritorialization, and Transnationality**

This change has been accomplished through the processes of localization and deterritorialization by reconfiguring relations between the global and the local to strategize for the most productive process possible (Collins 151; Ceccagno 8). Localization is the practice of “organizing a business or industry so that its main activities happen in local areas rather than nationally or internationally” (“Localization”). In terms of fashion production in Italy, this concept is crucial to understanding the importance of producing and consuming clothing made in Italy. Consumption is a way of self-identification and asserting one’s social position. An item produced in Italy carries social and cultural capital that has been understood for generations, where donning a garment with a “Made in Italy” tag signifies a connotation of quality, taste, and legacy (Friedman 314). This identifies a consumer as a patron of a significant, historically-local industry, even though its modern production may rely more on a global connection than a local one.

To better conceptualize the manifestations of localization and deterritorialization and their roles in the garment system Collins relies on geographers and social scientists:

corporations relate to locality as *space*, whereas workers develop more multidimensional relations to *place*, which they fill up with the institutions of daily life ... space is ‘a domain across which capital is constantly searching in pursuit of greater profits,’ while place refers to ‘the meaningful situations established by labor.’ (150)

This space/place relationship is complicated for many fashion manufacturing sites. By filling a specific local niche within a global industry, fast fashion manufacturers engage in transnational entrepreneurship to relate to space as a web of business and place as a locality for production. As

Huang describes it, transnationality is “thought of as a condition of sustained interconnectedness experienced by transmigrants whose everyday geographies span social fields located in two or more nation-states” (Huang 404). Transnational social spheres may be devised to reproduce their mother society relocated but closely intertwined across borders, drawing criticism from local communities receiving transmigrants (Huang 405). In Prato, Italy, transnationality takes the form of small family workshops that produce apparel and rely on local spatial proximity and transborder relationships to achieve the greatest profit in the shortest amount of time.

Ultimately, this reconfiguration can be attributed to the widespread adoption of fast fashion in the 1980s, which relied on the rapid production of “cheap” garments, both in their material price and the price at which they were sold. Most of these garments are copied from runway collections or, more recently from social media, and are reproduced within weeks. For larger fast fashion conglomerates, a garment can go from design concept to being sold in stores in a mere fifteen days, a figure jarringly different from past months-long fashion cycles (“Fast Fashion”). In addition, the fast fashion industry produces massive amounts of waste due to its perceived disposable nature and emissions because it relies on fossil fuels for its plastic-based polyester fibers (Bick et al. 3; “Fast Fashion”). On a more theoretical level, the systems that fast fashion relies on are equally complicated and depend on globalization for their conception.

From the widespread adoption of fast fashion production, the strategies of firms in Prato began to exist on a continuum between localization and deterritorialization (Collins 165). On one end, the adoption of a garment production system is closely linked to the local aspect of Prato’s unique positionality, both historically and economically. Prato was once home to a booming textile industry that crashed in the 1980s, leaving thousands of abandoned workshops and a suffering economy behind. With the introduction of entrepreneurial Chinese migrants, old textile workshops essentially became fast fashion sweatshops where workers attach ‘Made in Italy’ labels to low-quality, cheap garments. On the other hand, this system engages in more ephemeral transnational relations, where globalization makes it so that Prato is merely another space for labor to take place. This means firms can open and close within days if costs decrease in other areas (Collins 151).

The production of modern fast fashion necessitates both processes to appease a consumer who demands more products at rapid speeds, perpetuating the never-ending race to the bottom—or the struggle wherein actors or companies compete to undercut costs by sacrificing worker safety and reducing their pay.

Along this continuum between space and place exist three main points of struggle, which point to the contradictory nature of localization and deterritorialization (Collins 152). The points of contention are (1) instability in employment in terms of duration, solidity, hierarchy, and control; (2) the web of relations between firms and community, which are regulated by or circumvent local political structures and laws; and (3) a living wage and the way workers must make ends meet in the absence of that wage (Collins 152).

### **Made in Prado**

From the David statue carved by Michelangelo to the ancient silk manufacturers in Florence, using machines designed by Leonardo da Vinci, labor and innovation are synonymous with Italian identity. Nevertheless, not all this effort is as glamorous as a Renaissance sculpture, as can be seen in the small Tuscan city of Prato—which has become one of Europe’s most important textile centers, despite its relatively unknown global status in comparison to other Italian cities like Rome and Milan.

The bulk of Prato’s production focuses on the ready-to-wear model of fabrication known as *pronto moda* (“ready fashion”). This assembly system is the metaphorical parent of fast fashion, or the quick, cheap, low-quality model of manufacturing that has rapidly become the industry’s norm, mainly due to globalization. Prato’s role in fast fashion may come as a surprise, given the general narrative of style from Italy as being high-quality or artisanal, typically finished with a “Made in Italy” tag. However, globalization has ensured a clear pathway for Prato to become an industrial textile hub and the home to many workshops producing for the *pronto moda* market. A vital part of this globality is exemplified by Prato being home to the highest population density of Chinese citizens in Europe (Ceccagno 2). This correlates to the production of *pronto moda* and

the role Chinese migrants play, as Chinese nationals owned 5,058 businesses in Prato in 2014, and 75% of those were in garment manufacturing (Ceccagno 84). Prato, therefore, highlights the relative inclusion of migrant entrepreneurship in an increase in the diversity of migration flows and employment mobility due to globalization. This small Tuscan city is a significant case study in understanding the varying and complex levels of labor organization in garment systems to anticipate the effects this production can and will have on the people who make clothing and the world at large.

### **History of Prato: Industrial Hub and Migration Hot-Spot**

Migration to Prato can be broken down into three primary waves: regional, national, and transnational. The first wave of migration to Prato occurred after the devastation of World War II. This migration consisted of Tuscan peasants and sharecroppers abandoning the countryside for a more urban and autonomous lifestyle of factory work or artisanship in cities like Prato (Krause 28). The subsequent national wave in the 1960s saw people from the far south of Italy similarly leaving peasant lifestyles and bouts of discrimination for the opportunities that existed in an industrialized city (28). These two migration periods resulted in increased textile manufacturing success for Prato, known as the post-war industrial boom era, particularly in processing wool fabrics (119).

Unfortunately, around the mid-1980s, after several fruitful decades of producing carded wool, this industrial success began to dwindle. Prato soon experienced an economic crisis, which required the industry to scale down its production and reduce the number of firms and workers employed (Ottati 1251). Because the hundreds of closely intertwined micro-firms of Prato were family-owned and operated, shutting down brought the end to many family businesses (Krause 30). Thousands were left jobless, and the industry went quiet for several years until migrants arrived once more.

The most recent transnational phase of migration to Prato was comprised of many Chinese migrants arriving in the late 1980s and 90s (Krause 28). As the local industry slowly began to recover, it found difficulty acquiring skilled workers and subcontractors capable of participating

in the newer trade of knitted garments, which is where the Chinese were initially able to find a bit of success.

Chinese migrants were not necessarily new to Italy; they had been present since the early 1980s in other small Tuscan towns close to Florence, such as Campi Bisenzio and San Doninno, where self-employed migrants from the Wenzhou province produced leather goods (Ottati 1252). Moving to Prato, they found favorable conditions for setting up small production firms due to their sewing abilities and access to labor from family members who lived with them. Additionally, due to the economic crisis in Prato, Chinese migrants had a unique opportunity to establish workshops in the spaces and workshops vacated by ex-artisans and former factory workers (Ottati 1252; Ceccagno 111). Moreover, there was a distinct lack of a younger generation of laborers in the industry; hence, the combination of space and job opportunity provided ideal conditions for entrepreneurship. As a result, the population of Chinese residents in Prato steadily grew from the 1990s on, beginning with only 100 and reaching nearly 5,000 by 2001 (Ottati 1252). The currently registered Chinese population has reached over 30,000, and the local Chamber of Commerce registered 4,453 Chinese-owned manufacturing firms in 2019 (“Prato Population Statistics”; “Imprese Straniere”). The post-boom era of Prato proved detrimental to natives and the local manufacturing firms but, in turn, resulted in a unique opportunity for Chinese entrepreneurs to utilize what the city could offer in location, labor, and potential profit.

### **Introduction of Pronto Moda**

Fast fashion has become the primary production model for the bulk of the ready-to-wear industry because of increased consumer demand and transnational connectivity. However, almost twenty years before fast fashion spread globally, Italy had already been producing its own sort of low-end quickly made fashion, known as *pronto moda*. Despite the Italian name, it was the Chinese migrants who arrived in Prato in the 1980s and 90s that introduced this new production model. This model had never existed in Prato before they came, and it was the spark that began Prato’s shift away from wool manufacturing and towards clothing and ready-to-wear garment

assembly, sectors previously uncharted by Italian entrepreneurs (Ottati 1253). However, by the 2000s, as the term fast fashion grew in popularity, it became clear that what the Pratese (people of Prato) entrepreneurs were producing as *pronto moda* was not necessarily the same as mainstream fast fashion (Ceccagno 131).

Fast fashion by Italian standards refers to medium-to-low quality clothing production, such as Liu-Jo, Pinko, and even Zara and H&M. On the other hand, *pronto moda* refers specifically to clothing produced for the low-end market in Italy and across Europe. These goods only imitate pre-existing fashion goods, and manufacturers are not expected to, nor are they in the business of designing their own garments (Ceccagno 131). In fact, many of the *pronto moda* workshops are run as subcontracting shops wherein Chinese workers began as smaller firms producing for other brands until they acquired the experience and relations necessary to set up their own workshops and firms (Johanson et al. 41). While it is nearly impossible to generalize this complex system, many Chinese laborers have transitioned from subcontractors to independent final producers of *pronto moda*. This is an interesting fact considering the importance of subcontracting to the global fast fashion sector.

The main characteristic that sets *pronto moda* apart from the rest of fast fashion is the structure of the production system. Rather than a web of firms and businesses spread across states, countries, and continents, *pronto moda* is relatively self-contained or localized within the city of Prato. In a work compiled by Baldassar et al., Stefano Becucci recounts his experience researching the industrial district of Prato called Macrolotto 1, where the majority of *pronto moda* produced by Chinese firms is made (Baldassar, Dei Ottati, et al. 81). He accompanies an individual that works for a Pakistani trader living in Germany, who sources his products from workshops in Prato, a true manifestation of globalization's influence on garment production. Such traders visit Chinese firms in Macrolotto 1 weekly to order large quantities of clothing, which are then sent weekly or monthly to cities across Italy and Europe (82). They trade between 10,000 to 20,000 clothing items per month, often reaching around 80,000 during the summer months, emphasizing the massive quantities *pronto moda* produces (82).



The organization of *pronto moda* is further structured by the several different kinds of involved workshops. The type contained within the Macrolotto district is more of a showroom, where traders come to see the available product and negotiate deals, and the garments are then transported from there (Baldassar, Dei Ottati, et al. 82). They also have smaller workshops with a few sewing machines where garments can be produced on-demand, but this is not the actual site of the entire garment production. Once the product design is chosen and the fabric is cut, the rest of the manufacturing process occurs in a separate part of the city, in sewing shops in the San Paolo borough along Via Pistoiese.

In San Paolo, Chinese sewing workshops serve multiple purposes, also functioning as apartments, basements, and garages. These spaces house around 40 sewing machines where workers sew for up to eighteen hours per shift to ensure maximum productivity for the highest profit (Baldassar, Dei Ottati, et al. 83; Krause 5; Ceccagno 98). To say that garment production is woven into the fabric of the city of Prato and the Chinese immigrant culture is an understatement. Entire lives are dedicated to low-end clothing assembly in Prato, where the line between work life and home life often hardly exists. And, as consumers demand faster and cheaper production while entrepreneurs continue to seek profits, the system becomes more and more dangerous, veering away from humanity and towards brutal labor exploitation.

### **Maximum Mobility: Pronto Moda's Economic Structure**

The requirements of fast fashion production—flexibility and intense margins of labor—determine the economic conditions of Chinese migrants in Prato. By reorganizing the chains of work and rethinking the mobility of their spaces, Chinese workshops have become a network of resources and workforce, pushing the boundaries of fast fashion into new frontiers. Ceccagno calls this production system “the mobile regime,” based upon the Chinese migrant tendency towards labor mobility and the Italian need for migrant work (Ceccagno 64; Zhang 136). She explains that Italian immigration laws, especially over the last thirty years, have been overtly conceived to aid the industrial network in finding a cheap workforce, which often is the byproduct of migration. These

labor laws also encourage migrants to enter Italy on their own due to an attractive “underground economy,” which makes it easier for unauthorized migrants to live and work in a country for an extended period of time, even without a permit to stay (Ceccagno 65). These legal and economic conditions provided the ideal backdrop for migrants coming to Italy searching for jobs, finding employment first in Italian-owned subcontracting firms before creating their own labor organization capable of meeting faster-paced deadlines while making a profit (Krause 6). By specializing in the fast fashion sector, Chinese migrants began a niche system of local small-firm manufacturing, even though the processes in which they worked were inherently a product of globalization.

### **Profit Margins of Pronto Moda**

Although fast fashion products are sold in stores and markets at relatively low prices, the profit margins for its production can be quite high, especially on a smaller-scale model like in Prato. Modern consumers’ demands are constantly in flux, meaning that fashion firms must be able to respond in a timely and accurate manner. The Chinese migrant production model in Prato can do just that: by using a “dense mosaic of firms,” they can produce garments in small quantities with “short lead times, rapid delivery, and fast adaptations to market conditions” (Ceccagno 47). This allows for the highest possible profit margin, especially when the fabrics used are abysmally cheap and the cost of effort is at the contractor’s discretion.

Although the “Made in Italy” label is attached at the end of a garment’s construction, it is often the case that the materials themselves are not necessarily made in Italy. This is just one factor that allows the manufacturing of *pronto moda* to remain at such a low cost. In his visits to factories in Macrolotto I, Becucci found that many of the rolls of fabric had labels from foreign countries like China, a detail he found surprising until he was informed that by importing this very cheap fabric from abroad, production costs could be kept as low as possible (Baldassar, Dei Ottati, et al. 83). Furthermore, to ensure maximum productivity and entice migrant employment, workshops also function as apartments or dormitories, where workers are provided with space to sleep and eat. Maintaining this level of closeness is what Ceccagno says “enables the contracting unit to swiftly

respond to the high flexibility required by the market” (154). By clustering not only the firms in one area but also the employees themselves, the pace can keep up with the immediacy embedded in *pronto moda*, and expenses remain low, again, keeping profits relatively high.

However, profit depends on quantity, a characteristic attributed to fast fashion’s detrimental impact on the environment. High output of low-quality garments leads to large amounts of textile waste, pollution from garment fabrication, and an overall crazed consumerist culture. Nonetheless, quantity is crucial to acquiring profit in the *pronto moda* and fast fashion industries. Becucci finds that earnings in this industry tend to be relatively low; the return on one garment can be as low as just one euro. Therefore, a Chinese entrepreneur must sell as much quantity as possible, or about 1000 garments per day in a best-case scenario, to see a meaningful profit (Baldassar, Dei Ottati, et al. 84). These conditions allow *pronto moda* to be sold at such shallow prices: the low cost of production due to a workforce predicated on exploitation, cheap materials, and an enormous scale of output.

To say the wages are low is a gross understatement. The wage system of Chinese-owned workshops is based on a class structure and abides either by a piece-by-piece or a monthly rate. Ceccagno explains that the piece-rate system is perplexing to generalize, as it involves numerous variables such as what is being produced, the level of quality, and the amount completed (151). However, there are distinct levels to the different workers and their earnings. Firstly, a *chegong* is a skilled worker paid on a piece-rate wage, earning between €625 to €830 per month. Their less experienced counterparts, *shougong*, earn about €600 per month. These laborers have basic skills and can iron and sew, but not on the level of the skilled *chegong* workers. Finally, at the bottom of the chain is the *zagong*, the unskilled worker who completes odd jobs around the workshop, such as cooking, cleaning, trimming threads, and assisting in shipment loading. These workers are paid the lowest wage, typically around €400 to €500 per month. However, it is essential to note that these wages do not represent the final pay, as obligatory taxes due by the employed are deducted directly from their paycheck (152).

It is hard to ignore the hierarchy in this wage system, where unskilled workers typically

suffer the brunt of over-exhaustion. Ceccagno points out that, “skilled workers that work longer hours may share in the accrued profits with the employer, but this is not the case for *zagongs*, who gain nothing but suffer from overwork” (152). Even though the provision of housing and meals often offsets the expenditure of labor, the tradeoff margin is difficult to see as adequate for the intense and grueling work in which these laborers are involved.

### **Chinese Workers and “Made in Italy”**

For many years following the introduction of Chinese immigrants to Prato and their growing success, the Italian government turned a blind eye to the apparent illegal economic practices that often existed within their production structure. As a result, their financial and commercial development ultimately benefited the Italian fast fashion sector and the reputation of Prato as an innovative and industrial city (Zhang 137). However, towards the mid-2000s, following increased pressure from native textile producers and business owners, and under a new right-wing government, police began examining Chinese-run workshops more closely. This manifested itself in surveillance and often punishment of illegal Chinese workshops in brutal ways. The raids that ensued shut down sweatshops and arrested migrants, asserting that the overall goal of curbing “illegal businesses practices so as to protect the native Italian textile industry and the ‘Made in Italy’ label” (138). The so-called “protection” of “Made in Italy” is fascinating, especially given that the Chinese immigrants may be the ones to thank for the revival of its significance in the first place.

In the 1990s, when the local Prato industry had been shuttered and workshops were left vacant, Chinese migrants took advantage of the opportunity before them: reviving a regional industrial hub through the production of knitwear and then *pronto moda*, at a time when outsourcing and overseas manufacturing had become the norm of the industry. Zhang cites what Ceccagno writes in an Italian periodical, saying that the competitive edge of “Made in Italy” was made stronger by the work ethic and often illegal practices enacted by Chinese entrepreneurs (139). Moreover, by working around the clock to satisfy rapidly shifting consumer tastes, they were

more easily able to adapt to the new globalized model of production, which demands a strongly intertwined network of workshops, suppliers, and externalized labor.

Thus, the modern idea of “Made in Italy” is challenging to encapsulate in a single story. While some scholars and critics conveniently, and xenophobically, blame Chinese firms for causing the failure of many Italian family-run businesses and for tarnishing the “Made in Italy” label, others see the innovation and entrepreneurship of Prato as beacons of the success of globalization and transnational fashion production. It is possible that the story of “Made in Italy” includes both perspectives and many others, which points to the complex nature of making clothing in this increasingly globalized age where the interpretation of fashion and culture has possibly become ambiguous.

### **Hidden in the Shadows**

The existence of Prato’s shadow economy preceded the arrival of Chinese migrants; however, it certainly facilitated the growth that some Chinese entrepreneurs accomplished. I will examine how this underground economy is essential to the cheap labor and economic crimes that many *pronto moda* firms rely on to produce as cheap and fast as possible. The transnational relationship that has been formed between Italy and China provides the context for understanding how an increasingly globalized world has resulted in this unsustainable and inequitable system of production.

The police carry out investigations and raids in Prato to suppress illegal behavior in factories. However, there are inequitable aspects of the economic and labor system there that I argue will require more than raids and investigations to resolve, especially the likelihood of a disaster occurring due to rapid production in unregulated spaces. The globalization of garment assembly has come to rely on workforce exploitation, often resembling forms of indentured servitude and slavery. This phenomenon exists not only in developing countries typically associated with industrialization and mass manufacturing, such as Bangladesh and China/Hong Kong, but also in countries generally considered developed, like Italy. While journalists and scholars have generally

recognized that neither all Chinese garment factories nor the entire *pronto moda* sector engage in economic crimes, they all participate in the more general production system that profits off the exploitation of human labor.

### **Motives to the Raids**

To understand the impact of the raids carried out by the Prato Police on workshops owned and operated by Chinese migrants, it is necessary to explore the motives and reasoning behind the tightening of regulations in Prato. Firstly, the pressure to inspect these factories can largely be attributed to the native Italian perception of Chinese factories. This is due to their often accurately perceived involvement in underground or illegal practices.

While the resentment of Italian natives towards Chinese migrants could be understood as a feeling of frustration that Chinese entrepreneurs were able to revitalize a dying textile industry in Prato, these claims suggest there is far more to the story. There is a “dominant and resentful sentiment” amongst Italians in Prato that the Chinese refuse to integrate into Italian society. This is often coupled with feelings that natives cannot “defend” themselves against the booming economy the Chinese have made for themselves in Prato (Krause 106).

*Pronto moda* workshops in Prato have been cited as participating in counterfeit fashion production, tax evasion, money laundering, and hiring fellow migrants without proper work authorization (Zhang 137). These are typical of an economy that relies on undeclared and unregulated labor. Critics have associated all migrants’ entrepreneurial success with economic crimes, social unrest, and the “storming” of a native Italian industry by way of a “siege” of Prato (Krause 99). Through the historical analysis of Prato’s textile industry, it becomes clear that a “siege” did not occur, and the decline of the Italian industry in Prato was not a result of Chinese entrepreneurship (Lan and Zhu 159). While many of the claims against migrants are exaggerated and include a certain level of xenophobia, aspects of the shadow economy, most simply described as unofficial economic activity, are based on the truth of the migratory experience.

It is crucial to note that the shadow economy was not introduced by the Chinese migrants

and is certainly not a product of their business practices. The informal, or shadow, economy is present in other ethnic communities across Europe, especially in less developed regions, and economic crimes also exist among Italian natives. For example, in 2010, several officers in the department responsible for conducting factory inspections in Prato were arrested on charges that they took bribes in exchange for granting residence permits (Donadio). Therefore, the conditions in Chinese factories in Prato should not be seen as a stand-alone phenomenon among one ethnic group but rather the product of the requirements of Italian *pronto moda* and global fast fashion production (“Italy Risk Assessment 2020” 5). An Italian woman interviewed by Krause affirmed that when the Italians first transitioned the Prato’s industry towards knitwear in the 1980s, the conditions of the workshops were practically the same. She says:

“What the Chinese do now, *closed in the ghettos of their big workshops*, was done by the Italians, and in a certain sense we ourselves were the Chinese working in the houses with machines *al nero*” (101).

“Al nero,” in this case, literally means black, or more figuratively, unregistered, or illegal, alluding to the under-the-table nature of this industry that went largely unchecked for years, even before the introduction of Chinese migrants. The loosening and tightening of Italian labor laws have allowed lower production costs along the supply chain, profoundly impacting the workers making *pronto moda*. As a result, the industry grows, the economy benefits, and the wheel of transnational capitalism turns.

## **La Economia Sommersa**

The shadow economy, or as Italians call it, *la economia sommersa* (“the submerged economy”), consists of *lavoro nero* (“undeclared work”), which are illegal or legal activities that can be monetary or non-monetary (Schneider and Enste 79; Krause 82). These include the trading of stolen goods, prostitution, gambling, and fraud. Most relevant in the context of this research is legal activity that involves unregulated wages, unreported work, and widespread tax evasion (Schneider and Enste 79). *Pronto moda* participates in the shadow economy, relying on

unregulated migrant labor and engaging in underground business practices to keep costs low and profits high (Krause 6).

In Prato, as is true for much of the world, a migrant's illegal status limits their social integration (Barbu et al. 2426). The perception of all migrants as unlawful is a driver of negative and often racist perceptions of the Chinese community in Prato. These perceptions are fueled by the irregular and exploitative jobs that Chinese migrants must engage in to repay the money they often borrow to make the journey to Italy under the radar (Max). In Italy these irregular and undeclared jobs generally take the shape of domestic services, such as cleaners, caretakers, and agricultural and construction workers (Smith). Due to this shadow economy, the work and living conditions resemble a form of slavery: incessant work hours with no rights or insurance and a complete dependency on the employer (Barbu et al. 2426).

One step above the shadow economy is the so-called gray economy, wherein the businesses do pay taxes but rely on subcontractors that often use illegal labor (Donadio). The subcontracting process allows for deep separations in the work system, often allowing final-goods dealers to have practically no clue where or by whom their product is made before it ends up in their showroom. The combination of indentured labor and the pressures of *pronto moda* production has resulted in economic success for some Chinese entrepreneurs, severe consequences for the workers involved, and external perceptions of criminality and illegality regarding *pronto moda*. However, the drive for economic success outweighs all other factors. Moreover, by operating in small firms largely dependent on family members, many *pronto moda* firms can achieve considerable capital gain, even when it comes at the cost of fellow family members and even themselves. Krause cites the term "self-exploitation" to explain how for many Chinese in Prato, there is a strict disciplinary nature to fulfilling the effort and time required of *pronto moda* (Krause 214). This term gets at the complex nature of entrepreneurship in Prato, wherein success and capital are the ultimate goals, and everything on the way there is collateral.



## Raiding Chinatown



**Image 1.** Police inspect a workshop in Prato that has been sequestered for illegal bedrooms, too few fire extinguishers, no well-marked, easily accessible fire exits, no first aid kit and a dozen gas canisters found during the raid. AP Photo/Fabrizio Giovannozzi.

With more population growth came an increased public awareness and concern regarding the alleged illegal activities occurring in Chinatown. It subsequently became increasingly difficult for Italian officials to continue to turn a blind eye to an industry that ultimately benefited the Italian economy.

Native Italians, especially previous factory workers who had lost their hold in the industry, pressured the police to investigate the migrants and the economic crimes they ostensibly were committing. They believed raids and inspections were the only way to curb what they saw as unfair competition (Zhang 138). Coupled with the election of a right-wing government in a traditionally left-wing city in 2009, investigations into Chinese businesses in Prato became more common and often more intense. The new right-wing mayor, the first since the end of World War II, campaigned on a platform of immigration crackdowns and tackling what his supporters called the “Chinese invasion” (“Long-Term Chinese Immigrants in Italy”). Thus, under his governance, pressure was put on factories in the form of police interference. At the same time, left-wing coalitions felt resources were being wasted on these raids with few results (Krause 109).

The custom of name-lending was one of the first facets of the informal economy to go under investigation. Name-lending entails opening a factory under a particular name, the name of a migrant, in many cases an elder planning to return to China. The business then closes after one year and reopens on the same site with the same employees but under a different lent name to avoid paying personal income tax, value-added tax, and local taxes, including the tax for garbage collection (Ceccagno 226; “Italy Risk Assessment 2020” 9). Assuming a phony name enables tax evasion, as the company can close its business and start work again under a new name (Ceccagno

227). While this practice is only feasible for wealthier Chinese entrepreneurs, as affording a name lender can often be costly, it highlights just one of the reasons factories began to go under harsher scrutiny by the government and the police force (“Italy Risk Assessment 2020” 9).

Questions arise, however, about the effectiveness and ethicality of the police raids and whether they accomplished what they set out to do. Determining their purpose, though, may be more difficult than expected. Were they effective if they were meant to combat the underground economy and ensure equal opportunity for all parties involved in the garment production industry? If they were meant to ease the discomfort felt by Italian natives upset by their failed trade that was revived by an immigrant economy, why then is there still tension in Prato? One could also argue that the raids were merely for show, and instead, the government of Prato has continued to exploit the low-cost labor and global export network provided by Chinese migrants for economic gain and tax revenue (Zhang 138).

Regardless of motive, the crackdown on criminality amongst Chinese entrepreneurs created a perception of nearly all migrants as criminals by their association in this shadow economy. For garment workers cutting and sewing for low wages in dangerous environments, both of which are characteristic of the global system in which they are participating, the reality of the grueling garment industry is ever-present in Prato. For their bosses and the owners of these factories, the risks they take and corners they cut in the pursuit of profit are reflected in the unsafe and unsustainable nature of their workplaces and their products. Making this system safer and more equitable may rely less on criminalizing individual factory owners and more on restructuring economic and cultural systems. Therefore, it is of utmost importance that we reimagine our culture and socioeconomic systems so that all citizens have the right to live and participate in an economy safely and legally.

### **Teresa Moda Fire**

On a cold winter morning in December of 2013, the fire department of Prato received a call about a fire at a garment workshop in the Macrolotto district. The first squad arrived at the Teresa Moda factory around 7 a.m. Flames had already reached beyond the roof of the two-



**Image 2.** The remnants of what was the Teresa Moda factory. To the right the raised makeshift dormitories where workers slept are visible. Gianni Cipriano for The New York Times, Dec 6, 2013.

story building, and firefighters on the scene say they first saw an arm coming out of a barred window on the second floor. As firefighters worked to put out the flames, searching for more bodies among burning piles of fabric, it became more difficult to imagine they would find survivors (Kinetz). Officials and investigators believe that a camp

stove in a makeshift dormitory in the building, likely used for heat and cooking, caused the fire (Povoledo; Livesay). Much like the factories of Pakistan and Bangladesh, Teresa Moda lacked all the safety features that could have prevented this fire or made it more survivable. There were no emergency lights or back or side exits, as other workshops surrounded the factory (Kinetz). According to firefighters, a rear emergency exit led to the roof, but it had been blocked by 5.5 tons of flammable fabric stacked there. The material reached the mezzanine level living accommodations made of cardboard and plaster that housed the workers in the few hours a day they were not manufacturing *pronto moda* on the factory floor (Mackenzie; Povoledo). Chen Changzhong, who had been working there for seven months, was not alerted to the blaze by a fire alarm but rather by the heat. The barred windows and lack of exits left him only one choice of escape—he had to make it through the massive and faulty door at the front of the building (Povoledo; Kinetz). He ran through the flames with his hand on fire and was one of the few to make it out of the workshop alive.

Firefighters had little way of knowing just how many people were left in the blaze after pulling out two bodies. Two witnesses watched as firefighters worked but were not entirely willing to communicate information for fear of exposing some of the illegal workers. Then, as more lifeless bodies were pulled from the flames, the witnesses began to give more information, even drawing a diagram of the factory's dormitory so that firefighters would not be searching blindly in the

smoke (Kinetz). Around four dozen people worked until noon the next day, putting the fire out and searching for bodies. A little boy, Giorgio, and his parents made up the rest of the four survivors. Seven people died in the Teresa Moda fire, making it the deadliest the city had seen in living memory. The consequences of years of failed law enforcement, unsubstantial safety regulation, and the relentless pursuit for profit had never been more apparent.

## **The Aftermath**

It could be said that the investigations and raids leading up to 2013 accomplished more minor scale corrections, such as issuing fines and requiring non-complying workshops to shut down production. However, only after the Teresa Moda fire did law enforcement officials admit that reining in the illegal and unsafe business practices had been an intense, ongoing, and relatively unproductive struggle. They attributed their shortcoming to inadequate staffing to check on what has grown to be over 8,000 factories in the garment district and the reluctance of many Chinese entrepreneurs and laborers to cooperate with Italian officials because of their involvement in the underground economy (Povoledo).

Police often run into difficulty when faced with name-lending, as aforementioned, which is precisely why it took authorities months to be able to prove who oversaw Teresa Moda. Investigators discovered that a woman named Lin You Lan was the “boss” of Teresa Moda, and the business owner on the official papers was merely a name-lender. Prosecutors said that Teresa Moda was the fourth name-lent company Lin and her sister had operated in the same building that Teresa Moda was in (Kinetz).

On March 20, almost four months after the fire, prosecutors charged five people with homicide: Lin You Lan, the managers Lin Youli and Hu Xiaoping, and the Italian brothers who rented out the building Teresa Moda was housed in, Giacomo and Massimo Pellegrini. The move to hold Italians responsible was rather unusual for these cases. However, lawyers for the victims saw it as an opportunity to send a message: “If the responsibility also lies with the Italian citizen who knowingly permits these situations of illegality, then the next time the Italian citizen probably

won't let it happen" (Kinetz). Unfortunately, this seems unlikely, given the immense role factories like Teresa Moda play in putting money in the pockets of Italian landlords. Like Giacomo and Massimo Pellegrini, many Italian property owners rented out their once family-operated workshops to Chinese entrepreneurs, often making a living off rental income (Krause 123).

Considering the disaster of Teresa Moda and with a left-wing mayor in place as of May 2014, Italian officials ramped up their inspection efforts, conducting investigations and raids of the more than 8,000 Chinese-run businesses in Prato between 2014 and 2017 (Max; Ceccagno 244). Unlike before the fire, the raids typically happened at night, with officials knocking on the doors of workshops without warning before the owners could clean up, close, or reopen under a name-lender (Max). Part of a new program called *Lavoro Sicuro* ("Safe Workplace"), the investigations were meant to focus on workplace security, and to close businesses if they were not complying with national workplace safety regulations, among them the elimination of dormitories on shop premises (Ceccagno 244). As a result, *Lavoro Sicuro* brought the percentage of Chinese-run businesses committing violations down from 93% to 35% (Max). The new narrative of "crackdowns" is motivated by harmony within the locality and sustainable development of the garment industry. While this may be useful for garnering support from local institutions and the cooperation of natives and migrants alike, it is not enough for igniting the systemic changes that must be made in this broken structure, as I will discuss in my concluding section.

The loss of life in the Teresa Moda fire is not directly comparable to the 1,100 lost in the tragic Rana Plaza factory collapse in Dhaka, Bangladesh in April of 2013. However, the broader systems at play perpetually allow substandard working conditions, and therefore these two disasters are similar, if not the same. In the chains of global capitalism, workers are treated as disposable commodities useful only for what they can produce for the economy (Krause and Bressan). The factory fire in Prato proves that there is no need to search only in developing or mass-manufacturing countries like Bangladesh or China to see the inequities and injustices of the fast fashion industry. Factory disasters happen wherever labor is exploited and human lives are considered disposable in the pursuit of profit. Through examining the few regulations and changes, or lack thereof, that



**Image 3.** The collapse of the Rana Plaza building that housed garment factories, killing 1,134. Munir Uz Zaman/Agence France-Presse — Getty Images, 2013.

production system where garment workers are treated and paid humanely, and where human habits of consumption do not take such a heavy toll on the planet.

came about after Rana Plaza and comparing them to those of Prato post-Teresa Moda, a trend becomes evident: laws and policy changes are simply not enough to prevent disasters and tragic accidents in garment factories across the world (White). Global cultural change is the only way we will reach a

## **Conclusion**

Globalization has impacted garment production in myriad ways. Those most clearly displayed in this case study of Prato are the reorganization of labor systems in localized and transnational arrangements, and the impact modern consumer demand poses on the health and safety of garment workers. By analyzing how Chinese entrepreneurs in Prato shaped a division of assembly that is now mirrored in nearly all modern fashion manufacturing, this article has demonstrated the power of globalization in influencing the way we produce and consume our most basic goods.

In examining the Teresa Moda fire and comparing it to other factory disasters in Bangladesh and Pakistan, it becomes clear that not enough is being done to regulate health and safety in garment factories and workshops worldwide. I argue that if consumer behavior does not change within the next ten to twenty years, factories in Prato and around the globe will experience more accidents and tragedies as consumer demand grows and production continues to speed up. Essentially, I am waving a red flag and warning the industry and consumers that disasters like Teresa Moda are inevitable if we do not reevaluate our consumption and production habits and demands. Change

cannot come only in the form of safety regulations but in the assurance of equity through livable wages, safe housing, and the necessities of human life. The effects of an unchanged industry will not only be felt in “sweatshop countries” like China/Hong Kong, Bangladesh, and Pakistan, but in all places that provide cheap employment for fast fashion production. The conditions that permit disasters to occur or wages to be so low are not the intrinsic fault of the factory owners, but of the system at large that requires the exploitation of human labor to produce as much and as quickly as possible.

It is critical to note that some have argued that fast fashion has heralded the democratization of fashion. While this is true in that trend fashion has become more widely accessible, it has only furthered the disparities in the fashion industry and has worsened conspicuous consumption. The pursuit of following trends or getting a “good deal” means that people buy more clothes than ever before and consider these garments disposable because of their lower prices, contributing to the already massive amounts of waste the industry produces. In this way, fast fashion preys on our increasingly short attention spans and desire for the novel, fostering a culture of excess, disposability, and insatiability.

If we fulfill the prophecy laid out by scholars that we will nearly double our clothing consumption by 2030, we will have reached a point of no return in terms of anthropogenic climate change and our footprint on the planet. With more purchasing comes more discarding, and the earth cannot sustain the amount of textile waste and water pollution the industry currently emits, let alone if those numbers were to be doubled. It should not require tragic accidents or climate disasters to drive the industry and consumers toward a responsible and more equitable future.

The point of my solution is not to demonize those who cannot afford to buy “sustainable clothing,” as there are numerous barriers to these options, such as cost, geographical location, sizing, and even lack of desire. However, I offer a mindset shift in emphasizing that the most sustainable clothing is not a \$100 shirt made of organic cotton, but instead the one already in your closet. If we can buy better, wear longer, and waste less, we will move towards a culture that values not only the shirts on our backs but also the people who make those shirts.

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