

ROGHI E SUCCESSO IMPRENDITORIALE
PRATO,
I MIGRANTI CINESI
E IL MERCATO MONDIALE DELLA MODA

Antonella Ceccagno

IHEDATA, FIRENZE, 31 MARZO 2014

December 2013



Fire in a Chinese 'pronto moda' in Prato

On 1 December 2013, in the industrial district of Prato, Italy, seven Chinese migrants died in a fire that swept through the building where they worked and lived.

This calamity stirred up NATIONAL OUTRAGE IN THE PRODUCTIVE REGIME OF THE CHINESE MIGRANTS in Italy

Narrative on the productive regime of the Chinese

narrated

AS A WORKING REGIME AND A MODE OF
EXPLOITATION

‘WITH CHINESE CHARACTERISTICS’

编剧
高满堂

导演
孔笙 李雪



创业年代

Legend of Entrepreneurship

李立群 殷桃 迟蓬 张译 靳东 张佳宁

出品方
浙江影视集团
北京歌华传媒集团有限公司
山东电影电视剧制作中心
温州广厦电视传媒集团

创业年代 温州一家人

The China Story – Legend of Entrepreneurship **2012**

Center of the story is a fairly prosperous family which emigrates from Wenzhou to Tuscany.

After reverses in the family's fortunes, the Chinese businessman's daughter, young Amy, winds up owning a successful clothing shop in the textile city of Prato.

Problem is that along the way Amy clashes with a Prato manufacturer so seriously that, according to a journalist, **Prato makes a "brutta figura" (丢面子)**. The Prato town council did not appreciate this.

Chinese Consulate narrative in the aftermath of the fire

the Chinese Consul general proclaimed *'the CHINESE GOVERNMENT'S newfound desire to change the brutal exploitation of workers that has been Chinese factories' modus operandi in Prato for the last 15 years'* (White 2013)

Paroxysmal narrative on the institutions' role

the international press – echoing the dominant Italian narrative - reports the

'Italian officials' inability to persuade the Chinese government TO ADDRESS the growing crime problem, the unsafe factories ...' in Prato (White 2013)



The narrative

China

- the sending country-

- instead of Italy**

- - the place where the industries contracting to Chinese suppliers are located-

- should manage and put an end to the working regime of the Chinese migrants in Italy**

A different analytical approach

Migrants' 'economic emplacement'

(Glick Schiller and Caglar 2013)



Migrants and the locality
shape and mould each other

My unit of analysis

NOT the 'ethnic' group per se

BUT

highlighting THE STRUCTURAL FACTORS at work
and their constant interaction with Chinese
migrants' agency

The economic emplacement of the Chinese migrants is the result of the intersection of Chinese migrants' agency with

- 1) changing structures of production , demand and distribution of textiles and clothing, globally
- 2) the legal regimes of Italy that regulate migration flows, the industrial production and the working and housing conditions
- 3) the degrees at which regulations are enforced by authorities at the local level in Italy or left as a threat but not enforced

Chinese migrants emplacement in Italian ID is linked to reactions to the shocks of globalization

- LARGE FIRMS: **offshoring**, mainly in central and eastern European countries
- SMALL FIRMS: not able to relocate production abroad. They managed to keep the costs down mainly by attracting **low-skilled migrants**

Not (only) as workers but as self-employers

- They open their own contracting workshops
- ONLY CO-NATIONALS as workers
- In most workshops both employers and employees WORK AND LIVE in the workshop premises.

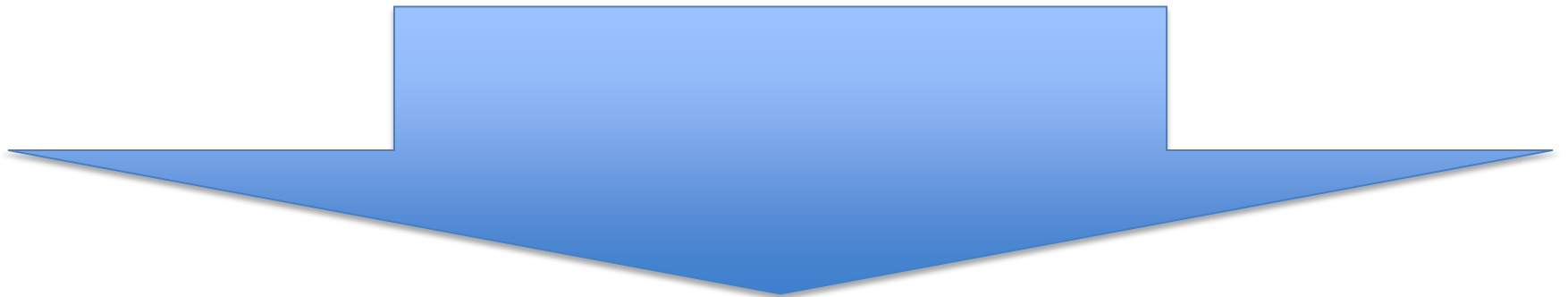
Since the late 1980s

- Chinese supplier workshops **have been received with a hearty welcome** by the clothing firms in Italian IDs

They OFFERED CONDITIONS OUTCOMPETING ALL PREVIOUS PRODUCTIVE REGIMES



Dynamic relationship between
migrant labor
and the repositioning of IDs within
globe circulating processes of capital
and labor
in the last decades



Chinese mode of production against the backdrop of globalized regimes of flexible accumulation

(Harvey 1989 and 2010):

‘time and space compression’

have called forth

a reorganization of labor markets with new forms of labor regulation,

including outsourcing and employment of temporary, part-time, and seasonal workers ’

Chinese mode of production against the backdrop of globalized regimes of flexible accumulation

Mezzadra and Neilson 2013:

- ‘INTENSIFICATION’, or the tendency of labor to ‘colonize the entire life of laboring subjects’
- ‘HETEROGENIZATION’, ‘or the fragmentation of legal and social regimes that organize labor resulting in a the creation of new kinds of production

Ceccagno 2007, Compressing personal and family life

The crucial role of labor mobilities

labor mobilities are central
to understanding
the division of labor in the contemporary
globalizing world

Reconfiguration of the productive space in the workshop

Sleep in arrangements



Reduction of costs and added flexibility

Benefits offered by the sleep in workshops

- RE-ATTRACT CONTRACTORS INTO THE IDS
- ‘IN SITU OFFSHORING’: cheap workforce, externalization of costs of production, and a different attitude towards labor protection without entailing the geographic re-allocation of the production

A further, more extreme
RECONFIGURATION
of the productive space

Inter-firm level:
workers' short-term mobility

Bargain conditions
offered to manufacturers

are chiefly the result of
**an unbounded reconfiguration of the space
through an innovative use of stasis and
mobility**



Reconfiguration of the space of production

- It is the sleeping regime that makes possible the workers short-term inter-firm mobility, a further, more extreme reconfiguration of the space

IN THE FASHION INDUSTRY

This is a reconfiguration of space where the space consists of the dotted line that unites many Chinese-run workshops needing *instant* workers for processing *instant* orders in the highly perishable *instant* fashion industry

sleeping regime + short term inter-firm mobility regime

Are the unique way in which
the Chinese migrants' stitching workshops
have embraced and interpreted
the **fast fashion imperatives**

No **political or labour institutions** at the national or local level have tackled in an unambiguous way the extreme labour regime in Chinese contracting workshops



The system of law enforcement may undermine itself **WHEN THE COSTS OF POLICING THE RULES RISK TO BECOME MORE A BURDEN** on the industry concerned than adopting a more lenient position (see Klosterman, van der Leun, and Rath 1999)

Clothing manufacturers in Italian IDs

highly benefit
from the Chinese
contracting workshops'
productive organization

Why is it then that in Prato
Chinese migrants entrepreneurship
is under attack
???????

Complementary industries, that are not integrated

Chinese are active in
the CLOTHING
INDUSTRY

where they first
operated supplier firms
and later also
manufacturing firms

Italians are
mainly active
in the
TEXTILE
INDUSTRY



2007: 'Pact for security in Prato'

signed by the

Mayor of the left wing local government
and representatives of the Prato **province**, the
Tuscany **region**, and the Italian **Ministry of
Interiors**

The pact addresses and adopts measures against

- 1) urban degradation;
- 2) criminality and deviant behaviors;
- 3) Chinese enterprises

The policy

The document claims that TOO MANY Chinese businesses are active in Prato and they often operate off the book. Therefore they bring to the city security problems that need to be addressed with specific measures:

- 1) SELECTIVE inspections on an ethnic basis
- 2) Fines so HIGH that many were not able to pay

A new DISCRIMINATING LOGIC emerges :

A **DIVIDE** is created and **institutionalized** between

NATIVE ENTREPRENEURS whose business enterprise is legitimate and supported by the institutions,
and

MIGRANT ENTREPRENEURSHIP that is transformed in a security concern

Strong symbolic actions in Prato

- **soldiers** patrolling the streets
- policemen assisted by **police dogs**
- and **police helicopters** repeatedly flying over the inspected firms



These symbols remind people
of the **created isomorphism** of migrants' free
enterprise and criminality

How could it happen
that at a certain historical moment
problem fields so different
such as urban degeneration, criminality
and Chinese businesses are put together as
a security threat to the locality

???

in order to decode a
'historically particular apparatus'
we should focus analytical attention on
historical contingencies,
or particular, situated events that alter- or
sustain - the status quo

MID 2000s
1st historical contingency

DRASTIC CHANGE
IN THE TEXTILE INDUSTRY
AND
DRASTIC DOWNWARD POSITIONING
OF THE CITY

From a thriving one-industry textile ID to an impoverished city

- A textile center since the Middle Ages
- A one industry city till recently
- 1950-1980: the booming years of the textile industry, contributing to the international success of the Italian fashion

Shifts at different scalar levels by the mid 2000 bring about a crisis of the textile industry

- **Global competition from low labor costs countries (MAINLY CHINA)**
- **End of MFA**
- **Introduction of EURO >> puts an end to protectionist measures based on devaluation**
- **Changes in the FASHION markets: 1) wool is no more in fashion, 2) integrated T&C chains are preferred, 3) growing power of retailers**

COLLAPSE OF THE LOCAL ECONOMY

- in the last **ten years**, textile firms have declined from 5,800 to around 3,000, the number of workers has been **cut by half**, and a 1.6 billion turnover has been lost

The performances of the Prato ID are now **the worst in Italy**, with a 20% reduction of the per capita added value from 2008 to 2013

THE CRISIS HAS PLUNGED THE CITY INTO A PERSISTENT STATE OF SOCIO-ECONOMIC UNCERTAINTY

- Edoardo Nesi depicts the entrepreneurs in Prato – and in Italy - as those that by now are on the *'loosing side, those who have realized, over the course of just a few years, that they have been left behind by history. The ... raving ones, the furious ones, the ones who yearn for the past'* (Nesi 2013)

Chinese-run fast fashion firms in Prato

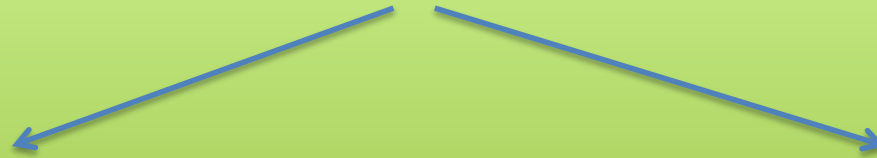


Rise of the Chinese as CLOTHING entrepreneurs

- They have been able to jump en masse from the position of **contractors to the role of final-good firms** that contract the stitching phases to co-national suppliers
- They have established almost from scratch the **largest low-end fast fashion industry** that attracts buyers from Europe and beyond.
- Garment production represents one third of the total turnover and export in Prato

'ETHNIC' POLARIZATION

By the mid-2000s it was clear that the textile and clothing industries were going in opposite directions:



the garment industry
was THRIVING

the textile industry
was SINKING

Why should a thriving industry
be under attack

????

Why is Chinese migrants' entrepreneurship
criminalized in Prato
and not in other Italian IDs

???



Prato is different

In Prato Chinese migrants
have occupied the supply chain in fast fashion



**THEY ARE CONTRACTORS AND
MANUFACTURERS**

Chinese

**DO NOT DIRECTLY CONTRIBUTE TO THE WEALTH
OF THE NATIVE ENTREPRENEURS**

As **ENTREPRENEURS** in the clothing industry,
they have been able to directly take advantage of
the competitive **conditions offered by co-national
suppliers**
and the opportunities for global upstream sourcing



thus reducing the advantages for natives

Contestation of Chinese entrepreneurship is a struggle over production of wealth and legitimacy

- Stakeholders became aware that the new **global dynamics did not favor in the ID the interests of the native industrialists in the core industry of the district**

- Prato is a case in which the downscaling of the city negatively reverberates on the Chinese- run fast fashion centre



Chinese migrants' affluence has been narrated as a threat to the established order, and therefore action aiming at downscaling their activities has been taken deliberately

December 2013: a new historical
contingency

December 2013: Fire in a Chinese fast fashion firm in Prato



2014: A new SECURITY policy: focuses on workplace security

- **ALL** Chinese businesses will be inspected within three years
- Effort to **open a dialogue** while starting inspecting the businesses
- A **step by step approach** that only focuses on workshops security measures

BUT

CRITICAL POINTS

1) The divide remains

 **Selective** checks: only targeted to Chinese businesses

2) It touches upon a crucial competitive advantage of the Chinese labor regime

 **THE MOBILE EMPLACEMENT**
(sleeping regime + workers short-term inter firm mobility)

A new challenge to the Chinese migrants entrepreneurship

What will happen
if and when
the mobility regime's competitive advantage
is lost
??????

Interessi contrastanti tra gli italiani

- Imprenditore abbigliamento: 'ci aspettiamo che molti di loro se ne vadano'
- Proprietari di appartamenti e fondi
- Importatori di tessuti da Cina e Turchia
- Commercianti

Another critical point of the new policy

‘ci sono malviventi che vengono nella nostra fabbrica a prendere i macchinari, ci lasciano un numero di telefono per chiamarli: dicono che ci restituiranno i macchinari in cambio di 3.000-4.000 euro. Ma noi non guadagnamo abbastanza per ricomprarceli’

Si chiede collaborazione e legalita'

MA



non si collabora a risolvere I problemi legati alla legalita' che I cinesi incontrano

Sono diventati l'epitome del migrante ricco



RICCHI COME GRUPPO, NON COME INDIVIDUI

Ricco + migrante = ossimoro
nella cultura italiana

TENDENZE CONTRASTANTI

- I CINESI SONO (PERCEPITI COME)
ARRICCHITI
- MENTRE
- GLI ITALIANI SI IMPOVERISCONO

'Prato insicura'

- Luna Chen writes:

'I am not surprised that I got robbed in the very center of Prato while I was walking with three friends. After all, all my Chinese friends in Prato have been robbed at least once in the last years and I do not see why I should be the exception! On the contrary, I am surprised that I came out of it with only one scrape on my knees, nothing more. I'm really lucky!' (Luna Chen).

- Angelo Hu protests that the Chinese are fed up of being considered **the walking automatic teller machine** of the city. Bai Junyi laments the lack of attention of the local authorities that seem to consider it the problem of a 'foreign body', not pertaining to the city.

Prato as THE FIRST CASE of
open and institutionalized contestation of migrant
entrepreneurship

Migrants' contribution to cities' economy
is contested because they cannot reverse the
city downscaling

New global working regimes: the Foxconn model

- FOXCONN in SOUTHERN CHINA
- FOXCONN in Czech Republic, Slovakia, Russia and Turkey