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Systems & Strategies Seminar

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Domestic Fashion Retail Exploitation

Introduction

Minimum wage jobs are essential to the survival of many college students and graduates in the recent financial crisis. Many students who struggle to pay for their college tuition and many graduates who need a supplement for their low-paying first jobs turn to the fast-fashion industry. Popular demand for cheap, trendy clothing has created more retail jobs for the average American. The powerful fashion industry is at the peak of its growth in the twenty-first century; however, concealed under its glamour, beauty, and luxury are numerous ethical issues. One of the overlooked issues in this industry is the domestic exploitation of fashion retail workers in the United States.

Literature Review

Many works involving ethical concerns about the industry have been written. When researching unethical practices in the garment industry, information on sweatshop labor overseas predominates, along with papers concerning environmental destruction and anti-fur campaigns. This paper chooses to (1) examine domestic exploitation rather than overseas exploitation and (2) give attention to retail workers rather than sweatshop workers.

Joanne Nicola Sneddon, Geoffrey N. Soutar, and Julie Ann Lee's paper in the *Journal of Fashion Marketing and Management* discusses the consumer's role in contributing to the main unethical practices of the fashion industry, such as animal abuse, forced labor, environmental

destruction, and fair trade¹— none of which focus on domestic exploitation or laborers beyond sweatshop workers. Gemma Charles and Tim March's article in *Marketing* revealed that industry insiders admit that design which solely focus on ethics is not attractive to most consumers – it has to be beautiful and wearable as well.² The important role of the consumer is further highlighted in Kerli Kant Hvass's article in the *Journal of Fashion Marketing and Management*, describing how companies try to reduce their environmental impact by giving a discount or gift voucher to customers who return old clothing. The consumer has a powerful role of contributing to change by recycling, protesting, and spending wisely; however, change cannot happen if the consumer is ignorant.

Lack of activism surrounding domestic exploitation in the garment industry is revealed in J.P. Goodwin's article "Fur-Free Friday is Not Enough," suggesting a strategy to stop animals from being killed for their fur. Discussing the issue on television and radio, printing posters, calling retailers, and holding protests and demonstrations are some of the steps listed.³ Lack of attention in consumer countries is also prevalent in Ann Harrison and Jason Scorse's paper from *The American Economic Review*, which focuses on the impact of anti-sweatshop campaigns on the labor conditions in Indonesia, known to be a country with harsh labor markets since the 1990s. Due to U.S. threats to withdraw from Indonesia's market if they did not improve working conditions, the minimum wage in Indonesian sweatshops increased significantly. Big companies

¹ Apparel Consumers' Ethical Concerns and Preferences." *Journal of Fashion Marketing and Management* 18 (2): 169-186.

² Charles, Gemma and Tim March. 2010. "Ethics Come into Fashion." *Marketing* (32):16.

³ Goodwin, J. P. 1999. "Fur-Free Friday is Not enough." *The Animals' Agenda* 19 (6):

such as Nike, Adidas, and Reebok were also pressured to sign codes of conduct,⁴ showing the effectiveness of bringing attention to unethical practices for change.

The focus on issues of inhumane working conditions for sweatshop laborers overseas continues in *Flawed Fabrics*, a study conducted by the Centre for Research on Multinational Corporations in the Tami Nadu spinning industry in South India, a major site of global knitwear production. The study focuses on abuse, human rights violations, and how young girls and women are lured into the textile industry with false promises of a better future when in reality they are getting locked up in the mills while being overworked and underpaid.⁵ Again, much has been said about the sweatshops overseas when it comes to fashion ethics.

Focus on the global exploitation system is also prevalent in *Marking Progress Against Child Labour*, which gathers statistics on child labor around the world. In this article, the International Labour Organization (ILO) estimates that there are 168 million children in labor as of 2012, many involved in producing textile and garments for the fashion industry.⁶ The wide amount of research regarding cheap labor overseas is reasonable since many businesses choose to cut their investments in labor in order to obtain profit gains. Benjamin Powell and Matt Zwolinski explain the benefits of sweatshop labor overseas for competitive markets in the *Journal of Business Ethics*. Markets compete by acquiring the most profit through cutting costs

⁴ Harrison, Ann and Jason Scorse. 2010. "Multinationals and Anti-Sweatshop Activism." *The American Economic Review* 100 (1): 247-273.

⁵ Overeem, Pauline and Martje Theuws. *Flawed Fabrics*. Report. Centre for Research on Multinational Corporations, October 2014.

⁶ *Marking Progress Against Child Labour*. Report. International Labour Organization, 2013.

of labor.⁷ However, costs of labor not only can be cut at the manufacturing stage of a garment, but also at its retail process.

Research on domestic exploitation often focuses on foreign minority populations. For example, Yu Zhou's "New York: Caught under the Fashion Runway" argues that different ethnic immigrant groups, especially the Chinese Immigrant population, are caught in an unending cycle of cheap sweatshop labor because sweatshops do not require English skills and high education.⁸ Meanwhile, Chong Gao and Khun Kuah-Pearce's article in *China Perspectives* shows how South China's Garment Industry is also corrupt as business dealings and economic relations depend on "favors," such as giving the gift of a red envelope that contains a large amount of money and offering sexual services to potential clients or partners.⁹

All sources show how the fashion industry and its corruption are all essentially connected, linking with Immanuel Wallerstein's World System's Analysis: there is a global "axial division of labor" in which there are core, semi-periphery, and periphery zones.¹⁰ In the case of the garment industry, Europe and America are the core zones while the semi-periphery and periphery zones (China, Indonesia, India) are responsible for the mass production of textiles and garments for the core zones. There is an immense amount of research regarding ethical concerns in the periphery regions. Attention to exploitation in the domestic garment industry focuses on immigrants who came from the semi-peripheral and peripheral regions and rarely on

⁷ Powell, Benjamin and Matt Zwolinski. 2012. "The Ethical and Economic Case Against Sweatshop Labor: A Critical Assessment." *Journal of Business Ethics* 107 (4): 449-472.

⁸ Zhou, Yu, "New York: Caught under the Fashion Runway." *The Berg Fashion Library*. 2002.

⁹ Gao, Chong and Khun Kuah-Pearce. 2015. "The Garment Industry in South China: Practising Relational Work." *China Perspectives* (3): 25-32.

¹⁰ Wallerstein, Immanuel Maurice. 2004. *World-systems analysis: an introduction*. Durham: Duke University Press.

the average American. Existing research also tends to specifically focus on those involved in the manufacture of the garment rather than those involved in the retail process. This paper focuses on a region – the United States – and a layer of the system – retail – that has not been widely researched for ethical issues.

Research Methods

My research is based on the individual experiences of 12 people and consists of archival data ranging within the recent 5 years and personally conducted interviews. For archival data, I first searched for videos and blogs online that retail employees have made to share their experiences working at fashion retail stores. Many people are using YouTube as a means of protest against fashion retail mistreatment to get their voices heard. YouTube allows anyone to create a video and upload it for the public to see. It is a media of self-expression where different viewpoints and critiques are encouraged. Videos can give a lot of information since the speaker's face, expressions, and background are shown.

I also looked into blogs such as the Gawker and Thought Catalogue, both known to have revealed many truths and stories on various issues. In the two sites, writers can submit their stories anonymously, encouraging more freedom of speech since the writer can hide behind a screen to expose the truth. The online world is an important source of information since so many people are using it as a means of protest.

As for interviews, I knew I would not obtain truthful information if I were to interview strangers on their shifts at retail stores – their environment, with managers watching over them, will prevent them from saying anything negative about their working experiences. Instead, I chose to interview two friends who work in retail since they would be comfortable enough to share the truth with me. I obtained more interviewees through the snowball effect: from the

friends I interviewed, I was introduced to two more retail employees. I was careful to ask neutral questions and not impose my views onto them. For example, I asked what the most difficult parts of their job were, what they thought of their pay, and how customers treated them. I told my interviewees that only their initials would be used in my paper to ensure anonymity and the freedom to talk about whatever they want. While the four interviewees are New Yorkers, the eight other online users are spread throughout the United States. Only one person was male.

Data and Discussion

The main reoccurring problems found in my research are that employees (1) are forced to deal with and accept sexual harassment as part of their jobs, (2) must work in a negative environment that places value on appearances before anything else, (3) are overworked and underpaid, and (4) are not respected by their managers, who are also manipulated by unethical company policies.

Racism towards customers and employees is one of the major issues occurring in the fast-fashion retail workplace. Jane Doe wrote an online diary entry over 20 days as an American Apparel employee at the L.A. headquarters posted on media outlet Gawker. She reveals that American Apparel employees must sign agreements that promise they won't speak ill of the company upon leaving. However, the online platform has allowed her to speak out since she is protected behind a screen and does not need to give any other personal information other than her name. In her diary entries, Jane exposes the racial profiling accepted in the workplace. On her first day of work, Jane's manager told her, "Look out for black girls, because they're always

the ones shoplifting. I know it's a stereotype, but it's *true*.¹¹ From the very beginning, employees are forced to treat customers differently based on their appearances – especially skin color. The manager has only hired one black girl, and she works in the stock room. Nolan Hamilton, who also worked at American Apparel and posted on the Gawker, exposed the same issue as Jane Doe. She reveals how people of color were placed in the back, while thin white people worked on the floors. Chelsea Fagan, a retail employee who worked at Abercrombie and Fitch and wrote on media outlet Thought Catalogue, also noticed that ethnic minorities were placed in the back and stock rooms. Marissa Antoinett, who shared why she quit her job at Abercrombie and Fitch on YouTube, found that the managers, who were Caucasian, usually gave minorities 0 - 3 work hours per week. Interviewee T.O., who worked at an Urban Outfitters in New York City, shares that the most uncomfortable part of her job was the underlying racism no one ever spoke about. The employees had a system of theft spying: if someone looked suspicious, they would report it through their walkie-talkies. However, nine out of ten times, the “suspicious” people were black. T.O. says, “ I literally never knew if someone was suspicious or not because I didn’t profile people based on their race, but I guess that’s what we were supposed to do.”¹² All research subjects above felt discomfort about the treatment of ethnic minorities, but employees have no right to speak up about the issue since they are the ones being paid.

Over-obsession with appearances is also an issue in the retail workplace. For example, Jane Doe’s entry suggests that there are no other criteria for hiring other than appearance. Every time someone drops off their résumé, the manager would inquire about their appearances. Nolan

¹¹ Doe, Jane. 2014. "Twenty Days of Harassment and Racism as an American Apparel Employee." Gawker.

¹² T.O. (Former Urban Outfitters Employee) in discussion with the author, May 2016.

Hamilton brings up the unwritten “Anti-Uglies”¹³ internal policy at American Apparel, in which employees are criticized for chipped nail polish and uneven eyebrows. She also solidifies how there is no outlined rubric for hiring – all employees agree that people were hired based on appearances. On top of the work retail employees have to do, they must also spend a large sum of money on maintaining appearances, and are criticized for minor physical details that are not part of their jobs. Jane admits that a large portion of her paycheck went back towards purchasing American Apparel merchandise for work. Interviewee C.S., an Urban Outfitters employee working in Herald’s Square, also admits that she spends a large sum of her paycheck at her store in order to always look good for work. Chelsea Fagan reveals that the more “good-looking” an employee was, the closer they were to the storefront. She also noticed that overweight people were placed in the back and stock rooms.¹⁴

YouTuber Marissa Antoinett, Caucasian and 18 when she worked at Abercrombie and Fitch, talks about how she was horrified with being on the interview team with her managers, who would make fun of people’s appearances and status. In an interview session, the managers denied a well-suited potential employee because “his teeth weren’t perfect.”¹⁵ Managers also frequently comment on what employees are wearing. Marissa once heard them say “that jacket was so last year” to a co-worker. Managers would also control what employees eat on breaks, saying that they should not be eating certain foods in order to stay skinny to work there. Marissa also found that good work hours depend on appearance. After distancing herself from managers because she did not want to be caught up in their superficiality, fewer hours were given to her. The managers

¹³ Nolan, Hamilton. 2010. “Life at American Apparel: The Employees Speak.” Gawker.

¹⁴ Fagan, Chelsea. "23 Confessions Of A Former Abercrombie And Fitch Employee." Thought Catalog. November 6, 2013.

¹⁵ Antoinett, Marissa. “Why I Quit my Job at Abercrombie and Fitch.” YouTube video, 14:58. Posted [October 2015].

purposely assigned her to Friday night shifts knowing she would be unavailable. The superficialities and over-obsession with appearances by higher ups are examples of unethical treatment of retail employees and job applicants in the fashion industry. The workplace also enforces an unhealthy body image standard by controlling what employees choose to eat.

Retail employees are also forced to deal with and accept sexual harassment as part of their jobs. Jane Doe's entry reveals that managers are indifferent when customers sexually harass employees. One time, a male customer harassed Jane's coworker in the fitting rooms, asking her to try on sheer items since she is the same size as his wife. When she tried them on, he lifted her arms to expose her breasts and slipped a twenty-dollar bill into her pants. When the harassed employee told her manager what happened, there was no protocol and the manager only replied, "Well, it seems like he's gone now."¹⁶ The victim was not allowed to leave work early and the manager partially blamed the incident for the revealing clothes they wore. When the man who harassed the victim returned again asking for the same favor, the manager agreed and told another girl to just wear something underneath. Since there was no physical rape involved, the police could not do anything about the incident. Employees are expected to keep up with the "hyper-sexual" image of the company.

Crissy Milazzo worked at Limited Too and explains the sexual offenders she had to withstand. Sexual offenders would ask employees to show them different items for their inexistent "nieces." Pedophiles would also call the store and deliberately ask what ages their store carries clothing for sexual pleasure. Crissy shared that she had "nightmares for days."¹⁷

¹⁶ Doe, Jane. 2014. "Twenty Days of Harassment and Racism as an American Apparel Employee." Gawker.

¹⁷ Milazzo, Crissy, "16 Insane Confessions of a Former Limited Too Employee." Thought Catalog. October 9, 2014

Retail employees must tolerate sexual harassment as a part of their jobs and maintain mannerisms – they cannot even be rude or ignore sex offenders, since they are considered valued customers.

Former Urban Outfitters employee T.O. reveals one incident when a male customer waited around her working section for a long time, asking for her number to take her on a date. Even though she refused, the customer would not leave her alone. T.O. didn't know what to do because she needed to “uphold Urban's reputation.” She explains, “We were told that the customer is right, and [we needed] to entertain their needs, so I didn't know when to draw the line. We were always told that our urban was the best in regards to customer service, so we didn't want to be the ones to mess that up.”¹⁸ Current Urban Outfitters employee C.S. states that the most difficult part of her job is dealing with customers and how sexual harassment happens on a daily basis for employees. She recalls one incident when an old man asked her how long a dress is, to which she answered mid-thigh. The man then proceeded to ask whether or not it could be shorter and commented “You'd look sexy in that,” handing her his business card.¹⁹ C.S. explained how she could not talk back to the man and stand up for herself because he was a customer. Women retail workers are forced to remain silent in these situations.

Former Hollister & co. employee J.K. has also experienced verbal harassment from customers while working like catcalling. She shared that once, a customer tried to pay her in exchange for a co-worker's number. K.T., another former Hollister employee, recalls the most disturbing experience she had while working was when a customer said to her, “You look so

¹⁸ T.O. (Former Urban Outfitters Employee) in discussion with the author, May 2016.

¹⁹ C.S. (Urban Outfitters Employee) in discussion with the author, April 2016.

good when you're working. Wanna work for me tonight?"²⁰ K.T. said that she could not do anything but smile at the customer since she must maintain her company's image. As seen from the data, all female employees have experienced some sort of harassment in the workplace and they have no right to speak up but accept it as part of their jobs.

Retail employees must also cope with long or inflexible hours, unreasonable managers, and low pay. Chelsea Fagan was overworked and underpaid when she worked at Abercrombie and Fitch: she worked up to 15 hours a day with only a 15 minute lunch break in between. She confesses that shoplifting was the real source of income for many employees – they would steal from the stockrooms and sell the merchandise on eBay. Exploitation of retail employees leads to further ethical problems occurring in the workplace. Former Forever 21 employee Ashley Nakaishi shares on YouTube about how the company is not very understanding of college students and she was always put on closing shifts that ranged from 5 p.m. to 12 a.m.²¹ Some managers would threaten sales associates to complete go-backs, where employees put clothing from the fitting rooms back onto store shelves, or else they could not get off of work: employees are kept over their paid hours.

Shay Janiel who also worked at Forever 21 and posted on YouTube explains how the company does not give "good hours" and how the paycheck is not enough for 17 to 25 hours of work per week. The store closed at 9 p.m. but she would not get out until 12 a.m., which was extremely unsafe because she had transportation issues and worked in Downtown Horton Plaza, San Diego, California, a dangerous area at night. Shay had the same issues as Ashley: she was a student and mostly had closing shifts. The company does not work with the employee's hours

²⁰ K.T. (Hollister & Co. Employee) in discussion with the author, May 2016.

²¹ Nakaishi, Ashley. "Working at Forever 21: My Interview-Resignation Experience." YouTube video, 17:48. Posted [Aug 3, 2015].

and availability. Most importantly, Shay was unreasonably fired because she asked a co-worker for a ride after the 12 a.m. close during her shift.²² Unreasonable managers and inconsiderable hours are examples of bad working conditions.

Abbey Hilary, the only male in this research, worked at American Eagle. He reveals how the store makes around \$80,000 a day but he only makes \$10 an hour, commenting on how the company is greedy about money.²³ This relates back to Benjamin Powell and Matt Zwolinski's article in the *Journal of Business Ethics*, explaining how competitive markets compete by acquiring the most profit through cutting costs of labor. Laborers not only consist of sweatshop laborers overseas, but also retail workers. Abbey also exposes how the store manager unreasonably pushes all work onto employees and makes those in a lower position do their work.

Current Urban Outfitters employee C.S. told me that there were managers who pushed their responsibilities onto the retail workers. They also would keep her until 2 am when the store closed at 10 pm "for no reason."²⁴

When I asked Former Hollister & co. Employee J.K. what was hardest about her job, she replied, "There were times when it was really tiring having to lug loads of clothes back and forth or when I have to sort through and organize whole sections in the store while there were customers shopping at the same time."²⁵ She shares that she was overworked and exhausted but overall, she enjoyed her working experience and does not have major complaints. However, she was paid a minimum wage of \$8.75 per hour and believes she should have been paid more for the work she did.

²² Janiel, Shay. "Working at Forever 21: Pros and Cons." YouTube video, 6:29. Posted [March 6, 2015].

²³ Hilary, Abbey. "Why I Quit American Eagle." YouTube video, 15:02. Posted [Sep 2, 2013].

²⁴ C.S. (Urban Outfitters Employee) in discussion with the author, April 2016.

²⁵ J.K. (Former Hollister & Co. Employee) in discussion with the author, April 2016.

Conclusion

Although the working conditions of retail workers in the United States are nowhere near the harsh labor conditions for sweatshop workers overseas, their hardships and mistreatment needs to be brought into the spotlight as well in order for change to occur. There are many ethical violations in the fashion industry, and the domestic exploitation of retail employees is no exception. Retail employees are much better off than sweatshop workers, but their rights should not be ignored and their voices should be heard. Sweatshop workers and retail employees share conditions of exploitation and their struggles are all connected because they are all part of one system: the corporate fashion industry.

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