

John G Bell
PEASM Winter '04 - Bohmer, Hahn & Vavrus

Book Response
Collins – *Threads*.

The Social Contract

13 “Labor markets are deeply rooted in local institutions and practices. The labor contract is a social contract, which contains tacit expectations and is based on trust.”

The labor contract as a social contract that requires trust is in distinct contrast to the tendency of corporations toward sociopathic behaviour. Like the way that the United States utilized treaties with the Cherokee, culminating with the Cherokee removals, corporations create an expectation of trust but do not act as if the responsibilities to uphold their part of the contract apply to them.

[Perdue] This creates an abusive relationship where the victim is always asked to trust the abusive partner one more time. Capitalists may claim that if the workers are given anything the demands of labor will merely redouble, but the corporations do not recognize that when they are given the benefits of extra labor the demand on labor to perform is also redoubled. There is a strong tendency for corporations to take labor for granted, or worse as simple one factor of production that must be negotiated for as cheaply as possible. This dynamic is merely accelerated by the transition toward a global economy and marketplace.

Economy of Scope

35 “Consumer products companies selling branded goods initially expanded into new geographic regions and markets, but they soon took advantage of economies of scope to move into related product lines. Economies of scope result from using a single operating unit to produce or distribute more than one product.”

The tendency toward economy of scope seems to contradict the idea that specialization is really the desirable outcome. Specialization is only desirable until the supply matches the demand or the market for a particular good has saturated, or the competition is strong enough to make any marginal increase in production unprofitable, after that it's necessary to diversify. Therefore, the

idea that Semi-Periphery and Periphery regions must specialize under the system of globalization mentioned in McCormick is possibly only part of the story.

Marketing as dysfunction

36 “They [Brands] came to signify not just a product, but a way of life, and attitude, or a set of values.”

36 “It was no longer enough for a firm to produce a well-made and fashionable item. Manufacturers had to have a brand, and if they did not, they had to produce for a company that did.”

As a brand becomes value, the quality of the materials is not sufficient motivation for a buyer. This becomes a slide to the point where quality can decline as it is offset by the value of the brand in the eyes of a consumer. This is an example of exactly the kind of disinformation and distraction used in the market to dissuade consumers from making informed choices about the products they consumer. This is an example of how the free market is influenced and distorted. The idea that anyone can make choices in their own best interest does not take into account the branding and marketing disinformation campaigns that create convenient illusions. This is especially true when brands become tied to issues of patriotism, family and childhood.

Works Cited

- Collins, Jane L. *Threads: gender, labor and power in the global apparel industry*. 2003, University of Chicago.
- McCormick, Thomas J. *America's Half-Century: United States Foreign Policy in the Cold War and After*. 1995, Johns Hopkins.
- Perdue, Thelda and Michael D. Green. *The Cherokee Removal: A Brief History with Documents*. 1995, Bedford.