BIG Butta Bucks
Fashion from Sweatshops to Runways
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Does fashion reflect consumers’ desires—or create them? In recent years, fashion has become more than an expression of style through clothing. Through dress, people give voice to their pain, frustration and dreams. Designer firms cash in, but some consumer dreams create other workers’ nightmares.

In our 19th year, Dollars & Sense explores the styles, trends and economics of the fashion industry. Big Butt Bucks: Fashion From Sweatshops to Runways is a collection of articles that offer new insights into where the world of fashion stands, how it got there and where it is headed.

Though constantly changing, fashion is never new: it is an ongoing evolution of foregone styles. In our Fashion Forward section, “From Burberrys to Strawberry” examines the growing trend among American businesses not only to allow, but to encourage their employees to dress casually one or more times a week. “From Streets to Runways” focuses on the hip hop fashion inspired by Black and Latino youth in urban neighborhoods that crept up on to the catwalks of top designers in the early ’90s.

More than ever, fashion business is global business, and it’s booming. Fashion is a high profit margin business—hence Big Butt Bucks—because the producers are trading on consumer dreams. Often, the quest to amass greater profits has led the industry to participate knowingly in the exploitation of the underprivileged. In our new Labor section, “Child Labor” discusses the segment of the fashion industry that employs children to work in deplorable conditions, making garments for well under the minimum wage by any country’s standards. “Wiping Out Sweatshops” concentrates on competing strategies for eradicating these illegal practices. Another story in Labor, “The Wages of Personal Responsibility,” looks at the impact of recent so-called “welfare reform” legislation on efforts to secure a family income floor above the basement of poverty.

In addition to our in-depth exploration of the fashion business, this issue offers “All Maxed Out,” part of our Money Matters section, which investigates how more middle-class Americans, drowning in debt, are declaring bankruptcy. The Cyberlife section has three articles on the ever-evolving Internet, from online investing to non-profit organizations soliciting donations on the World Wide Web. Our international section, Global Flow, spans three continents and stages of development, with articles on nascent free market capitalism in Vietnam, an emerging trade alliance among Latin American economies and the deregulation of telecommunications in Western Europe. A new section of opinion pieces, Insights, features “Harems, Hookahs and Hedonism,” a critical essay on the questionable use of stereotyped Asian exoticism to peddle fashion.

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Editors-in-Chief
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Inside/Out
Selected personal essays on states of being in New York and the world.
Panties run three for $15, jeans are only $30, and every month there’s a special sale offering two bras for $25. But last fall, Victoria’s Secret, the ubiquitous women’s lingerie mail-order company, offered their bargain-hunting customers a special deal: a gem-studded, satin-lined, Miracle Bra®. The price: One million dollars. Cross your heart.

First proffered in the company’s “Christmas Dreams and Fantasies” catalogue, and modeled by Claudia Schiffer, the million-dollar bra, the catalogue copy maintained, sported “over one hundred carats of real diamonds, and literally hundreds more in semi-precious stones.” According to Monica Mitro, director of public relations at Victoria’s Secret, the bra consists of diamonds and white topaz set in 18-carat white gold, sewn on a satin Miracle Bra®. It contains 1500 stones, including 90 diamonds, with a total weight of about 105 carats. The diamonds range in weight from one-half of a carat to just under four. The bra also proudly displays 1200 to 1400 white topaz stones. Made to order by Seamen Schepps, a jeweler located at 485 Park Avenue in Manhattan, it takes four setters four entire weeks to polish and set the gem stones for just one bra. Then the jewels and gold are hand-sewn into a Miracle Bra®, which is made by machines in California.

Though to date no one has ordered this lift-and-shape trinket, to do so one need only call the sales office to set up a face-to-face interview. The meeting is less about measuring the bust line than about measuring the credit-line: Mitro explains that the meeting’s purpose is to hammer out the details of this cash-only transaction. Only after the deal is closed, is there a custom fitting session. In a few weeks, a Brinks armored car delivers the overpriced underwear to the customer’s door.

If a few cotton underpants shoppers are unlikely to buy—much less wear—the sparkling brassiere, what is it really doing in the catalogue? Some observers speculate that the luxury lingerie, along with a few other high-priced items—such as a custom fragrance running $75,000 and a week in Monaco for $100,000—promotes a high-class image even as the company’s bread-and-butter products shift from seductive silks to flannel pajamas. It certainly put Victoria’s Secret in the news. Mitro reports that “hundreds of news shows, newspapers, and radio stations” called her “non-stop” before Christmas to do stories on this outlandish gift idea.

Mitro predicts that the prospective buyer is “the customer who has everything.” And as it is marketed as a gift, presumably that customer is male. The million-dollar bra, then, becomes the billionaire’s equivalent of the poor man’s dozen roses. The difference is that the former is a million-dollar token of affection, an oxymoron akin to jumbo shrimp. Because it is a lingerie item, the bra also serves as a provocative indication of what the giver wants in return—sex—unlike the roses, whose scent of romance offers only subtle hints.

According to Mitro, the bra is available in a range of sizes. But given the number of gemstones required to cover the satin surface, should a size 32A cost the same as a size 38C?
"Americans will never dress up again," says Teri Agins, fashion reporter for the Wall Street Journal—at least not to go to work. A majority of American businesses in a vast number of industries has begun to allow employees to dress casually, at least on an occasional basis. The movement is going global with the help of American clothing manufacturer Levi Strauss & Co., which is taking an $8 million marketing campaign to redefine business wear to several major international cities, including London, Milan, and Manila. The campaign, named "The Mission," brandishes a 32-page brochure to wage a war on traditional business wear by proclaiming the advantages of going casual. The brochure also drops the names of prominent U.S. companies that have implemented casual business wear as a human resources strategy. Even in Japan, where esprit de corps thinking and the blue suit are as much a part of the culture as sushi, a few companies have taken some tentative steps in this direction. Japanese clothing manufacturers and retailers are expecting an explosion any day: they have introduced casual business wear product lines. Meanwhile, in Canada, casual business wear is almost as widespread as in the U.S., with many companies having already introduced casual Fridays all year-round.

A 1995 survey conducted by Evans Research Associates on behalf of Levi Strauss showed just how widespread this phenomenon is. According to the 500 human resource managers interviewed, nine out of 10 companies allow their staffs to dress casually in the workplace on a regular or occasional basis. This number increased from about two-thirds in 1992. Currently, 33 percent of companies allow casual dress every day, 42 percent once a week, and 15 percent occasionally.

Almost all the managers said that casual dress improves morale and that employees perceive a casual dress policy as a benefit. Some even said that casual dress policies could be used to attract new employees, and nearly half asserted that wearing casual clothing improves productivity.

But does it? The jury is still out. No one has studied the question systematically. The answers are anecdotal—and contradictory. Those who argue that it does point to improved communications between managers and workers. Getting rid of suits, they say, breaks down the invisible barriers and allows employees to collaborate in a team-oriented atmosphere. What's more, they add, workers who do not have to worry about the image they're projecting or the run they might have in their stockings can relax and concentrate more on their work.

"Choice is good," says a middle manager at a publishing firm in New York. But he adds a caveat: "Balance is important." Productivity can decline at times, if the chain of command is
not respected. There are many top managers who prefer the authority of an Armani suit and worry about a drop in professionalism in a casual environment.

Some commentators, such as Jay Weiser, writing in the *New Republic*, explain the trend as beginning in the 1980s when new software entrepreneurs "sought to create a distinctive corporate culture" that would distance them from established institutions like IBM and Hewlett-Packard. The message was that programmers and engineers employed by these new companies were too busy changing the business world to bother with grooming themselves. Soon two charities—United Cerebral Palsy Foundation in the U.S. and the United Way in Canada—gave the trend a push by creating fundraisers in which employees in participating companies made a donation in exchange for the privilege of dressing down.

But it's no coincidence that the trend took off in the 1990s. As thousands of middle managers lost jobs in the downsizing crunch and the survivors were trembling in their wing tips, companies offered casual dress as a cost-free way to boost staff morale and soothe nerves. At the same time, reducing upscale clothing and dry-cleaning bills helped employees hang on to some of their dwindling disposable income.

Meanwhile, companies re-engineered themselves into flatter organizations. The new models were supposed to improve communication by removing layers of bureaucracy and the barriers between managers and line staff. Cardigans and khakis were one way of doing so.

There are some industries, however, that may never come to terms with the new casual look of corporate America. A National Law Journal survey in December found that most legal firms are, at best, ambivalent about the trend. "People entrust us with serious business and expect us to take it seriously," one attorney in a renowned New Orleans firm told *NLJ*. And that means looking serious: The perception is that one cannot discuss wills and estate planning with someone wearing blue jeans and sandals.

On the other hand, as clients dress more casually, so will their lawyers, the *NLJ* predicts. That has already resulted, for some attorneys, in more, rather than fewer, rules of dress to contend with. Some lawyers report that they have had to purchase a third wardrobe to supplement the traditional business wear and weekend knockabouts they already own.

In the end, it may be that clothing manufacturers have the most to gain. Suit makers are designing looser and more affordable versions of their rigid old styles and casual companies are cashing in. (See sidebar.) Still, at a time when worker benefits are dwindling and raises seem a luxury of the past, casual dress may be the emperor's new clothes.
CORPORATE CODES
FOR DRESS-DOWN FRIDAY

Knowing how to dress up for work has always produced anxiety among those eager to succeed. How to dress down, it turns out, is subject to just as many rules. Many companies have issued memos setting forth their strictries on comfort. Here’s one set of guidelines from a New York consulting firm:

WOMEN

Wear a twin set sweater in place of a jacket to dress down a suit. Then pair it with khakis and loafers.

Have a jacket nearby to simply toss over one’s shoulder in the event of a surprise meeting.

Two types of pants qualify for casual business wear: flat pants and pleated trousers. NO JEANS, STIRRUPS, OR LEGGINGS.

Wear a mid-heel with pants.

A blouse with no collar and a skirt or pants is a great casual look. Wear well-chosen accessories to add individuality.

A turtleneck lying smoothly under a suit jacket creates a tailored and sporty look.

A long, flowing skirt with large patterns paired with a sweater reinforces the casual look but keeps things looking tidy. A silk scarf, understated jewelry and simple, flat leather shoes add polish.

A tailored blazer with cotton pants looks great. Pearls, a belt and a silk scarf add pizzazz to any ensemble.

Use softer hosiery colors as spring leads into summer.

MEN

Wear a sweater in place of a jacket to dress down a suit.

Wear khakis or casual slacks with a solid color T-shirt or polo shirt.

Wear loafers or Hushpuppies for a more casual look. No sneakers.

Have a jacket and tie nearby to simply toss over one’s shoulder in the event of a surprise meeting.

Two types of pants qualify for casual business wear: flat pants and pleated trousers. NO JEANS or SHORTS.

A white cotton T-shirt with a blazer or sports coat relaxes the look but keeps things respectable for the office.

A tailored blazer with casual pants looks great.

Be sure that separate items are clean, pressed, fit well and look pulled together.
CASHING IN ON CASUAL DRESS

Nobody really knows whether dress-down policies increase productivity, but there's one industry where they certainly pump up profits: the casual clothing business. The Gap reported that third-quarter sales for 1996 were up by 20 percent. Other retailers that have jumped on the bandwagon—among them, J. Crew, Banana Republic, Abercrombie and Fitch and Eddie Bauer—are reporting tremendous increases in profits. Department stores like Sears and JC Penney Co. have cashed in on suit separates—blazers and pants that consumers are able to mix and match and that sell for less than the real thing.

But no company has reaped as many benefits from dress-down workdays as Levi Strauss & Co. In addition to increased sales and the overseas "Mission" campaign, Levi's has been marketing itself to other companies as "casual business wear advisors." Their how-to packet, "How to Put Casual Business Wear to Work," includes a five-minute video meant to show employees what is considered proper business casual attire, a copy of their 1995 survey, several reprints of articles extolling the virtues of casual dress and advice for human resource managers who are attempting to implement the strategy in their workplaces. To date, Levi's has advised or visited such well-established companies as Charles Schwab & Co., IBM, Nynex and Aetna Life & Casualty. By seeing the wave and catching it early, Levi's has helped to create momentum and further the craze for "casah".

But what about those still stuck in the suit? Retailers and manufacturers of tailored clothing have been hit hard by the rapid decline in sales of their products, which began in the early 1990s. Companies such as Brooks Brothers and Ralph Lauren and department stores like Bergdorf Goodman suffered tremendous losses and had to adjust their product lines to meet new consumer demands. Brooks Brothers introduced a polyester-wool blend suit that sold for $100 below the lowest-priced wool version. And, in anticipation of things not getting any better, it started opening outlet stores, where items sell for 20 to 50 percent below retail value. Today, designers like Calvin Klein and Donna Karan have also altered their product lines—Karan by throwing away the concept of the suit and Klein by producing a cheaper version. As for retailers, Today's Man, Edison Brothers, and Plaid Clothing Group have gone into bankruptcy. In 1995, 22 men's clothing stores went out of business in Chicago alone. For the people who once worked in these stores, what to wear to work has become a moot question.

—C.L.
Suit Yourself

From Pearls to Pants:

By Maria Lijoi and Susan Walsh

Skirt or slacks? Pumps or Pumas? After several decades of being told exactly what to wear to work, women have started to demand more options. They have broken the dress codes that hemmed them in for years, and they have voted with their pocketbooks.

In general, women are spending less money on clothes than they used to. Tactical Retail Solutions, a market-research firm in New York, reported a 12 percent drop in women’s apparel sales from the record $84 billion of 1989 to $73 billion in 1995, even as personal spending grew 37 percent in the same period. More specifically, when women do spend on clothes, recent studies show that they buy outfits that can suit them equally well whether they are running errands, conducting business meetings, or going out for dinner. According to the NDP Group, a market-research firm in Long Island, sales of blouses fell 12 percent between 1991 and 1995, and hosiery sales dropped 6 percent between 1993 and 1995. Meanwhile, sales of pants suits grew 167 percent between 1990 and 1995, while sales of knit suits increased 31 percent. Comfort and convenience have superseded corporate convention.

It hasn’t always been this way. When women flooded into the work force a couple of generations ago, primers on proper dress soon followed, setting standards for acceptable professional appearance while also reinforcing traditional images of femininity. In the ’60s, in *Charm: The Career Girl’s Guide to Business and Personal Success*, Helen Whitcomb and Rosalind Lang exalted a look that was “slim but shapely, preferably with bust and hips measuring the same and the waist ten inches smaller.” They recommended choosing the proper clothes that would give the unlucky the illusion of having these proportions. “Even the slimmest models wear girdles,” the authors explained, “because they realize that even their lean figures need the light controlling touch that refines curves and presents an attractively molded silhouette.” Although women rarely wore hats in those days, Whitcomb and Lang insisted that “The girl who wishes to make a good impression wears some kind of hat.” They also highly recommended pearls because they were flattering to many skin tones.

As women moved into management positions in larger numbers, the need to convey authority became more pressing, but the guidebooks continued to recommend fashions that subtly reassured that beneath their pinstripes, women remained the “weaker sex.” Thus, department store racks overflowed with flouncy blouses whose ruffles could peep out of business suits; high heels remained de rigueur.

The big push for the woman’s business suit in the ’70s came from John T. Molloy’s *The Woman’s Dress for Success Book*. Molloy recounts how he went to meet three executives at a luncheon and, not knowing their names, he assumed they would be men. But, he wrote, they turned out to be “three of the best and most conservatively dressed women I had ever met.” From this encounter he concluded that “there was a real need to develop a sign for businesswomen to wear that is just as effective as the sign worn by businessmen.” Further research led him to conclude that businesswomen should adopt the skirted suit as their uniform and that it should be either gray or medium blue. His recommendations—with a few frilly additions—were trumpeted on the pages of women’s magazines throughout the ’80s. In 1981, in her best-seller, *Image Impact*, Virginia
The Changing Rules for What to Wear

Rickter made similar suggestions. "The basic good wool suit is an invaluable fashion staple for the working woman," she counseled, suggesting dark colors or neutrals. The skirted suit became the mainstay of women's business attire.

But before long, argues Mary B. Federek in Executive Style, "while not one woman was willing to forego flexibility in favor of a uniform, all agreed that the expression of individual style was the most difficult thing to accomplish within the strict parameters of professional dressing," and, more confident of their place in the boardroom, women began to push the envelope on attire. By 1988, when the third edition of her book, Dimensions in Professional Development was published, Caroline Reynolds could add two styles of dress to the businesswoman's acceptable wardrobe: "a shirtwaist dress usually worn with blazer" or "a tailored dress worn with a matching jacket." Besides solid colors, Reynolds approved of dresses in stripes, paisleys, or checks, but she warned that florals or "feminine prints" would tip the balance too far.

Nowadays, women's options have expanded even further. While the suit is still a mainstay, it is not a must, as recent changes in the apparel industry suggest. Last year Anne Klein closed its top line, which had produced expensive designer career wear, and replaced it with Anne Klein II, which produces lower-priced, more relaxed outfits for work. Meanwhile, Ann Taylor, the company almost synonymous with the woman's business suit, saw its stock plummet from $45 in 1994 to $20 this past March.

But having more options doesn't necessarily make dressing for the office any easier, argues Mina Bancroft, a communications and self-presentation consultant, in a recent issue of Executive Female. "Our wider range of choices means a wider range of care must be exercised," she writes.

Indeed, for all the freedom the more flexible dress codes are supposed to provide, women apparently still feel compelled to achieve just the right look, and to spend serious money to discover just what that right look might be. If sales of business suits have declined, women increasingly have been employing personal shoppers to help them select clothes that will be appropriate as well as flattering. Some department stores, according to Working Woman magazine, have even begun to provide personal shoppers for "ordinary customers". The article shows that middle-income clients are not afraid to spend anywhere from $1000 to $3000 on a seasonal wardrobe.

Women may be demanding more comfort and flexibility in their workwear since the days of shoulder pads and the ribbon bow-tie. But that hardly liberates them from the demands that they present a certain image. Bancroft points out that while women have more choices than men in what to wear to work, that may not always be an advantage. The $73 billion women spent on clothes in 1995 still far exceeds the $40 billion spent by men.

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I'M PROTESTING THE COMPANY'S DRESS CODE.
I REFUSE TO DRESS LIKE A WOMAN.

HIGH HEELS AND PANTY-HOSE ARE DESIGNED TO MAKE WOMEN LOOK LIKE HELPLESS LITTLE ORNAMENTS FOR THE PLEASURE OF MALE VIEWERS!

I'VE NEVER HAD PLEASURE VIEWING YOU. I SWEAR.

THANK YOU FOR YOUR SUPPORT.

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Hip-Hop Fashion: The New Mainstream

In the early '90s, a new fashion craze took over the runways of Paris, Milan and New York. Unlike the prêt-à-porter or haute couture garments from top fashion houses, these designs were born on the runways of urban America. An industry that had once been painstakingly controlled by the fashion elite had been taken over by the stylish whims of Black and Latino youth residing in inner-city neighborhoods across the country. Or at least top fashion designers had finally begun to understand that in this age of MTV, the fads of America's urban youth rule.

Hip-Hop fashion, also termed Urban Contemporary Streetwear, first invaded the catwalks during the Fall shows of 1993. The outfit is simple: Low-hung jeans in gargantuan sizes, boxy T-shirts (also two to three sizes too big) and the new trademark of America's youth, a baseball cap worn backwards or to the side. The origins of Hip-Hop fashion are believed to be directly related to garments worn by inmates in prison. In the "joint," pants worn low on the hips and sneakers without laces are standard since belts and shoe laces are confiscated by authorities because they can be used as weapons or to commit suicide. Now, thanks to mass marketing and music videos, kids all over the world, who may know absolutely nothing about American prison life, are sporting a look that is indebted to a social pathology—and now it has become a mainstream fashion statement. This statement born out of the pain of America's streets is responsible for changing an entire industry.

The first company to mass produce Hip-Hop fashion was the Los Angeles-based Threads for Life, Corp. which introduced the Cross Colours clothing line. The company, started by two African American men in 1990, became the clothing line of choice for video and stage wear by rap artists and R&B performers. The bold, funky, oversized clothing soon became an audience favorite, but the company went out of business in 1994 because of mismanagement, insiders say.
Designer Hip Hop

But where Cross Colours dropped off, other top designers picked up. Unlike the standard Hip-Hop garb usually worn two to three times sizes too big, design houses like Chanel, under the direction of Karl Lagerfeld, strutted Hip-Hop down the runways that simply gave the appearance of being ultra-loose—the clothing was actually designed to fit the models. The differences in the two garment designs came from the line in the waist and where the seams were sewn. In the early '90s, Chanel’s spring collection boasted baggy jeans with sequined edges that were also designed to look low-hung. While the look was intended to give a raw, urban appeal to the clothing, coming down the runways on the bodies of supermodels like Claudia Schiffer, Cindy Crawford and Naomi Campbell, in-the-hood sensibility went out the window.

Nonetheless, the craze was on. Other designers like Tommy Hilfiger took the look, reinvented it and began to market their designs in magazines that targeted urban youth. "This is pure fashion, coming from the hippest streets on the planet—New York City," said Hilfiger in a 1994 interview with GQ Magazine. "People like to look like they don’t look like everyone else. I want to put every person in America in baggy jeans, while still looking neat."

While Hilfiger, unlike Lagerfeld, did not design its clothing any differently to appeal to urban youth, it became popular among teenagers all the same. Other clothing lines like Nautica and Polo by Ralph Lauren were also not intentionally designed for this particular market, but were also absorbed into the Hip-Hop look when kids wore the clothes loose. While Hilfiger and others embraced this new market by actively pursuing it, using rap artists as models, Nautica did not want Hip-Hop as part of its company image. According to head design director, Carlos Kingerhend, "We saw that the kids were buying our clothes in two or sometimes three sizes too big [and] we didn’t know what was going on. We have not and will not introduce a line of urban wear because we feel that this is not who the Nautica man is." He added, "Kids will wear the clothes that they feel [like] and are free to express themselves anyway they want." Although these companies have not targeted the urban youngsters as consumers, they also have not complained about the $1.2 billion urban market analysts have stated they have generated in recent years.

Perhaps the best person to look to when discussing the Hip-Hop fad is Karl Kani. The Los Angeles designer, whose real name is Carl Williams, is the man credited by some with putting inner city America into baggy jeans. Williams started his multi-million dollar design empire as a designer with the now defunct Cross Colours clothing line. But when Cross Colours fell by the wayside, Kani continued by catering to the tastes of urban teens and young adults. It was Kani who put the chic, in urban street chic. "We [African Americans] never like our jeans to fit tight," he said in a Newsweek interview. "If you wear a size 34 we’d buy a size 40 jeans, but the waist would be too big. So, I figured why not
increase the size of the leg of the pant." Why not, indeed. Karl Kani's licensed line of clothing and shoes for men and boys boasted $59 million in sales in 1995 and sales were expected to hit $70 million in 1996. This year, Karl Kani plans to introduce women's wear.

Though he claims that his clothes are reasonably priced, some of his items retail with pricetags more common on Chanel or Ralph Lauren merchandise, often putting his garments out of the reach of the same kids whose fashion trends he emulates. When asked about his high prices, Kani replied that a wool shirt for $150, a T-shirt for $35, motorcycle boots for $130 and baggy twill jeans for $75 was not that expensive.

While the Hip-Hop look was sauntering down the runways in 1994, mainstream retailers were also paying attention and trying to satisfy the new urban look. The Gap introduced its own version of the wide-legged, loose-fit baggy jeans into their line of dungarees. After becoming a viable force in the music industry by pioneering the rap music that this fashion is predicated upon, Russell Simmons also branched out into the world of fashion. In 1992, Simmons, creator of Def Jam Records, opened The Phat Farm boutique on Prince Street in upscale SoHo, New York. The boutique sells his own line of Hip-Hop clothing and caters both to American and international clients. Consumers can expect to pay as much as $25 for a children's white cotton Phat Farm T-shirt. The company predicted that sales at the SoHo store would double to $4 million in 1996.

**Voice from the Streets**

While fashion is looking at itself most of the time to see from which designer the next bigfad will come, the phenomenon of streetwear came from urban youth who never realized what they were creating. "The fashion shift out and into the streets is unique," says Martha Burweyn, a social scientist at the New School for Social Research. "It signifies that perhaps adults were paying attention to the most ignored people in society, who try so hard to be heard."

While the styles were based on what people saw in their neighborhoods, televised popular culture made local styles national. Since the early '90s, the MTV generation has been exposed to programs including "Yo! MTV Raps" and Black Entertainment Television's "Rap City". This exposure inspires kids from all communities to even greater improvisation on Hip-Hop themes. "Kids in society now have a greater exposure to things that their parents may not have [had]. This feeds their creativity. In feeding this creativity, they are reinventing themselves," says Burweyn.

Rap and Hip-Hop are approaching their 20th year with new and unique talent emerging weekly. As the movement and its followers mature, fashion designers are also preparing for the mature Hip-Hopper. FILA, the Italian sports apparel line, is taking advantage of the fact that the men who wear Hip-Hop fashions are getting older and their apparel needs are changing. This spring, FILA will be launching its Enyce Urban Clothing line. Enyce will target males in their 20s and 30s who grew up in the age of Hip-Hop and desire a more mature look. At the helm of Enyce will be Tony Shellman, Evan Davis and Lando Felix, the co-founders of the hot New York-based fashion label Mecca USA. Projected sales are expected to be between $7 million and $10 million in the first year. Mecca USA, which grossed $12 million in 1996, prefers large logos and the sportswear feel. Enyce, by contrast, will focus on fine, low-key, traditional fabrics with attention paid to details and tailoring. Thus, Hip-Hop, in one of its smoothest moves yet, will glide from the dance floor into the board room.
It is not uncommon these days to see Halle Berry, Tyra Banks, Daisy Fuentes and other women of color as icons of beauty pitching cosmetic products. But before mainstream companies started targeting their wallets, black women more or less relied on cosmetics made by small black-owned companies, and a black spokesperson was nowhere to be seen.

That was before the mainstream companies woke up to a fact they could no longer afford to overlook: women of color make up 30 percent of U.S. cosmetic buyers. Now, years after being socially and economically ignored by mainstream cosmetics firms, African American women have become the $4 billion apple of the cosmetics industry’s eye. From distinct department store brands, such as Fashion Fair, Lancôme and Estée Lauder, to bargain drugstore brands, such as Cover Girl, Almay and Passner, cosmetics companies fiercely compete for black women’s attention and their dollars.

Cover Girl was the first mainstream cosmetics company to advertise to the ethnic market. Six years ago, the cosmetics giant used its first black model, Lana Ogilvie, to target the African American market. Over the same period, more than 12 cosmetic lines have solely marketed to this segment of the population.

The industry’s interest in black female consumers is a result of changes in demographic factors such as income and education. Today’s estimated 16 million African American women are younger (approximately 30 percent are between the purchasing ages of 18 and 34), more educated and more affluent than previous generations of African American women.

According to the New York-based research firm Packaged Facts, ethnic cosmetics, in both skin and hair care categories, showed growth of 15 percent, reaching sales of $82 million. Packaged Facts estimates growth rates between 12 percent and 22 percent during the next five years, gradually reaching $162 million this year; that includes skin and hair care products for a 1997 total of $732 million in ex-
pected sales of ethnic beauty products.

But the competition within the mainstream industry for the black woman’s dollar could prove to be disastrous for smaller, mostly black-owned companies, which lack the financing needed for huge advertising campaigns and procurement of shelf space for their products. Black-owned companies such as Fashion Fair, Zuri and Posner Laboratories (a 50-year veteran of the business) prospered when they had sole proprietorship of marketing exclusively to black women; now black women spend only 23 percent of their cosmetic dollars on these companies’ products, according to Procter & Gamble, while 53 percent have been snatched up by the mass market.

Fashion Fair was created by Johnson Publications in 1973 in response to the mainstream cosmetic industry’s refusal to recognize the ethnic market. Fashion Fair designed their cosmetics to accompany the needs of black women’s skin. “The biggest complaint black and ethnic women had was the inability to find foundations that matched their complexion,” says Deatrice, a Fashion Fair beauty consultant. “Women of color had to rely on generic market cosmetic lines for cosmetics, which made their skin look ashy.”

Currently, Fashion Fair’s cosmetics line consists of more than 310 beauty products, ranging from skin moisturizers to new colors for nails, cheeks and lips. Advertised primarily in Johnson Publications, Ebony and Jet magazines, the cosmetic line is sold in approximately 2,000 stores with revenues estimated between $60 million and $100 million annually.

Until 1991, Posner was the industry leader in the ethnic market. But Posner’s stability faltered that year when Maybelline, the nation’s second largest cosmetics company, introduced Shades of You, a line of face and lip makeup specifically designed for black women. Maybelline, which surpassed its rivals to the $55 million ethnic market in 1991 with the Shades of You line, concluded that customers, regardless of skin hues, wanted to mix and match shades and styles of their cosmetics. Maybelline discovered that 35 percent of Shades of You sales were to non-black women and has repositioned Shades to emphasize youth more than race.

Other firms followed suit. Cover Girl expanded its regular makeup line by 72 shades designed for ethnic women. And last year, Cover Girl led with 29 percent of the ethnic market share, compared to Maybelline’s 22 percent and Revlon’s 7.5 percent, according to Nielsen market figures. Revlon entered the ethnic market in 1993, introducing its ColorStyle line of face and eye makeup and nail polish. Last spring, Revlon went further in appealing to the ethnic market by introducing the Fleshtone line. The cosmetics line’s colors match skin tones from beige to mahogany. In the U.S., Revlon’s 1996 net sales for the year grew by 12.9 percent to $1.25 billion, which was attributed to the continued success of new products. “Strong consumer sales helped Revlon strengthen its position as the number one U.S. mass color cosmetic brand,” stated Jerry W. Levin, Chairman and CEO in 1996 in the PR Newswire.

Targeting the ethnic market, Estée Lauder’s greatest success has been its Prescriptives All Skins, introduced in 1991, which offers custom blended foundations and makeup shades. The Prescriptives line, which was launched under a $2.5 million media blitz, has 115 foundation shades, ranging from Antelope to Mahogany, and has attracted approximately 4,000 new black customers a month.

Despite the mainstream’s current stronghold in the ethnic market, black cosmetic product lines and companies continue to fight for ethnic consumers. In 1992, former fashion model Iman launched the Iman line of moisturizers, lip and nail color and face and eye makeup. Sold exclusively in JC Penney, the products are not just for African American women, but for all women of color. The Black Entertainment Television network introduced Color Code, a facial skin care cosmetic line for black women that addresses the needs of black women’s skin.

The new interest in the ethnic market by mainstream industries has been met with much optimism by black women. “Today’s women have a much better variety of cosmetics products than 20 years ago,” says Ina, a Bloomingdale’s salesperson. “Mainstream cosmetic companies finally realize that our dollars count.”
In the highly competitive and volatile world of new products and ideas, there is an asset which has always been in crucial demand: the female model with “the look.” Over the last decade, the modeling industry has become one of the most dynamic and lucrative ventures on both sides of the Atlantic. As the industry has grown, it has also evolved, making room for small, special niche agencies.

The curvy voluptuousness of Cindy Crawford is being challenged by a growing number of “non-traditional” models. Newcomers like Stacey McKenzie, the Calvin Klein “CK Be” model who is black, blonde, freckled, and “young enough to be everybody’s granddaughter,” according to Village Voice columnist Lynn Yeager, have carved a controversial niche in the market, prompting the question: what makes a top fashion model today?

“Being a top model is far from being just a beauty—which is a trivial fact in the world of fashion,” explains John Gner, vice president and co-owner of Women Models, located in New York’s SoHo. “Mostly, it’s about
looking mysterious, tempting, being a character, generating a compelling and distinct image in people’s minds.”

There is a myth concerning the modeling business—the belief that modeling is an easy path to fame and fortune for anyone with exemplary physical attributes. But being a top model is not merely a matter of being prettier than the rest any more. The process of becoming a top fashion model is a long and laborious search for something ephemeral. Discussing the of fashion choices for the coming season reflects today’s diversified demands. From the distinct femininity of Calvin Klein’s designs to the focused functionality of Michael Kors, new faces must constantly be culled to represent each fashion house’s distinctive style.

For the modeling business the culmination of all their work comes with the major fashion Spring/Fall shows across Europe and the U.S. The shows of last Fall revealed a line of sensation-Gap Inc., the San Francisco-based retail clothing behemoth, also featured a group of models with the boy or girl next-door look—perhaps before they put on their shoes or combed their hair—in a recent magazine campaign.

There has also been a growing move by companies like Calvin Klein Inc. and Italian-based Benetton S.p.A. to feature models that resemble “everyday” people. “Designers realize that people are different, and fashion becomes for them the means for

intangibles that go into finding “the look,” Nicole Williams, a talent agent for the Ford Modeling Agency, explains, “A prime model is always an excellent actor in front of the camera and in front of the crowd.”

The locomotive that pulls the modeling business is the behemoth fashion industry, and a few dozen names of recognized couture houses are the most important engineers. Supplying them are about a dozen major international modeling agencies with names like Elite, Ford, Wilhelmina, and International Management Group, who adapt their criteria for giving modeling contracts to mirror the designers’ ever-changing whims of the ’90s.

In this era of the Internet, satellite TV, and cellular communications, fashion speaks an international language crossing traditional borders. The slew al, impractical outfits with sky-high prices. The aim of every designer is to look fresh, to garner praise and to make the biggest splash, and models play a major role in their ambitions.

“Brand image, represented by a particular model’s face and specific style of advertising, is becoming a crucial issue nowadays,” points out Gneer. “People tend to associate themselves with certain brands of clothing which reflect their personalities and suit their incomes, and the fashion industry accommodates these demands in a very prompt and effective way.”

Illustrating this shift away from the conventional model, a recent Calvin Klein ad campaign featured an emaciated-looking cast of models. But the use of non-conventional models in promotions is not limited to the haute couture fashion houses Paris and Milan. expressing themselves,” reasons 19-year-old Elite model Karen J., who, at 5’4”, fits nicely into this new category. But it comes with a hefty price-tag. Models’ salaries range from $300-$400 an hour on average, with stars like Kate Moss demanding upwards $3000 per hour. Claudia Schiffer, of the Metropolitan agency, is reportedly making some $12 million a year.

The influence of advertising enhanced by the power of media can hardly be underestimated. Today, the stakes are high with big money running the show. Reaching the upper echelon of modeling, and staying there, requires more than a pretty face—indeed it requires passion, nerve and hard work. And it also takes luck to fit the elusive standards of beauty that the fashion industry both creates and reflects.
Child Labor
Industrializing Step or International Scandal?

Reported by Joe Sroul and Barbara Weiner.
Written by Dollars & Sense staff

According to a report released by the International Labor Organization last November, there are some 250 million child laborers worldwide. Most of them produce goods for consumption in industrialized countries, and indeed, for companies based in America. "Who are these children," asks Mark Shapiro in an exposé in the April issue of Harper's Bazaar. And he answers, "For the most part, they are faceless, barely represented by the "Made in Pakistan" (or INDIA, HONDURAS, or MEXICO) labels sewn like exotic travel tags into the many products that we buy without questioning their source."

In India, to take just one example, the government there acknowledges at least 17.5 million working children. Estimates by independent organizations say the real number ranges from 44 million to over 100 million, according to a U.S. Department of Labor report.

While industrialized countries have long outlawed, or at least regulated, child labor, experts disagree about how and even whether to eradicate child labor in poor countries. On the one hand, critics point to long working hours, dangerous working conditions, minuscule wages, and a generally exploitative arrangement that keeps children from education and healthy development. Corporal punishment of child workers is frequently reported; so is the scandalous tactic of chaining children to factory equipment to keep them from running away. But, other observers point out, in countries where unemployment can reach 25 percent, the income a child brings to a family may be the only thing keeping them from starvation. "I want to be able to study or play like other children," an Indian girl named Soniya Sharma, who works with her five sisters and two brothers in a textile operation near New Delhi, told Maclean's magazine, "but if I don't work, how will I eat?"

"Poverty is the greatest single force which creates the flow of children into the workplace," asserts the
International Labor Office. For more than 10 years the ILO has explained that “In these circumstances, the employment of children becomes an essential means of generating or supplementing family income. The poverty or unemployment of their parents forces children to work.” Outlawing global sweatshops, argues Lucy Martinez-Mont in a Wall Street Journal op-ed, is to deprive developing countries of “the capital and the jobs needed to grow out of these centuries-old conditions of poverty. . .[and] will merely insure the indefinite perpetuation of this misery.”

What’s more, child labor has always been a part of the industrialization process, say those who see it as a necessary evil on the road to development. In Britain and the United States, children helped manufacture the machines and commodities of modern life. An 1870 census in America counted 750,000 workers under the age of 15 employed in industry. By 1900, following the wave of massive immigration from southern and eastern Europe, that figure had jumped to 1.7 million. Meanwhile, in Britain, as the novels of Charles Dickens most famously recounted, children labored under oppressive, unsafe conditions. His writing, along with work by Elizabeth Barret Browning and Jacob Riis, brought these outrages to public attention, setting off popular protest and a string of legislation to regulate child labor. Still, some historians suggest that child labor was restricted only when employers realized that using youngsters might diminish the work force of the future because injuries to their supple bones would make them unfit for work as they aged, or at least make for an illiterate work force as their long hours prevented them from attending school. At the same time, adult workers were being displaced by children because it was cheaper to hire them. They joined in the fight against child labor to protect their own jobs.

It may be that child labor helped industrialize America and Britain, today’s most vociferous opponents of the practice concede, but there is a big difference: A century ago, the profits reaped by employers of children went into the local economy and helped build its modern infrastructure. Now, the profits of “first-world”-based companies employing children in the developing world leave those countries and are not used to improve local conditions.

What, then, can be done? At the micro-economic level, opponents of child labor argue for the same principles that organized labor has won in the industrial world: minimum wage, workplace safety and healthcare benefits. But, the ILO cautions, “A major investment in expanding the enforcement of child labor laws would constitute a serious misallocation of resources and at the same amounts invested in achieving universal education would more effectively remove a greater number of children from abusive employment.” Oxfam, the British anti-hunger organization, makes the case more bluntly. Simply kicking children out of the work force without requiring them to go to school can make matters worse: “Far from going to school, [children who have been thrown out of their jobs] have ended up in far more dangerous employment, in welding shops or in prostitution.” No country has addressed the child labor issue without first making education compulsory and then enforcing those laws.

A more educated population, however, is not guaranteed more meaningful or remunerative labor unless local development makes such employment available. To that end, the most radical

“I want to be able to study or play like other children, but if I don’t work, how will I eat?”
The Wages of Personal Responsibility

Worker X is employed by the city. X collects a union wage, health benefits and a pension plan. Y works for a private company that has various contracts with the city. Y makes $7.70 an hour, with no health benefits or job security. Worker Z is a public assistance recipient, working to receive monthly benefits, which amount to roughly $1.50 an hour. All are performing the same or similar jobs, but recent legislation has divided them economically, politically and socially.

Although the labor movement claimed numerous victories around the country last year with the implementation of living wage laws in various cities, looming in the background and threatening to undo those achievements, was the federal Personal Responsibility Act. The PRA, according to its supporters, is supposed to end welfare as we know it by requiring welfare recipients to work for benefits. The reality of the situation is that millions of low-wage workers are flooding the labor market and, because of new local and state welfare policies, might well render the living wage victories of the past two years useless.

Baltimore, New York City, Jersey City, Santa Clara and the states of Minnesota and Missouri have all passed living wage legislation over the last two years; initiatives were also launched in Chicago, Los Angeles, Denver, Houston and New Orleans. Though the particulars of the laws vary from place to place, they generally require companies that receive city or state contracts to pay workers wages that would bring incomes above the federal poverty level.

"...companies pocketing the profits on the backs of low-wage workers," sums up Jonathan Lang.

Advocates explain that living wage movements took off because throughout the late '80s and '90s many cities in fiscal crises moved toward the
Will Workfare Undermine Living Wage Laws?

privatization of city services, allowing private, for-profit companies to bid on contracts the city once hired employees to complete. In the process, workers lost the protection of unions as private companies hired non-union workers at substandard wages. According to advocates and labor representatives, many workers in private companies with city contracts—mainly in the areas of food service, sanitation and janitorial work—were being paid minimum wage (or a few cents more) with no health benefits or job security. "What we have seen, through privatization, is companies pocketing the profits on the backs of low-wage workers," sums up Jonathan Lang of Baltimores Unite in Leadership Development (BUILD), which spearheaded the living wage movement in Baltimore and has helped initiate living wage campaigns in other localities.

Though most campaigns were defeated on health benefits and job security, Baltimore's was the most successful. Living wage legislation there requires city contractors to pay $6.10 an hour, with an increase to $7.70 in 1999. Also included is a first right of refusal provision that guarantees workers can keep their jobs, even if the private contractor changes. More than 4,000 workers were affected and advocates say the wage hike has created a ripple effect.

"We have seen the effects of the living wage in other jobs," says Lang. "People not covered by this legislation are seeing an increase in their wages because of competition in the labor market."

But just as workers were getting ready to reap the rewards of their labor due to the living wage, along came the new workfare legislation, threatening
Living wage legislation has been passed in cities and states across the nation over the last couple of years, and new initiatives are continuing to spring up. But the principle goes back centuries, as governments, religious orders and workers themselves, in the form of guilds and unions, attempted to protect the exploitation of society’s most vulnerable and economically disadvantaged.

The earliest wage laws were the Statutes of Laborers, which regulated the compensation of unskilled workers in England from 1349 until 1531, when they were replaced by the Statute of Elizabeth, which covered all laborers, skilled and unskilled.

The subject of a living wage was broached by Catholic theological scholars throughout the 13th and 14th centuries. Saint Thomas Aquinas wrote in Summa Theologia that justice demands that a fair price be paid for a material commodity, so it demands that a fair price be paid for human labor. Catholic scholars continued to promote fair wages and in 1891, under the leadership of Pope Leo XIII, the living wage went from an implied principle of the Catholic Church to an explicit principle of Catholic conduct.

The first actual minimum wage laws were passed in the Australian province of Victoria in 1896 and were the direct result of the activities of the local Anti-Sweating League. These laws established wage-fixing boards within the industry. They gradually extended themselves in their application until they encompassed most industries and became general wage-fixing bodies.

Around the same time, New Zealand took a different approach to wage regulation—compulsory arbitration. The original goal of compulsory arbitration was labor peace, not the elimination of substandard wages. But judges through arbitration concluded that industrial peace was possible only upon the foundation of a legal minimum wage.

Following its inception in the South Pacific, the minimum or living wage was spread all over the globe by anti-sweating campaigns. The London Anti-Sweating League was founded in 1906 and in 1909 pressured Parliament to enact the Trade Board Act, which mandated the regulation of wages in industries where wages were unduly low. By 1921 most of England’s industrial and agricultural workers were covered by minimum wage laws set by various wage boards empowered by that act. The passage of the minimum wage laws in England had nations across Europe adopting laws covering industry and agriculture.

Labor consciousness throughout Europe influenced the United States. The Consumer’s League of the City of New York was founded in 1890 and dedicated itself to combating unfair labor practices. Similar consumer leagues would form in Massachusetts, Illinois and Pennsylvania, and in 1899, they united to form the National Consumer’s League. In 1912, Massachusetts passed the nation’s first minimum wage law. Although restricted to women and children, it set a powerful precedent. By 1923, there were similar laws regarding minimum wage in effect in 12 states, as well as Puerto Rico and the District of Columbia.

The United States once again got a minimum wage law with the passing of the Fair Labor Standards Act in the 1930s. The Act imposed a minimum hourly wage and required overtime pay for hours worked in excess of 40 hours per week. From the beginning of minimum wage legislation, the federal government worked to set the minimum at an amount that would assure a reasonable standard of living. But by the ’70s, that commitment had abated, and the minimum wage had become substandard.

As President Clinton moved to raise the national minimum wage from $4.25 to $5.15 in 1995, labor advocates seized the opportunity to launch living wage campaigns across the nation. So far, they have succeeded in Baltimore, New York City, Jersey City, Santa Clara and the states of Minnesota and Missouri. To date, such legislation has focused on contractors hired by local governments. The next move will be to take the campaign to the corporations.
By Genna Jin Y. Kim

A Mexican worker in the Los Angeles area makes 15 cents sewing a shirt that retails for $45. In New York, a Chinese immigrant works 70 hours a week in a factory without ventilation. The scene is by now familiar. Widespread reports of sweatshop abuse have made their way into the American consciousness, through mass-media exposés of Kathie Lee Gifford, Disney and Guess Jeans. Everyone agrees that sweatshops are terrible, but activists are clashing over how best to eradicate them.

Labor representatives, such as the Union of Needletrades, Industrial, and Textile Employees and the National Labor Committee call for raising consumer awareness about the harrowing conditions of sweatshops, expecting that the public, once informed, will pressure retailers to take responsibility. But grassroots organizations, such as the Chinese Staff and Workers Association, say that this approach is upside-down. They argue that what's needed is a bottom-up approach: workers must be mobilized to demand better conditions.

The difference comes down to whom to target: UNITE says retailers, and CSWA says contractors, the go-betweens who oversee the actual production for retailers like Guess and Disney by farming out work to factories.

The retailers are becoming all-powerful, explains UNITE’s researcher, Liz Jones. For example, 10 years ago, the top three retail chains comprised only a small percentage of the market. But now, these three—Federated, which owns Macy’s, Bloomingdale’s and Stern’s; May, which owns Lord & Taylor, Hecht’s
and Filene's; and Dillard's—control $25 billion of the department store retail market. And that means, says Jones, that they have increased buying power enough to set prices, thereby controlling what contractors pay manufacturers. The more the contractors feel squeezed, the more they try to drive down production costs, and that means lower wages, longer hours and no money spent on maintaining a safe and acceptable working environment.

Last July, UNITE began rallying religious leaders, community groups and students to sign and send postcards to Guess pledging not to buy products made in sweatshops. The postcard shows a forlorn looking young girl standing next to a sewing machine. UNITE distributed them by the thousands. At the same time, it issued a report based on its extensive investigations of Guess, and the news media picked up the story. Soon, the substandard conditions under which Guess jeans were produced, both in sweatshops and by workers illegally sewing at home, blared on TVs into living rooms across America. Fortune magazine reported that "Guess became America's top designer jeans seller by creating huge demand for $70 garments that cost maybe $15 to make." Now the public understood why production costs were so low. Between August and November 1996 Guess's stock price plummeted 27%, from $18 to $13.125.

**Wage Enforcement**

But this is not enough, insists Trinh Duong, an organizer with CSWA. "What kind of impact did this have on the working people?" she asks. Citing a similar campaign against the Gap initiated by the National Labor Committee, Duong adds, "That was heralded as a great success. But what was the end result? Have conditions changed for workers in Haiti? Which contractors are going to have good shops? You're going to have to boycott every single piece of clothing."

Jones replies that the UNITE campaign is not a boycott. "We're not standing at the door, giving customers a leaflet and turning them away," she says. Rather UNITE wants to get information out to the public about conditions under which Guess products are made. As for the conditions themselves, she asserts that their top-down approach is necessary because, "when we tried to organize Guess from the bottom-up in the strongest shops, Guess pulled the work out of the shops and workers were out of jobs. What we're doing now is pressuring Guess to put the work back in the shops and take responsibility for the shops instead of cutting them off."

Duong retorts that the only way working conditions will improve is if "the workers inside the garment facto-
"What are you talking about?
We don't even get minimum wage."

ries organize themselves to change [them]. No one can get the law enforced except for them.” Duong recalled the debacle of the 1970s when shops in Chinatown were unionized from the top down without significant worker involvement. The organizers at the time, the International Ladies Garment Workers Union (one of UNITE’s predecessor unions), made little effort to involve workers on individual shop floors to enforce contract laws. (See “Can UNITE Stay True to Its Name?”) According to Peter Kwong, who covered this conflict for the Nation, “Without shop representatives, the business agents, the union’s overseer of individual shops, became the only presence of the union in the factories.” In letters to recent CSWA newsletters, workers complain that “the business agent rarely visits our shop, and when they do, they never talk to the workers.” In fact, these business agents got along better with owners than with their members, Kwong said.

United for What?
Indeed, it is not hard to see why CSWA is still bitter about unions today, given these past differences. As far as CSWA is concerned, unions are more interested in cutting a deal with the owners—that is, bargaining for a contract—than in protecting the rights of the workers.

“In Chinatown, 90 percent of these sweatshops are unionized,” says Duong. But workers, according to Duong, are still being exploited by these so-called “unionized” shops that are supposed to be “under the union contract.” When Duong told the workers that they were supposed to make $5 an hour, work 40 hours a week and get paid for overtime, they laughed and cried, “What are you talking about? We don’t even get minimum wage.”

The workers told Duong that there were labor laws posted up in the factories in what is known as the “Code of Conduct.” In theory, factories are supposed to abide by such laws, like minimum wage, eight-hour workdays and maintenance of safe, well-ventilated working environments. In reality, it was only a mirage: every time union representatives came to inspect Chinatown factories, the owners put on their best behavior and deceived inspectors into thinking that they were complying with the laws. Ultimately, just because there are “laws written in Chinese and English [as in the Code of Conduct],” that doesn’t mean that these laws are enforced,” scoffs Duong.

But the reason these laws are difficult to enforce, replies Jones, is that Chinatown shops always find a way to evade unions. For example, many of them close up their businesses and then reopen under a different name, making it hard for unions to target bad shops and contractors. According to Jones, “Chinatown is constantly changing the set of players and shops and this makes it very difficult to enforce union contracts.”

“Unionized workers can exercise certain rights that nonunion workers can’t,” Jones explains. “They can go to the local union to file a grievance, such as for back wages, and get some protection under the law. In addition, unions offer education classes that teach English and union guidelines, specifically on the rights of the workers. And, despite CSWA’s claims that unions fail to protect workers’ rights,
Jones says UNITE’s outreach programs do indeed make an effort to see that basic rights, as enumerated in the contracts, are enforced.

**Winning Tactics**

But Duong still questions UNITE’s strategy, charging that union officials often end up lowering the terms of the contract so that owners will agree to sign it. As Duong puts it, “How is a contract going to change the whole labor system that generated sweatshops? It’s not a relationship between one particular worker and one particular employer.”

“We have to go beyond that,” says Duong. One way to accomplish this may be by CSWA’s latest campaign—National Mobilization Against Sweatshops—which (like union campaigns) demands eight-hour work days and 40-hour work weeks, to put a cap on how much owners can exploit the workers. According to Duong, CSWA is testing their strategy on local and national levels by handling all types of workers’ complaints, planning for demonstrations against sweatshops and, most important, educating the workers to take “creative action” to achieve their goals.

Furthermore, CSWA vows to persuade union officials to “take on campaigns to enforce labor laws,” one of which involves “seeing that unionized establishments don’t have to compete with others that use slave labor,” says Duong.

Whatever strategy they employ—the top-down approach favored by UNITE or the bottom-up favored by CSWA—both parties agree that unless labor laws and practices are enforced, they will be fighting a losing battle against the proliferation of sweatshops. Both Duong and Jones are well aware of how difficult a task this is. “Even the Department of Labor [the federal agency responsible for regulating labor practices] can’t enforce their laws,” says Duong. “They’re just asking the manufacturer to be socially responsible.”

Jones criticizes the DOL’s “Trendsetter List,” a compilation of national retailers and manufacturers the agency recognizes for taking responsibility for their manufacturing conditions, as a blunt failure: “Guess uses the ‘Trendsetter List’ as part of their PR. Every time we say that they have sweatshops, they say, ‘well, the DOL loves us.’”
workers—with or without green cards—are consistently underpaid, abused verbally and sexually, and forced to toil under hazardous conditions.

A merged ILGWU and ACTWU could have boasted a combined membership of 1.46 million as recently as 1973. Today UNITE has about 300,000 members, and that figure may be down by about 25,000 since the 1995 merger. The shrinkage in each union’s base parallels the overall decline of organized labor since the end of World War II. According to U.S. Census Bureau figures, only 15 percent of the labor force claimed union membership in 1996, down from 35 percent in 1954. Founded in 1914 as the Amalgamated Clothing Workers, the ACTWU began by recapturing some of the organizing fervor of the older ILGWU. In 1937, it joined the then controversial, confrontational Council of Industrial Organizations. After signing up workers in Montreal, New York, Connecticut, Pennsylvania and Delaware, it kept moving deeper into the largely non-union South for growth. Spread over more states with hostile climates than the New York-centered ILGWU, ACTWU developed a tougher, decentralized leadership style suited to quick, creative responses to local situations. “Local control was high, the central office was sometimes the last contacted,” says a UNITE official familiar with the culture of both predecessor unions.

By contrast, the ILGWU failed to keep up with its roots in New York’s immigrant labor force. It didn’t chase union jobs into the non-union South, and as New York employment shrank it developed a fortress-like culture focused on maintaining the wages and benefits of surviving members. “There was an inward, leadership-centered organizational culture at the ILGWU,” says the UNITE official, who asked not to be identified. There was “no openness to new ideas,” the official adds. As a result, there was little organizing of the new immigrant populations making clothes in New York since the ’80s, the official says, especially among the

On a Friday evening at Christmas time, while many New Yorkers warmed themselves with happy-hour drinks, Bertha Morales, an organizer for the renascent garment workers’ union called UNITE, was kept warm by the fire of her convictions.

UNITE was born in July 1995 when Amalgamated Clothing and Textile Workers Union agreed to merge with the venerable International Ladies Garment Workers Union. While each union couldn’t be more different from the other in history and culture, they have one thing in common: trade unions have been sliding in strength and membership for four decades because they have been slow to meet the challenge of protecting a diverse work force in a newly global economy. UNITE is waging a mighty battle not just with the bosses, but with its own inherited institutional inertia. As sweatshops proliferate and unionized workers decline, some union supporters wonder if even Morales’s fire will be enough to carry the day.

Morales, a former sweatshop worker herself, is organizing a mostly Latina work force ignored by the old ILGWU that was born at the turn of the century to help immigrants with little facility in English who were huddled over sewing machines in poorly lit rooms. Those rooms re-emerged in 1980s America, and like many of the Jewish, Italian and Polish women before them, today’s Latina and Asian

In the Garment Union’s Closet, Skeletons Abound

can UNITE stay true to
its name?

By Craig D. Jeffrey

gage is the tenuous relationship between UNITE and the Chinese Staff and Workers Association, based in New York’s Chinatown. While not a recognized bargaining unit, CSWA is trying to organize Asian garment workers and represent their interests. Marie Wong, an assistant to CSWA chief organizer Joanne Lung, characterized the relationship as “awkward.” In a telephone interview, Lung made it clear that the slowness of UNITE and apparent lack of zeal in fighting for the rights of Asian workers in Chinatown threatens the working relationship between the two organizations.

The merged union faces a much more consolidated industry, with a diminished number of manufacturers squeezed in turn by a smaller number of major retailers. To compete, garment makers have increasingly turned to exploiting labor in developing countries, either by investing in factories abroad or using low-paid undocumented immigrants here. U.S. government free trade policies—from former president Reagan’s Multifiber Agreement to president Bill Clinton’s North American Free Trade Agreement—have drastically reduced intra-American trading tariffs, effectively removing all disincentives for American manufacturers to move abroad, according to author Edna Bonacich in *Global Production: The Apparel Industry in the Pacific Rim.*

To counter these industry trends, UNITE’s mission statement says, “We will organize the unorganized, organize our industries, organize our communities, and organize the new global economy.” It assumes a departure from the leadership of the past, but the actual merger agreement suggests change may be a long time coming. The merger accord essentially grandfathered the then existing leadership for the following 12 years, according to a copy of the document. Under the agreement, only a former officer of ILGWU can be president for the first six years of the agreement; only a former ACTWU officer can be president for the following six years. This pattern of alternating pre-existing leadership extends through the remainder of posts on UNITE’s executive committee. Thus, members of UNITE alone like Bertha Morales, who were inspired by its new mission rhetoric, will not be eligible to lead the organization until early next century.

UNITE has had some high-profile successes, like exposing prison-like conditions in an El Monte, California factory and the embarrassment of celebrity talk-show host Kathie Lee Gifford when it was reported that her clothing line was made in New York sweatshops. “UNITE has made unions relevant in people’s lives again,” departing Labor Secretary Robert Reich was widely quoted as saying at the time. “They have been a tremendous partner with the Labor Department in the Administration’s war against sweatshops,” he added.

Yet, given the structural shortcomings of UNITE’s merger agreement, the proliferation of smaller, moveable sweatshops and a political environment favoring free trade, industry executives say UNITE still faces an uphill battle after which, according to *Women’s Wear Daily,* there may not be many shops left to organize. “When the merger was announced, we anticipated that more work would come our way,” Arnold Dellin, executive director of the Atlantic Apparel Contractors Association, which represents factories in Pennsylvania and southern New Jersey, told *WWD.* “Unfortunately that’s not been the case,” Dellin added, noting that his membership is still declining.
"I want to go back," says Rick Pike, a Vietnam veteran, in response to the United States’ establishment of normalized relations with Vietnam, which took effect in July 1995. In 1968 Pike was an air weapons technician and radar operator for the United States Air Force in Vietnam. After the war he suffered emotional distress from his combat experience, losing childhood buddies in a war that took the lives of more than 50,000 Americans.

Although his visits to the Vietnam Memorial in Washington, D.C. helped him unlock his embedded grief, Pike says, "By going back I might see things in a different light." He doubts he would have felt this way 10 years ago had the United States normalized diplomatic ties then. But today he says, "It’s time to move on."

The U.S. government has made the same decision, and has begun to erase the memories of the war, recognizing Vietnam as an emerging nation rich in resources and, with a population of over 75 million, as a huge marketplace of opportunity. U.S. businesses are echoing the view that to ignore Vietnam would be to run the risk of losing another war: the war of foreign competition in Asia’s next tiger.

Although many in the foreign investment community have described Vietnam as "treading water," in December 1996 the international community showed its support of Vietnam when international donors pledged a record $2.4 billion in aid for 1997. According to the Wall Street Journal that figure is up from the $2.3 billion pledged for 1996. Representatives of 26 nations and 19 organizations, led by the World Bank, commended the Communist government of Vietnam on its transformation of the economy through doi moi, but they forewarned Vietnam to quicken and expand reforms in such areas as taxation, development of the financial and private sectors, and trade liberalization.

**Asian Tiger-cub**

The policy that unfastened Vietnam’s economic engine is known as doi moi, which literally means "new change," but the international community has dubbed it "economic renovation." Doi moi was approved at the Communist Party’s sixth congress in 1986, implemented in 1988-89, and confirmed in
By Teresa Gillen

1991. Through _doi moi_ Vietnam has begun to inch itself from a centrally planned economy to a more market driven economy. Following the example of countries like Taiwan and South Korea, Vietnam—with its deep well of economic pluses—seems poised to become the next Asian Tiger.

American businesses may have suffered some consequences from the 19-year-old embargo—while they were barred, European and Asia Pacific competitors such as Taiwan, Hong Kong, South Korea, Singapore, Japan, France, Switzerland, Sweden, Britain, Australia and Canada had begun to penetrate the market. But the race for business is far from over.

By May 1994, three months after the lifting of the embargo, the United States had become the 18th-largest investor in Vietnam. In 1996, investments by American firms—a total of 12 projects worth $93 million—put the U.S. at 13th for the year, according to _The Reuters European Business Report_.

“Opportunities for investment continue to abound in a host of industries, such as oil and gas, telecommunications, power generation, infrastructure development, legal and financial services, consumer goods and agriculture,” says Virginia Foor, director of the United States—Vietnam Trade Council in Washington. In addition, she estimates that there is likely to be $2 billion to $4 billion in trade between the two countries in the next few years. Approximately 90 percent of that is expected to come in the sale of American goods, she says, especially consumer products.

Although there are many economic sectors for American investors to exploit, there are handicaps to doing business in Vietnam that come not from the Communist government, but from Washington. American companies have no access to U.S. government-backed financing and insurance programs provided by the Export-Import Bank, whose main purpose is to provide low-cost government financing to boost exports and thereby reinforce jobs in the United States.

“It is difficult for businesses to get the financing they need without Ex-Im support,” says Dan Bond, vice president for Country Risk Analysis at the Export-Import Bank. According to Bond there is a law that prohibits the Ex-Im Bank from doing business in Vietnam at this time. It falls under the same law that prohibited the U.S. from doing business in Communist countries in previous years. Bond says, “There is talk of a Presidential waiver, but no decision has been made.” Since the Ex-Im Bank mainly deals with financing large projects, small companies are not discouraged by the law.

Mike Scown, from Russin & Vecchi, says, “While there are good pockets of opportunities that smaller companies can exploit, and maybe they can do it more easily than a big company because it’s easier for them to make decisions and they might be more willing to accept the risk, Vietnam, right now, is pretty much a long-term play and most investors are expecting to have to wait several years to see a return.” And that, he says, “really
argues for the larger companies who have more capital and can sit at the table for a longer time.”

**Seeing Red**

Since the launching of *doi moi* a decade ago, Vietnam’s Communist leaders have developed an energetic economy with growth averaging eight percent since 1991. Though the economic take-off has been boosted by a steady stream of foreign investments, there have been numerous news reports about corruption, endless red tape, and politburo control.

According to *The Reuters Asia-Pacific Business Report*, “Investors say bureaucracy, corruption and an opaque legal and regulatory environment have slowed projects and complain that the playing field is tilted heavily in favor of the country’s sprawling state sector.”

In response to such reports, a December 1996 interview with the monthly *Vietnam Economic Times* quoted Deputy Minister of Planning and Investment Vo Hong Phuc predicting that recent amendments to the foreign investment law would streamline administration and improve the business environment for firms abroad.

The Communist government of Vietnam is trying to keep as much control as it possibly can as it transforms itself from a centrally planned economy to a market economy. Just as the international business community was concerned about Beijing’s threats to Disney over plans to distribute Martin Scorsese’s upcoming film on the Dalai Lama, so too are investors worried about Vietnam’s campaign to ban imports of “harmful cultural products,” such as magazines, videos and movies containing “unwholesome content.”

“Nineteen ninety-six was a tough year for foreign investors because there was a lot of uncertainty. Because investor interest has slacked off this past year the government knows that they have to continue the reform process, which may involve making some difficult political decisions, such as giving more autonomy to foreign investors,” says Scown.
Membership Has Its Privileges

An important aspect of Vietnam’s foreign-investment future is its impending membership in the 18-member Asia-Pacific Economic Cooperation forum. In November 1996, at the fourth APEC summit in the Philippines, APEC leaders agreed to accept Vietnam as a new member by 1998. Among the 18 member economies are the world’s most populous country (China), the freest trade regime (Hong Kong) and the world’s biggest economy (the U.S.). APEC’s goal is virtually free trade and investment among 18 countries by the year 2010 for developed countries, and 2020 for the undeveloped.

Vietnam’s natural resources—such as offshore oil, forests, minerals, and a 1,600-mile coastline with tremendous potential for the growth of tourism and marine products—have increased its attractiveness to the international investment community. Major exports include crude oil, marine products, rice, garments and textiles, coffee, rubber and footwear; and major imports include chemical fertilizers, petroleum products, electrical appliances, cigarette ingredients, cars, iron and steel.

The country’s location within a region of rapid growth creates a scenario whereby its economic growth would be kept afloat by its neighbors’ economic growth. This scenario is given more weight by the growing intra-regional trade within the Association of Southeast Asian Nations. Although ASEAN leaders expressed misgivings about Vietnam’s Communist Party and its underdeveloped economy, they agreed that Vietnam’s membership was a good investment for regional stability. The other ASEAN members are Indonesia, Malaysia, Brunei, the Philippines, Singapore and Thailand.

Prosperity Is At Hand

Given America’s calamitous experience in Vietnam, it is not surprising that Washington’s Vietnam policy, since its departure from Saigon in 1975, has been one of economic isolation and diplomatic censure.

The U.S. trade embargo against Vietnam had been annually extended since the fall of Saigon in 1975 until December 1992 when President Bush announced a change in the terms of the trade embargo, which permitted U.S. firms to establish representative offices in Vietnam and to negotiate, but not execute, contracts.

That decision came after Vietnam agreed to cooperate on determining the fate of U.S. MIAs (military personnel missing-in-action). Despite strong criticism from the MIA/POW lobby, a trade embargo until February 1994. A few months later, the two nations agreed to open liaison offices in each other’s respective capitals, and in July 1995 the United States normalized diplomatic relations with Vietnam. There has been no American ambassador to that country since the U.S. closed its embassy in South Vietnam in April 1975. Retiring Representative Douglas “Pete” Peterson, a former Air Force captain who spent nearly seven years as a prisoner of war in Hanoi, will be the first U.S. Ambassador to Vietnam in two decades and the first ever in Hanoi.

Yet, even as the trade between the nations is beginning to bubble, Vietnam’s most-favored-nation status is still in limbo, hinging on U.S. demands that Vietnam improve its market access, lower its tariff barriers and improve intellectual property rights protection. Perhaps once Washington gets a clear number of U.S. companies—including PepsiCo, Coca Cola, and Northwest Airlines—anticipating the lifting of the embargo, signed a memorandum of understanding to establish joint ventures.

The task of making peace with Vietnam was left to the Clinton administration. President Clinton moved gradually to improve bilateral relations with Vietnam. In July 1993 the U.S. ended its opposition to multilateral assistance, but maintained the commitment from Hanoi toward a comprehensive trade agreement, normalized commercial relations will firmly take place between the former adversaries and the doors will clearly open for business.

Until then, American investors can’t expect any shocking changes because even though foreign investors think the Vietnamese need to be moving faster on business reforms, the Vietnamese think they are moving fast enough.
Among the questions humankind has posed in its endless grappling with the universe, there is perhaps none quite as perplexing as, "Are you happy with your current long distance carrier?" American customers will no longer have to feel alone in being stymied by this question. Their European counterparts will soon be stirred by similar queries, albeit in a multitude of languages.

As part of a global economic trend, the telecommunications industry will be deregulated in much of Europe before the turn of the millennium, opening the currently predominantly state-run operations to a host of competitive companies. In the telecommunications arena, which had primarily dealt with telephone communications before the advent of the Internet, there has traditionally been one firm in each country, owned and controlled by the government, as is the case with, say, postal services in most nations. In fact, in many instances, the entity administering telephone lines was a subsidiary of postal services. Interestingly enough, the very first phone companies were privately owned.

The rate at which different European governments have embraced privatization or deregulation in the telecommunications field has varied greatly. British Telecommunications and its 135,000 employees led the way as the first major firm to have its shares sold to the public in 1984. For BT, the results have generally been positive: Revenues have steadily increased, reaching $23.3 billion in the last fiscal year. In spite of the market deregulation that ensued in 1985, the company has maintained about 90 percent of the market share, thanks in large part to improved customer service. Moreover, BT has broadened its scope of operations, venturing into Internet and Intranet networks, wireless communications, video-conferencing and development of financial market trading systems.

Much of BT's international expansion has taken place under the auspices of Concert, a joint venture launched in July 1994 with America's number two operator, MCI, with 52,000 employees and a yearly income.
of approximately $18.7 billion. Last October, BT and MCI announced that the two firms would merge into Concert, creating the world's strongest telecommunications operator. BT has also established alliances and part-ownership arrangements with a number of smaller European players, such as Telecom Finland, TeleDanmark, Telenor, Nederlands Spoorwegen Telecom, and even the Japanese firm NIC. Meanwhile, the British firm has entered a partnership with the German metal firm Viag, set to be one of the key players when Germany opens its telephone service market to competition in January 1998. In the opinion of most analysts, the deregulation of the industry in Germany is expected to serve as a precedent for the future of telecommunications for the entire continent, if not the world.

Other European countries will have to act quickly in order to play a viable part in the global market, though, as a growing number of Asian countries, ranging from Singapore to India on the economic ladder, have announced that they are looking into privatization and opening their telecommunications markets for competition. As early as 1985, Japan had completely deregulated telephone communications. The European Commission has decreed that all member countries of the European Union ought to have deregulated their markets by 2000.

Chris Johnston, a telecommunications expert and correspondent to the trade publication Wireless Week asserts, "Telecommunications in Europe was pretty much forced into deregulation by the increasing competitiveness of the U.S., following the break up of AT&T. But European governments also saw the widespread benefits that came with deregulation and increased competition in the U.S." According to Johnston, the most prominent of these benefits are lower rates and speedier service.

The current telecommunications bigwig in Germany, Deutsche Telekom AG, with yearly revenue of 66.1 billion DM ($42.2 billion) and over 220,000 employees, has taken a number of proactive measures to make itself more competitive in the impending telephone wars. It has allied with Sprint, the third-largest American carrier, with 48,000 employees and revenues of $12.5 billion, as well as with France Télécom, the French national firm (150,000 employees and revenues of $32.4 billion) whose privatization has been lagging somewhat. Indeed, DT's own privatization went into effect only recently, when the corporation's so-called T-Aktie was released for trade on the markets in Frankfurt, New York, and Tokyo last November. Opening at 28.50 DM ($18.20) per share, it was arguably the biggest debut in a European financial market ever, certainly the most hyped. In an open forum for the press and prospective investors, Theo Waigel, the German Minister of Finance described November 18th, 1995 as, "a historical day in the German fiscal realm and a shining point in the privatization record of the Federal Republic of Germany." Ron Sommer, the firm's CEO said, "Today marks a key event in the corporate history of the Deutsche Telekom."

DT's fiercest future competitor appears to be Mannesmann, a corporation specializing in pipes, which has made strides into the telecommunications field as a cellular telephone operator. The firm, which employs 123,000 people and has annual revenues of 34.9 billion DM ($22.3 billion), has succeeded in joining DT and BT's protégé Viag in a three-way race for the German telephone market by securing a partnership with DBKomm, a subsidiary of the Deutsche Bahn, the newly privatized German railroad operator. In response to lagging railroad passenger travel, the Deutsche Bahn—along with many other railroad firms around Europe, most notably the Dutch Nederlands Spoorwegen Telecom—has found a lucrative
expansion of its operations in the realm of telecommunications networks, making use of internal communications lines set up along its train routes. There is an obvious disadvantage for Mannesmann in this alliance: it will have to refurbish much of the communications lines under DBKom’s control, replacing outdated copper in favor of fiber optic materials.

In addition, Mannesmann has procured the coveted sponsorship of America’s top dog, AT&T, which currently counts 302,000 employees and collects $72.9 billion in revenues. Since Sprint has formed an alliance with DT, and MCI is connected to Viag by way of its partner, BT, the scramble for customers in the deregulated German market is shaping up to be another incarnation of the battle for the American market. “Essentially, the U.S. firms are acting as a mechanism. I don’t think you can say that these firms have political influence in the way that one might say that about say some third world Latin American country,” maintains Johnston, who is based in London.

On a superficial level, phone rates are expected to decline significantly as a result of introducing more players into the field. In fact, with technological advances, the cost of telephone calls is expected to fall steeply in coming years. The distance between parties wanting to establish a communications link will matter less and less. But the price wars are sure to be short-lived, and may well bring with them the same negative phenomena the U.S. market has experienced, of which slamming is the most prevalent. In the telecommunications vernacular, slamming denotes the situation that comes about when one company takes over the client of another company through a fraudulent authorization of the service change by the customer.

Deregulation and privatization seem to go in step with growing devolution of state authority, as a response to citizens’ concerns that government is not taking care of business. But where will privatization eventually stop? In a number of states on this side of the pond, private companies have taken over nominally public education systems. Concessions to increasingly loud calls to deregulate utilities, most markedly electricity, will have both economic and ecological impacts. An editorial response to a recent survey in Money magazine even went so far as to suggest that the Internal Revenue Service ought to privatize a plurality of its operations. And other government operated corporations, such as Amtrak and U.S. Postal Services, aren’t very safe from privatization.

“Privatization is a concept which has lent itself to telecommunications, but it isn’t a sacrosanct concept in and of itself,” says Johnston. As he points out, “One might reasonably argue that deregulation of the airlines industry might have led to lower air fares, but it also led to a greater number of air crashes and some truly miserable service involving great human discomfort.” Given such drawbacks, the body politic must take in the benefits of deregulation with extreme caution.
MERCOSUR: savior of South America

By Marcio A. Silva

Trade Bloc Boosts Latin American Business

Imagine the southern region of South America and its developing countries 20 years ago: Inflation skyrocketed over 150 percent a year; governments ruled by military dictatorships fueled hostility toward their neighbors.

Imagine the same region 10 years later: Democracy is taking over the dictatorial governments, but the economy worsens with more inflation, government instability and increasing debts. Corruption replaces hard work as the path to success. Considering a trade pact between the U.S. and the southern region of South America is like riding a rollercoaster with loose screws.

Imagine four years from now: The southern region of the continent has turned into a growing, integrated, and relatively open market of at least 240 million people, with an output of well over $1 trillion, stretching from Brazil’s Atlantic coast to Chile’s Pacific coastline.

That, at least, is the dream vision of MERCOSUR—Mercado Comun del Sur (the Common Market of South America)—created by the Treaty of Asunción in March, 1991. The treaty between the four southernmost countries—Argentina, Brazil, Paraguay, and Uruguay—is intended to create a common market to eliminate all tariffs and other trade barriers this year.

The project aims to promote and develop trade within the market area, which is larger than the United States and Mexico combined, but also to help member countries compete more successfully with the rest of the world. “This is our step into the big leagues,” said Juan Manuel Santos, Colombia’s Minister of Foreign Trade during an interview in Bogotá two years ago.

Modeled on the free trade zone of Europe, Mercosur is on its way to becoming the third-largest integrated market in the world, behind the North American Free Trade Agreement (NAFTA) and the European Union (EU). The
combined GDP of the Mercosur countries is about $750 billion, with Brazil and Argentina, the heart of Mercosur, accounting for more than half of Latin America’s GDP.

According to Population Reference Bureau’s 1996 World Population Data Sheet, Mercosur members cover more than 4.5 million square miles, with a trade agreement that encompasses 203 million people, sharing a total GDP of $961 billion in 1995. About 63 percent of South America’s population lives within this free trade area, offering a potential workforce of nearly 114 million people. “Mercosur will develop faster in the next few years than NAFTA,” predicted former U.S. Secretary of State Henry Kissinger at a meeting of the Latin America Business Council last year.

Already, his prophecy is coming true. Combined GDP has grown by an annual average of 3.5 percent since 1990. Trade among Mercosur’s four members more than tripled to $14.5 billion in 1995, up from $4 billion in 1990. Trade got a boost from the end of high inflation, followed by economic growth, first in Argentina and then in Brazil, but Mercosur pushed it further by diverting trade from outside sources. For example, cars are being sold more regularly between Brazil and Argentina, and Brazil has decided to buy oil from Argentina rather than Iraq. But the rise in intra-group trade has gone hand-in-hand with an accelerating rise in Mercosur’s trade with the rest of the world.

This process is being helped by the heavy investment that Mercosur countries are attracting from outside. According to Fabio Forbes, President of the Brazilian Chamber of Commerce in New York, “outside direct investment within Mercosur has risen sharply. It totaled around $6 billion in both 1994 and 1995, and is already going higher in 1996, as multinationals, especially in the car, chemical and food industries, pour money into upgrading existing plants, building new ones or entering a region that they used to ignore.”

**MER COSUR’S UNSTEADY START**

Mercosur was the culmination of a long process that began in 1960 with the creation of the Latin American Free Trade Association (ALALC). ALALC was intended to create a free trade zone in the Latin American region, but the goal lost impetus and nearly disappeared in the 1970s when most of the members were under military dictatorships.

In 1980, the Latin American Integration Association (ALADI) replaced ALALC. ALADI’s short-term initial goal was to establish an economic preference area among the member countries, rather than a free trade zone; its long-term objective, however, was to establish a common market.

By 1986, as a result of ALADI, Brazil and Argentina had developed and signed a dozen policies governing trade and economics between them. The 1988 Treaty for Integration, Cooperation, and Development established further policies that set the stage for the formation of a common market between the two countries within 10 years. When Brazil and Argentina decided to open their agreement to other Latin American countries, Paraguay and Uruguay responded, and with the signing of the Asunción Treaty, Mercosur was born.

A four-year transition period followed the treaty signing as the four countries worked out various policies to settle disputes, establish a common external tariff, and put into place other policies, procedures, and offices to ensure the smooth functioning of Mercosur.

In January 1995, the common external tariff went into effect, and since then, Mercosur has made considerable progress in its movement toward functioning as a common market. Commerce among the four founding countries has increased and policies are being developed to standardize products and to solve trade problems within specific product sectors such as sugar cane and textiles.

So far Mercosur has gained the interest of many other Latin nations as well as from the EU and Japan. By the year 2005 Mercosur will rate among the most successful trade pacts with chances of surpassing NAFTA.

**THE ROAD TO INDEPENDENCE**

According to an American economist, “The U.S. hopes that Mercosur, if it
Latin American integration is one of the oldest DREAMS in the region.

free trade throughout the Americas, but stresses that regional agreements should create more trade rather than pacts that erect more barriers.

Conservative policy analyst John P. Sweeney, writing in a Heritage Foundation Report, portrays this caution as a costly kind of timidity. Reversing the achievements of the Reagan and Bush years, Sweeney argues, the Clinton administration has retreated from expanding NAFTA and from supporting free trade more generally, thereby undermining U.S. economic interests in Latin America, and weakening U.S. leadership in the hemisphere.

Meanwhile, south of the border, trade expansion has not been interrupted. Mexico has signed Free Trade Agreements with Chile and Bolivia, and Costa Rica is negotiating its association with Mercosur. And even though Mercosur has had its own difficulties, the trade process is going fairly well. Chile has become an associate of Mercosur, and Bolivia, Venezuela, Colombia, Ecuador, and Peru expect to join this year. Mexico is negotiating an agreement with Mercosur while simul-taneously blocking U.S. and Canadian efforts to launch early talks between NAFTA and Mercosur.

Despite Sweeney’s U.S.-centric objections, the proposed enlargement of Mercosur and the creation of a South American Free Trade Association appeal to many Latin American politicians, intellectuals, and business leaders who support higher levels of protectionism and the notion of a unified Latin American front capable of maintaining its economic and political independence from U.S. pressure and interference. Latin American integration is one of the oldest dreams in the region, and it is closer to being achieved today than ever before.

“As regionalism becomes one of the most important trends in the world economic scene, we look to South America not only as our historical and geographical milieu, but mainly as a key option for Brazilian trade and foreign policy,” says Brazilian diplomat Rubens Barbosa.

IS THE GRASS GREENER BEYOND AMERICA’S FENCE?
It is too early to say with confidence that Mercosur is irreversible. South America’s history has seen many potential schemes for integration go sour because of local politics, economic turbulence, outside intervention or their own flawed economic assumptions. Paraguay for example, nearly returned to military rule in 1995, pro-voking a not-so-forgotten fear in South America.

South American countries are still struggling to resolve a host of structural impediments to faster growth and economic prosperity. Economic reforms have not advanced sufficiently anywhere in the region, including Chile, which is known around the world as South America’s star performer. The widespread absence of economic freedom is reflected in the region’s high levels of poverty, illiteracy, and corruption.

The difficulties confronting Latin America today defy any easy or quick solution. They represent an intimidating challenge to the region’s expectations for a brighter economic future as well as a threat to U.S. economic interests. The Enterprise for the Americas Initiative, NAFTA, and Free Trade Agreement of America were proposed by the U.S. as the foundations of a hemispheric partnership and a new American Century based on democracy, free trade, and the integration of the U.S. and Latin America. However, this vision has not been realized. Nine days after the FTAA was launched in 1995 at the Summit of the Americas in Miami, the Mexican peso collapsed and the U.S. retreated from NAFTA’s enlargement.

FIRM GROUNDS AND HOPE
But even with the Mexican peso collapse, Mercosur kept its optimism planted on two basic grounds: First,
the creation of democratic governments so the policy can be seen as a long-term project for integration between the peoples they represent, and not as a short-term expedient. Second, a commitment to trade liberalization, to be taken forward by governments interested in developing effective macroeconomic policies that have put inflation under control.

The World Bank predicts that Latin America will grow by 4 percent in 1997, with Chile leading the region at 6.5 percent and Venezuela at 6 percent. The bank also predicts that average GDP growth should rise to 3.8 percent in 1997-2005, compared to average growth of 2.4 percent during the past decade. Brazilian exports to Mercosur countries increased 349 percent from $1.3 billion to $5.9 billion, from 1990 to 1994. After the U.S., Argentina is now Brazil's second-largest market for exports, a position previously held by Japan.

According to the Brazilian Companies' Association for Integration to Mercosur, 450 Brazilian companies have already crossed the Argentine border to do business, and 30 percent of them are building factories there. The food and beverages sector accounts for 21 percent of these activities. It is also estimated that Brazil's trade with Chile will increase to $250 million in 1997. But Brazil is not the only country gaining from Mercosur. Seventy non-Brazilian companies opened in Brazil, 90 percent of which come from Argentina.

"We compete, but we have huge potential to be complementary, and we decided that was more important," says Marcus de Moraes, president of the Brazilian Foreign Trade Association, based in Rio de Janeiro. "It's a huge transformation. And I think greater business integration will lead to greater political integration and greater stability."

In sum, says Fabio Forbes, "Mercosur had a good start," but he cautions that it faces tougher challenges than those it has overcome so far.

The first is the maintenance of macroeconomic stability, open trading regimes and economic growth in Brazil and in Argentina, the two old rivals who are now best partners. The second is to make an integrated market a reality by improving transport links and customs procedures, standardizing or demolishing a mountain of rules and regulations, and balancing the nation state and common-market institutions. All of these issues are likely to test Mercosur's members commitment to their common project. "The Mercosur countries have a key element to help them prosper," concludes Forbes. "That's called hope."
By Eric Thorsen

With the advent of new technologies, it has become easier for employees to waste time. First there was phone tag. Then came voice-mail and e-mail, adding a new dimension to the art of goofing off. Now, as the information super highway continues to pave its way through office cubicles, corporate America is being confronted by a new distracting vice: Internet surfing on the office PC.

But companies are rising to this challenge by figuring out how to spot check e-mail messages and by monitoring what sites employees can access on the World Wide Web. These employee monitoring activities, designed to maintain quality control, are currently sanctioned by the Federal Communications Privacy Act of 1986. The law was
intended for firms to monitor internal business practices only, experts say. But some argue that the statute is being used to infringe on employees' rights to privacy.

A survey conducted last year by David Linowes, a professor of political economy and urban affairs at the University of Illinois at Urbana, found that most companies engage in deceptive information-gathering practices. Rather than solely relying on the credibility of the employee applications and references, employers are increasingly seeking information from credit reporting agencies, and, in some cases, they are going as far as hiring private investigators. For example, Linowes discovered that out of the 87 surveys he sent to Fortune 500 companies with a total of 3.2 million employees, 75 of them admitted to gathering further information on prospective employees. However, half of the companies also said that they did inform their employees about it.

While employees are discovering that cyberspace is useful for more than just business, corporations are investing heavily to keep their minds on their work. Intranets or Internet within the corporation, "web blocking" software, and other hot technologies are currently being used to provide a filter between the employee and the outside world. Zona Research Inc. estimates that by 1998, companies will be investing $8 billion in Intranet software, a 16-fold increase from $500,000 reported in 1995. The new technology may, indeed, cause some companies to overstep their managerial boundaries into a form of censorship, but companies deny this implication, citing that they are just using the tools that Congress gave them.

"In general, the company owns the Internet/e-mail system," says Paul Lewis, chief operating officer for MC2, a New Jersey-based software firm. "Companies are just using the rights given to them as employers. If the employees make a financial contribution—I am not aware of this being done at any company—then I would think that the employee would have certain rights for open communication," says Lewis. "However, since the Internet/Intranet/e-mail system is purchased by the company and available as a tool to the employee, the company will have complete control over what is available and when."

Last year, Lewis discovered that his e-mail was being read by someone else besides the recipient. He found out when another employee mentioned something about bonuses, a topic he only intended to share with his vice president via e-mail, that employees had been intercepting his e-mail for almost a year. The interception problem was resolved by introducing a sophisticated encryption system. Nevertheless, Lewis feels no need to monitor his employees' Internet activity, yet.

"We expect all employees to act in a responsible manner. The Internet may be used for recreational purposes as long as the job gets done," says Lewis. "No corrective action has yet to be taken, other than the occasional, that's enough playing around, let's get some work done."

However, junior level MC2 employees are required to position their monitors so the screen is visible to anyone walking by. According to Lewis, this is a common practice in most companies. Another common corporate practice is the issuing of official Internet procedure. Either through memos or verbal explanations, employees are being informed that their e-mail and Internet activities are being monitored.

"Firm guidelines should be established and evenly enforced," says Michael Palley, a computer information systems professor at Baruch College. "These guidelines should be clearly explained to the employees, with rationale given," says Palley. "If the employee usage is to be monitored, employees should be informed of this as well."

Still, despite the warnings companies are issuing, it seems that there isn't a significant change in employee behavior. Many employees realize that their e-mail messages can be read by bosses, but they act as though they are unaware that their Net surfing can be traced by its digital trail.

Palley explains that because all computers are hooked up to the World Wide Web, they are assigned an Internet Protocol address, an indelible marker attached to each machine. Therefore, the company's host server is able to transmit data back to the original computer from which the request came. "All hits on a Web site are recorded, including the IP addresses of origination," says Palley. "These requests could potentially be traced back to its origin. For dial-in access to the Web, IP assignments are
COMPANY POLICY ENFORCED

a bit more complex, but tracing is still possible,” says Palley.

Last summer, Compaq Computers took advantage of the digital audit trail to trace the Internet requests of 12 of their employees, all of whom were later dismissed. The company found that each of the employees was logging on to sexually explicit sites more than 1,000 times per day.

Pornography on the Internet has become a major issue for many companies to contend with. A survey released by A.C. Nielsen Media Research last year found that the online edition of Penthouse magazine was accessed 1,000 times a day by employees at International Business Machines, Apple Computer, AT&T, NASA and Hewlett-Packard. Monitoring and blocking out pornographic sites has become more of a legal concern than a productivity issue. Many companies fear they could be found liable in sexual harassment suits by female employees, on grounds that the sexually explicit images displayed on co-workers’ computers create a demeaning and adverse environment.

While some companies seek to block employees’ Internet fantasies, others have tried channeling them. Amerada Hess Limited, the third largest oil producer in the U.K., set up an internal “Cyber Center” for the 300-plus employees at its London headquarters. Essentially a “cyber cafe,” it provides a number of PCs with Internet access and a knowledgeable staff called “Cyber Cadets.” Employees are encouraged to come to the cafe at any time during the day either to do research or surf non-work related sites. The idea originated out of a need to maintain security, but it has been seen as a reasonable alternative to Internet monitoring.

Valentin Almetica, LAN support analyst for Bankers Trust in Jersey City, New Jersey, agrees with the company’s checking for any Internet pornography coming to his PC, as long as he can still do a little non-work related surfing from time to time. “I definitely can understand monitoring,” says Almetica. “We have already had a number of instances where people were caught downloading sexually explicit images.”

Almetica admits he doesn’t use the Internet for only work-related purposes. Out of the three hours a week he admits to surfing the Net, he says about 15 to 20 percent of it is for personal use. He recently searched sites containing mortgage lenders and home listings, because he and his wife are planning to buy a house. But, he maintains, it doesn’t slow his productivity. “I don’t feel I am abusing it, because I am not downloading explicit images,” says Almetica. “I find it useful for my job and I can’t imagine not having it.”
Netting Income
Young Investors Lured by Online Brokers

By Kevin Degidon

As the graduating members of Generation X prepare to enter the corporate world, the anxiety of facing a competitive job market with loans to pay may push some to put their savings into the stock market. With the Dow Jones Industrial Average rising by an astonishing 25 percent in one year, investing may seem like a wise move. But a new medium for easy and inexpensive investment transactions is building that could propel young people toward a risky quick fix. Big names in brokering are waging a major campaign in the playground of twenty-some-things: the Internet.

To obtain stock information on the Web, one need only go to Netscape Search to find entire sites devoted to reporting the latest quotes. An increasing number of advertisements for online investment are posted throughout the Internet and on television. “Maybe you’ve seen ads on World Wide Web pages for Etrade Group, Inc.’s services. Or for Lambard Brokerage, Inc. Touted as ‘the No. 1 online discount broker’ by Barron’s as well as the Silicon Investor poll,” stated an October article in Computerworld. It quoted Tom Taggart, a spokesperson for the giant discount broker, asserting that “24 percent of Charles Schwab customers’ total trades are made electronically through PC-based services, including the company Web page.” Last August, industrial observers calculated that an average of 15,500 electronic trade transactions with the firm were made each day.
NEW AVENUES OPENING BY THE MOMENT

The trend of online investing caught on like wildfire in 1996. The number of brokerage firms online jumped in just the past two years from roughly 400,000 to 800,000. Forrester, a Cambridge, Massachusetts technology consulting firm, has forecast that the number should reach 1.3 million by 1998. Julio Gomez, one of the firm's senior analysts, predicts these new investors will comprise 60 percent of brokerage clients.

With such increasing interest, many firms have rushed to compete for new investors. In September, Data Broadcasting Corporation (NASDAQ:DBCC), a major provider of stock market information, opened a new online trading center titled E*TRADE. This new Web site was set up to bring easier and quicker access to leading online brokerage firms.

Within weeks, another company, Quote.com, announced the opening of a new service that would build a strategic relationship with four online brokers. The company stated, "with the integrated 'trade' button, users can immediately execute trades through the broker of their choice."

THE RISKS

"There are downsides to it," states Peter Crane, Editor at IBM Financial Data Inc., and author of Mutual Fund Investing on the Internet. "It just lends itself to fast trading. Traders can get caught up in that." He warns that such investors may sell their stock at the drop of a hat and concludes, "You shouldn't consider online trading if you haven't done some other kind of trading on your own."

In addition, some online firms fail to provide critical information to investors. "Not every firm will offer optional access to brokers," Computerworld states. "Ebroker, for instance, doesn't offer that service, but that's one of the reasons it charges only $12 per trade. Further, some firms don't provide access to any research materials."

This raises an even bigger question: If any one event shakes Wall Street, such as raising interest rates, can the overreaction of under-educated investors tip the market to crash? When Federal Reserve Chairman Alan Greenspan stated there may be "irrational exuberance" in the market last November, the Dow Jones Average fell nearly 100 points the following week. Some may parallel this new phenomenon to the crash of 1929, when a sell-off led to a domino effect creating the biggest crash in history.

Looking soberly at more recent market history, such Net-induced disaster seems highly unlikely; people investing today are not buying on a 10 percent margin. Moreover, investors learned to respond differently to market corrections. The Black Monday of October 1987, for instance, caused a 25 percent decline in the stock market within days, but was quickly reversed as investors found they could yield the highest profits by buying under-valued stocks.

With annual returns of 10 percent, investing in stocks is a good move for those building a nest egg, observers conclude. But they caution that at the same time one should look beyond the brokerage fees to what services are provided. The most important things to look for are firms that offer a wide variety of information that is current, unbiased and provides access to brokers who can be reached directly.

"You shouldn't consider online trading if you haven't done some other kind of trading on your own."
Web Surfing for donor dollars

Can the Net Catch Falling Non-Profits?

by Shanell Robinson

With the level of publicity that the Internet generates, one would think that not-for-profit organizations might view it as an excellent opportunity to increase donor dollars. But despite the Internet frenzy of recent years, “virtual” fundraising is still more dream than reality. According to Joseph Howard, a New York fundraising consultant, “There really isn’t that much nonprofit fundraising being done on the Internet at this time even though the Internet presents itself as the only viable alternative to more conventional forms of fundraising in an increasingly competitive fundraising environment.”

So why aren’t nonprofits taking advantage of this new medium? “Most nonprofits question whether cyberspace is a realistic source of new donation funds,” says Howard. Still, many experts suggest that the Internet is the first place that development officers should look. The average income of households with Internet access is $67,000 compared to $47,000 for those without, according to the June 1995 edition of Internet World. Studies have also shown that there is a disproportionately large number of younger people who use the Internet. This segment of the population may not spend much at present, but, as consultant Michael Johnston suggests, fundraisers can cultivate it for long-term relationships. “This is a demographic slice of the pie that charities have been struggling to reach using more traditional fundraising techniques,” notes Howard.

There are many ways in which the Internet can be used to raise money. In the most popular method, donors make a pledge online, send their credit card details by e-mail or download a form and send it back by regular mail. For instance, The Sierra Club, an environmentalist lobbying group, has created a Web site offering a form for donations for Internet visitors (http://www.sierraclub.org/signature). Visitors can print a copy of the form to fax or mail their personal information, or they can call a listed number. Since the form has been posted, 320 people
have made pledges, according to club officials. The club does not, however, have a direct electronic form that allows for instantaneous credit card donations.

The Rainforest Action Network (http://wideopen.igc.org/ran/index.html), a non-violent group of ecological activists, also has a membership form on their Web site through which people can donate by phone, fax or mail. In addition, the organization has an online credit card form through which credit card information can be sent. The firm does not have exact numbers on the amount it has received using this method. Since Rainforest Action is using a Netscape Commerce Server—a high-performance server software for conducting secure electronic commerce and communications on the Internet—on its end, any visitor using a browser can safely transmit credit card information.

One nonprofit with experience in constructing Web sites is learning to market its services. Plugged In (http://www.pluggedin.org/), a California nonprofit that exposes underserved youth to technology, designs Web pages in return for a suggested contribution, 60 percent of which is tax deductible. Another nonprofit, NetBenefit (http://www.netbenefit.com/Net/Benefit), offers Internet shoppers an alternative to traditional buying. Consumers can purchase CDs and CD-ROMs with 50 percent of the net profits going to a nonprofit of their choice. America Online and CompuServe have also created areas where nonprofits can set up shop.

Online sales are becoming a major source of revenue and charities are starting to take advantage of this trend. Edward Stern of the American Red Cross has noted that Internet donations are higher than telephone donations. As for actual cash contributions, the Internet is still better suited to acquiring pledges than collecting donations. "Until online fundraisers figure out how to make the act of giving easier, it probably won't work well," says Putnam Barber, who manages the "soc.org.nonprofit" newsgroup, an online forum dedicated to nonprofit issues.

Due to the pressure to ease online trade, technical problems are being solved by scrambling e-mail messages—encrypting a donor's credit card number, then decoding the number on the other end. But the encryption process can be cumbersome with codes being cracked by hackers. "Donors just don't feel comfortable with it," Barber says.

First Virtual Holdings, a San Diego based company, has developed a unique system for circumventing this problem by storing customers' credit card numbers in an off-line computer. The firm has started to set up payment systems by "cross-linking" the home pages of participating charities with First Virtual's. This facilitates online donations for the charities, while building a customer base for First Virtual.

One of the most promising aspects of online fundraising has to do with prospect follow-up. According to Gil Prins, a nonprofit data management specialist in New York, software programs can be developed for keeping track of Uniform Resource Locators or "return addresses" of visitors to an organization's Web site. By compiling lists of URLs, a fundraiser could contact prospective clients via e-mail. "That could be a big help to fundraisers who need to mobilize emergency support," says Prins. But Prins cautions against using this technique too freely. "The best thing about the Web is that it's non-intrusive," he says, adding, "When you start sending out unsolicited e-mail, it could backfire." Prins also notes the view shared by some behavior experts that computer junkies are too detached and self-involved to be philanthropic, which could also hinder online fundraising.

Like the medium itself, fundraising on the Internet is still in its infancy. So far, the financial payoffs have been relatively meager. But as every fundraiser knows, successful fundraising requires patience and long-term planning. "Just like other fundraising methods," says Howard, "the Internet demands that every charity starts an interactive relationship with the donor. Although direct donations are small right now, almost every charity that is online has told me that they expect a slow but steady increase in donations. Most are willing to wait for their investments to pay off in the long run."
life was stormy for Christine and Tom, both working middle-class Americans who had amassed over $50,000 in debt. They were constantly harassed by their creditors, contacted both at home and at their jobs. They felt so threatened by the demands for repayment that each wound up filing for bankruptcy; as a result, the creditors are finally off their backs. Situations like this, a rarity in the past, are becoming more common even though the experts contend that the economy is sound.

Business indicators show that the economy is strong, unemployment is low and the stock market is a raging bull. Yet, according to the Administrative Office of the Federal Courts, the number of bankruptcy filings in 1996 has topped one million, a 25 percent increase from 1995 and an eclipse of the 1992 record of 900,000 filings. As banks are increasingly granting credit with little scrutiny, more people are led to spend beyond their means, especially when financial disasters strike.

Unexpected layoffs, unplanned divorces and uninsured medical emergencies can worsen an already bad financial situation. Most Americans have problems managing their money because they are not prepared for these circumstances.

“People don’t have a safety net,” says Jeannie Seeliger, a New Jersey lawyer who specializes in bankruptcy. “They have high credit card balances at high interest rates and they don’t save any money. When the layoff hits or there is a large medical bill or a divorce, they have no cushion.”

But Americans do not seem to be bothered by debt. As Cornelius Blackshear, Judge of the U.S. Bankruptcy Court for the Southern District of New York, puts it, “In the ’70s there was a stigma attached to filing a bankruptcy petition. Then in the early ’80s major corporations started filing for bankruptcy, so the stigma faded. People started thinking, ‘If
these giants of industry can file for bankruptcy, why can’t I?”

People who file for bankruptcy today are no longer considered a disgrace, creating a climate more friendly to those who have gotten too far behind on their bills and have decided to discharge their debts at a relatively small price.

Having worked with bankruptcy cases since 1977, Blackshear describes how people fall into debt. “Inflation is rising much faster than increases in peoples’ salaries, so people start living off of their credit, as opposed to cutting back on their expenses,” he points out, adding, “Let’s say you have a person living on $18,000 one year and the next year it costs this individual $20,000 to do the same. This person only gets a $1,000 raise, but the individual decides to continue living at the rate of $20,000 per year and gets into debt, and at 18 and 19 percent interest, that debt really starts to grow. A yearly recurrence of these events creates a slippery slope and that’s what’s happening today.”

While inflation may be a factor in bankruptcies, most of the blame lies with banks and credit card companies that employ lenient lending policies. “Even though TRW [a credit reporting agency formerly known as Thompson Ramo Wooldridge, Inc.] can keep a bankruptcy filing on your credit report for 10 years, it still doesn’t matter,” Blackshear says. “Banks have a certain amount of money to loan, and when they can’t lend as much as they need to make a profit, they begin lowering their standards, or they modify their loan qualification formulas to determine credit eligibility.”

According to Visa International, the company that sponsors the Visa credit card, one out of every 100 homes will file for bankruptcy this year, and their debt will reach an all-time high—5.3 times their annual income, a 34 percent increase from 3.5 times in 1988. Write-offs for bad debts, instead of being a severe strain on lenders’ profits, are an anticipated cost of their attempts to generate more business in an already cramped market by making loans with higher interest rates, according to Blackshear. He adds that many people do not realize that while the credit card companies are charging 18 percent, banks are offering personal loans at around 12 percent.

In addition, banks are giving borrowers much higher credit limits than would have been warranted in the past by their incomes. Full-time, non-working college students who get credit cards without even needing a co-signer such as a parent or guardian are most at risk. These seemingly harmless cards are not even linked to the parent’s or guardian’s cards. Moreover, people in their first jobs, with low incomes and even people who have just emerged from bankruptcy, who would have been rejected in the past, are now granted new credit.

Currently, banks can afford to lend to risky borrowers. According to Robert Johnson, a researcher for the study of consumer credit at Purdue University, “Even if eight out of 100 borrowers go bad, lenders can charge enough interest to make a profit.” Bank actuaries can monitor their exposure to riskier borrowers. They project that a certain percentage of the outstanding balances will be written off for bad debt, and that charging 18 percent to 20 percent interest will cover the loss. “So if you and I have any outstanding balance on our credit cards, we’re paying for all of the people who
Number of Bankruptcy Filings
(in millions)

![Bar Chart]

Sources: Administrative Office of the Federal Courts and Visa International

did not pay back the money. The banks are not hurting because most people will pay back their debts. It's only a small percentage of people that cannot, or will not pay it back,” Blackshear says.

While the expense caused by bankruptcy filings to banks and other lenders was roughly $10 billion last year, Blackshear doesn't see a huge impact on the national economy: “Most of this debt is credit card debt. And banks are making billions of dollars even though people are filing for bankruptcy. The reason they’re doing it is the 18 percent and higher interest on loans and credit cards. And don’t forget the late payment fees the banks earn. Investment bankers, actuaries and accountants make projections as to when they expect to lose or earn money, and they modify their lending interest rates accordingly by either increasing interest rates or cutting back on the amount of credit they extend,” he says.

The only foreseeable way, according to Blackshear, to slow the bankruptcy trend is to enforce stricter credit-granting guidelines. Is it really necessary for people to have seven bank and three store credit cards?

If an individual does get caught in a web of debt and does not want to file a bankruptcy petition, one option is to make an appointment with a credit advisory service such as the New York-based Budget and Credit Counseling Services, Inc. As Judge Blackshear puts it, “They do a great job teaching people how to establish a budget. I’ve had people in court, including people with post-graduate degrees who did not know how to balance their checkbook. Do you remember that episode of The Cosby Show where Theo is going to go out and get a job, and Cliff made an analogy using Monopoly money? That’s what we should have more of. Many people today really don’t know the value of money.”
Doing Good By Doing Well

Nonprofits Venture Across the Bottom Line

By Shanell Robinson

It's Saturday morning and Dahlia Washington, a New York housewife, is on her way to mid-Manhattan to purchase a dress for her daughter's upcoming engagement party. She's looking to purchase a full-length, designer evening gown for under $300, and after a full day of searching, Dahlia returns home with a Bill Blass velvet evening gown for $175. Where did she find this great bargain? Macy's? Bloomingdales? Loehmans? No, the Housing Works Thrift Shop.

The Housing Works Thrift Shop in New York City is just one of a number of commercial ventures whose parent corporation is a nonprofit organization. Faced with dwindling federal and state support, charities are increasingly taking advantage of revenue-raising opportunities that were once in the private domain of profit-seeking businesses. Federal and state cutbacks on social programs, such as funding for the arts and assistance to the needy, have led to an increase in the number and variety of ventures launched by nonprofits in recent years.

Initially, the nonprofit "enterprise movement" was restricted to organizations that had difficulty attracting outside funding. Drug and alcohol rehabilitation centers, halfway houses for ex-convicts and programs for the mentally, physically or emotionally disabled have had to turn to self-generated income simply to survive. Rather than deal with the tenuousness of governmental or philanthropic support, many of these groups chose to be self-sufficient, depending on their own revenues to provide their much-needed services.

Increased government funding caused rapid expansion of nonprofit organizations during the '60s and '70s. But the drastic cuts to the federal budget during the Reagan years left many not-for-profits running for cover. The cuts in the nonprofit sector alone were a staggering $25.5 billion between 1984 and 1988. According to Dave Linderof, author of Lending a Hand to the Poor, "the response to this grim news, for many organizations in the sector was to act entrepreneurially. That meant that nonprofits either had to sell products closely tied to their charities or at least implement sound business techniques in running their organizations."

One organization that found itself in this predicament was the Design Industries Foundation Fighting AIDS. DIFFA, a private foundation founded in 1986, raises money and provides funding for projects that range from HIV prevention to direct services for people with AIDS. "We don't receive any federal or state funding so all our funding comes from private sources," says Steven Kolb, director of chapter relations. "Our approach to fundrais-
ing has always been through special events because we could attract designers and creative people to create parties and events that were interesting to other people.”

Kolb adds, “We had a reputation of having special events that were strong and significant and it became very fashionable to attend AIDS fundraising events. As the AIDS epidemic progressed, people became less interested in coming to events and they were no longer buying tickets. Nonprofits had to redefine the way they made money and take [fundraising] away from the ritzy, black tie events and put it more into a mainstream process.”

Indeed, nonprofit organizations encounter problems when trying to make their for-profit ventures successful. DIFFA’s initial venture into commercialism was in the form of two catalogs in which items were sold to donors from mailing lists that they purchased from other agencies. The items were created by top designers and then sold at cost, while all services, including the design of the project, and the photography and layout were donated. Although DIFFA offered two catalogs over a two-year period, the projects were dropped when revenue didn’t pour in. “A program like this takes a number of years to turn a profit,” explains Kolb.

“To begin a process like this, you need to be flush in terms of cash or have a significant corporate sponsor who’s willing to cover the cost of mailing and printing,” says Kolb. While DIFFA could have gotten the design services for free and the products at low cost, the cost of paper, printing and mailing was a high-fixed and stunted profitability. “If we had stuck with it, and we weren’t so quickly turning the money back out in the way of grants to AIDS organizations and we had the time to get a corporate underwriter, we probably would be set and going by now,” Kolb adds.

DIFFA is currently involved in two innovative affinity marketing programs with Wolf-Gordon, a wall covering company. The project involves manufacturers contributing a percentage of their gross sales from specific products or line of products to DIFFA. DIFFA will in return promote the manufacturer’s support of the foundation in its publications and the manufacturers will promote DIFFA in their trade publications. The first program, Gift of Hope, has generated $380,000 for DIFFA over the past four years. The new program, entitled Specify With Care, was launched by the foundation in November 1996 and is supported by leading architects and interior designers in the design industry. “Specify With Care is the next generation of AIDS funding,” notes David Sheppard, DIFFA’s executive director, in a recent press release. “It is a smart and efficient non-traditional fundraising program which promises to raise millions of dollars for DIFFA’s grant making initiatives and provides an alternative for many concerned professionals in our industry who are weary of fundraising parties and direct mail solicitations.”

The Housing Works Thrift Shop is
also an AIDS advocacy nonprofit organization that has come to rely heavily on revenues generated from their commercial ventures. In January 1996, the organization was in a deep financial crisis, resulting in staff layoffs, salary deferrals, missed payrolls, benefit cuts and staff resignations. According to their annual report, the organization had a $800,000 deficit caused in part by cuts in government contracts of $300,000. The fiscal crisis of early 1996 made the funders more cautious about supporting the agency, as major cutbacks in social services and related to their charitable activities. According to the IRS, the agency seized $294 million in unrelated taxes in 1995, more than double the amount in 1990. Also, under a new law signed in 1995 by President Clinton, the IRS will for the first time be allowed to fine executives of nonprofit groups who receive excessive salaries and benefits, as well as the board members who approve these arrangements. This new law is a direct response to events that transpired at United Way of America when then-president William Aramony was convicted of 25 laws, and they qualify for substantial reduction in postal rates and for free public service announcements in the print and broadcast media.

In a report entitled "Unfair Competition by Nonprofit Organizations," the Small Business Administration suggests that so-called nonprofit organizations that engage in profit-making ventures should not be recognized as such. Basically, SBA wants to insulate small businesses from nonprofit competition, despite the fact that many nonprofits are also small businesses themselves.

"Nonprofits had to redefine the way they made money."

increased competition for foundation support ensued. However, 1996 ended with sales of over $3 million, according to the Housing Works' annual report.

The Thrift Shops collect and resell donations of high-quality used items, including clothing, house wares, furniture, art, antiques and jewelry. The Used Bookstore resells donated books to the public. Donors receive a written receipt of their tax-deductible contribution up to the value of the item donated. Housing Works expects to open its third Thrift Shop this spring.

But the profit-making advancement of nonprofits has created problems with the IRS and small business owners. The IRS has been particularly aggressive in posing challenges to the nonprofit sector by attempting to enforce a law that requires nonprofits to pay taxes on businesses that are not counts of fraud, conspiracy and money-laundering.

Small businesses view competition with nonprofit organizations as unfair. Small business leaders have been lobbying without success to convince legislators and policy makers to apply greater restrictions to commercial ventures by nonprofits. It is their contention that charities use their tax exempt status and government support to compete with small businesses. Nonprofits are exempt from federal taxation as long as they do not earn too much unrelated business income. In most states, including New York, nonprofits are exempt from property, state and local taxes. In addition, they sometimes receive special treatment under anti-trust, unemployment insurance, minimum wage, securities regulation, bankruptcy and copyright.

Ironically, according to Leonard Easter, professor of nonprofit law at the New School for Social Research, both government and business leaders bear responsibility for encouraging the rise in nonprofit commercial activity. "In recent years, government and business have argued that enterprise can reduce the dependency of nonprofits on government and corporate cash assistance," says Easter. But they are also sending mixed signals to the nonprofit community. As Easter puts it, "On the one hand, they encourage entrepreneurial activities as a means of increasing self-sufficiency. On the other hand, they complain of unfair competition when nonprofits engage in entrepreneurial activities designed to promote self-sufficiency. This form of rhetoric is creating a frustrating, no-win situation for many nonprofits."
Inner City Air
Education Helps Asthma Patients Breathe Easier
By Aspasia Smith
Twelve children reveled on the green of Central Park, ignoring cautions against playing in grassy parks in cold weather. There were no sounds of wheezing. No staccato coughs. Statistics said they should not be there: They were asthmatic.

"We are dispelling the myth that kids with asthma can't exercise or go outside in cold weather," explains Linda Maggio, Public Health Administrator for Mount Sinai Hospital's Pediatric School Health Program. Maggio runs the satellite asthma education clinics in four East Harlem schools: I.S. 117, P.S. 83, 108 and 38—a neighborhood she calls "the asthma belt," one of the worst areas in a city where the rate of asthma-related deaths is four times higher than in the rest of the country.

The eight-week program at P.S. 117 enables a dozen asthmatic children to be driven to the park for an hour of outdoor activities each day. "Understanding the illness, managing asthma and using preventive medications," Maggio says, "are keys to the children's enjoyment of the outdoors. They need play time because, in this neighborhood, the lives of young asthmatics can be frustrating and stressful."

Stress can kick off an asthma attack, so fifth and sixth graders are taught stress management by the school-based team of social workers, health educators and clinicians. Maggio adds, "Kids must manage their own asthma. Parents aren't around, or don't know how to manage. They rarely come by the school." She recalls one student from P.S. 121, who showed up repeatedly with asthma attacks. The student, who lives in a one-room apartment with her mother and asthmatic brother, told her teacher, "My mom smokes all the time."

In addition to producing stress, inner cities have their own distinctive problems that affect and, all too frequently, hasten the death of young asthmatics. Rami Bachiman, Director of Community Education at the American Lung Association of New York, cites living conditions, poverty levels, accessibility and continuity of medical care, pollution and exposure to rat and cockroach feces as the main health concerns of people with asthma in the five boroughs. Bachiman notes that the estimated number of children diagnosed with asthma in 1995 included 23,397 in Manhattan; 21,205 in the Bronx; 6,984 in Staten Island; 40,235 in Brooklyn and 34,598 in Queens.

Some inner-city families with asthmatic children endure unsanitary con-
ditions in their homes because they have nowhere else to go. Aging brownstones in East Harlem and decaying tenements in Brooklyn are potent breeding grounds for asthma. Among the most dangerous allergens that can trigger an attack is a creature less than one-tenth the size of a grain of sand—the dust mite. Their droppings float around and rest in clothing, curtains and beds. They thrive wherever dust collects.

In a 1993 study, Dr. Michael Kaliner of the National Institute of Allergy and Infectious Diseases in Bethesda, Maryland, explained that people with allergic asthma have more vulnerable airways and exposure to cold air or freshly painted rooms can set off an attack.

Many asthma victims believe that having a bronchodilator in their pocket is sufficient to control the disease. Not entirely, say the specialists. "These drugs provide quick, effective relief," acknowledged Kaliner, "but a focus on bronchodilators as the only therapy is inappropriate, since it is a form of symptomatic therapy which has nothing to do with the healing process."

Moreover, in a 1992 Canadian study, Dr. Walter Spitzer of McGill University reported an increased risk of death associated with the regular use of bronchodilators. He urged doctors to monitor the use of this medication, saying, "If more than one canister is used in a month, professional guidance is needed to adjust the therapy."

Although incurable, symptoms of asthma can be controlled. When the American Lung Association estimated that 4.8 million children under the age of 18 were suffering from asthma in 1995, the New York chapter created a new school program called Operation Airways, in conjunction with the New York Board of Education.

Operation Airways trains 100 nurses to work with asthmatic students in public schools. Children learn...
in small, interactive sessions about the basics of their disease: warning signs, common triggers, the role of exercise and the daily management of their illness. Parents are also included in the learning process. When children carry home printed materials, a dialogue between parent and child is opened that will benefit both.

As medical experts investigate the dramatic rise of asthma and deaths from the illness, they are developing new insights into the disease. Treatment of symptoms may have been misguided. Perhaps, they suggest, more attention should be focused on the actual cause of the disease and indoor allergens that may initiate and exacerbate it.

Another asthmatic hazard comes from 266 outdated coal-fired furnaces in public schools in New York City, eight of which are located in Manhattan. "Some furnaces are over 100 years old. It's like looking at a scene from Dickens," claims Tensie Whelan, executive director of the New York League of Conservation Voters. "These furnaces violate the environment with 520 tons of pollutant particles each year and are directly related to asthma and other respiratory diseases."

James Lonergan, director of Plant Operations for the Board of Education, maintains, "Schools with back drafts from coal-burning furnaces are evacuated and not inhabited until city engineers have tested and corrected the air quality problem."

With voter approval of the 1996 New York State Clean Water/Clean Air Bond Act, Whelan anticipates that funding will be designated for safe drinking water programs, conversion of city buses to low-emission natural gas, and the replacement of coal-burning furnaces in public schools with cleaner-burning oil or natural gas heaters.

For New York's asthmatic children who dream of playing in sunny parks, the cleanup could bring more laughter and allow them to breathe easier.
In a city where almost anything can be obtained at almost any time, Moskowitz's Record Mart, Inc., located in the Times Square subway station, stands as a stalwart symbol of what small specialty stores have to offer amid big-name companies that have emerged as major rivals for music entertainment dollars.

Music lovers can tap their feet and nod their heads to the latest rap, hip-hop and a host of synthesized sounds at Virgin, Tower, HMV and J&R Music World. Record Mart, on the other hand, offers legendary music from countries all around the world, especially from Latin America.

As the N train pulls up and the conductor announces that the next stop is 49th Street, commuters who climb up the 20 steps to the exit can hear the beats of salsa, merengue, jazz, calypso or reggae lilting from the speakers perched above Music Mart, an uplifting accompaniment to the frenzied dance of rushing commuters. Those who stop to browse or buy can get an education on the region's musical riches. “The music in Trinidad is different from the music in the rest of the Caribbean, just as Puerto Rican music in Puerto Rico can be different from Puerto Rican music in New York,” says owner Jesse Moskowitz, sitting in his cramped office behind the store, accessible through a tunnel where the stock of CDs and records is stored.

“We get people from all over the world coming here,” Moskowitz says. “But we have mostly regular customers.” He remembers one of them as an 89-year-old man who brought his 45-year-old son to show him around the store where he once shopped.

Tom Williams, another regular, has been coming to the store for 35 years, and admits that when he was young he used to play hooky from school so that he could go to the store. A professor of History at York College and a musician at heart, Williams shuffles through the Cuban section and pulls out a record entitled “Santeera.” “This is a great place,” he says. “I try to come down here every couple of weeks.” He explains that many of the major stores that carry the latest music have customer service representatives who aren’t knowledgeable about Latin American music. Williams, who favors Latin Jazz, asserts that’s why specialty stores like Music Mart are such rare gems.

Jeryna Jiminez, a City College student and music lover, agrees. “I can find a lot of the Spanish old classical music at Music Mart,” he says. Ron Dimaculangan, a classical musician, adds, “I like small independent stores. Commercial stores aren’t always good. They’re more mainstream and everything to them is numbers. And they’re very biased.”

Music Mart, however, has no problem welcoming young customers of color, who feel like they’re under surveillance when they shop at the big stores. Indeed, there’s a quiet camaraderie among those at the bedroom-sized store, sifting seriously through the merchandise organized into sections by hand-lettered dividers. Posters of Billy Holiday, Puerto Rican salsa singer Rey Ruiz, and The Bronx Horns (the latter with a caption that reads “Catch the Feeling”) decorate the walls. Records and CDs of legendary artists such as Julio Iglesias,
Bobby Valentin and Tito Puente run from $12 to $16.

But if Music Mart's basic merchandise has remained reliable since it was founded in 1959, the store has had to keep up with other changes in the music business. "The move from records to stereo to eight-tracks to CDs is one the store has kept abreast with," Moskowitz explains. "We had to adapt to the store to the different transfigurations."

A recent customer who knew no English bypassed the Martinique and Guadeloupe records and the rap and rock "En Español" section and began pointing at video cassettes entitled "El Profe" (short for The Professor in Spanish) and "En Retirado" (The Retired One) indicating his interest in them. Hidden among these Spanish titles is "Dance the Macarena Mix," a video tutorial.

Although specialty stores like Music Mart are usually run by people who have some familiarity with the product Moskowitz started out with no special connection to the music. "I'm just a nice Jewish boy from Brooklyn," he says and goes on to reveal that he doesn't even speak a word of Spanish. "I don't have the knack for language," he says.

What he does have is a knack for business. Moskowitz doesn't view big companies like Virgin Records and HMV as a threat. On the contrary, he says such stores send him customers looking for vintage records.

If Moskowitz faces any competition these days, it's from New York's Transit Authority, which wants to reconstruct the subway station. "The TA is anxious to relocate us," says Moskowitz. "But they realize we're a cultural icon."
Literary DARWINISM

Independent Bookstores Are Feeling the Squeeze

By Lillian Moore

Remember that little book shop on the corner a couple of weeks ago? Now there's just a coffee bar in its place—and a Barnes & Noble megastore down the block. The quaint book shop with the look of a musty shrine to a personal literary cult is going the way of so many things small and beautiful in the "90s: big-box corporate and anonymous.

According to the American Booksellers Association, more than 200 independent bookstores across the U.S. closed in the past three years. And while 1995 sales rose just 0.6 percent, sales for the four largest chains grew 17 percent that year.

Big chains offer big discounts because they can buy books at lower prices than single-store independents. "Of course price determines where people purchase their books, how often, and in what quantity," says a spokesperson for Gryphon Books, a small shop in upper Manhattan. "A more affluent buyer will shop at the independents for the selection and service, while many students and lower-income buyers go for the discounts at Barnes & Noble or buy what they want from vendors on the street. I've seen a lot of independents close down and it often has to do with location and rents."

Indeed, steep rent is blamed for closing Books & Company, after 20 years at Madison Avenue and 74th Street, next to the Whitney Museum of American Art. Long a home for writers, providing space for readings and the run of its paneled stacks, owner Jeannette Watson says she will close her doors at the end of May. Like many independent stores, Books & Company has been squeezed between nearly flat sales and rents that, on the Upper East Side, can cost up to $400,000 a year.

While the independents fight to keep from being strangled by the big chains, they are also being squeezed from the other side: street vendors. These curb-side establishments offer rock-bottom prices that even beat those at the big-buy competitors. Along the sidewalks of Manhattan, frequently within a few paces of small bookstores, vendors set up tables and deck them with books. "They're a problem," says Steve, a manager at Coliseum Books, an independent store on Broadway and 57th Street. "These guys buy books from wholesalers several points less [than we do], allowing them to sell cheaper—right in front of the store!"

Shakespeare & Company, an Upper West Side stalwart, couldn't survive the combined assault. For three years they gasped for air while their customers were spirited one block north to a giant new Barnes & Noble, carried by the scent of steam-
Alair Townsend, publisher of *Crain's New York Business*, devoted a full page to dismissing this pessimistic narrative. Townsend “doesn’t buy that argument for a minute, at least not when it comes for Barnes & Noble.” She concedes that price-conscious consumers like the discounts at the super-stores, adding that they also prefer the library-like anonymity and freedom to thumb through books. That, she says, comes as “a relief from the watchful, often intimidating eyes in a smaller store. You see no stuffiness in Barnes & Noble.” Moreover, she adds, “the staff are mirrors of the city in age, race, and ethnicity. Why should the city bemoan the success of Barnes & Noble, when they are so clearly providing what the people need?”

James Gardner, art critic for the conservative magazine, *National Review*, and author of *Culture of Trash*, sees a “certain snobbbery in not succumbing to the charms of Barnes & Noble.” For him, it’s a “pseudo-egalitarian” impulse to complain that chains are pushing out the little guys; “[It’s] ill-considered and hypocritical on the part of tweedy-types looking to defend their overpriced and under stocked enclaves against the middle-class hordes,” Gardner says.

“Not so,” replies Delia, a manager at one of the surviving Shakespeare stores on 68th Street. “What we have to offer are staff that are warm and outgoing, forever eager to discuss books,” Delia says. “Customers are always impressed with their breadth of knowledge, often coming to us after Barnes & Noble was unable to help them. Our staff are our greatest asset and we cater to our customer base by tailoring our stores to meet their needs.” Delia does agree that there are some “snobby independents” around that are poorly stocked, but says they are the exception. With two more Shakespeare outlets in the Village, business is thriving—and all, says Delia, because of superior service.

As for the late lamented Upper West Side Shakespeare’s, street vendors are still pitched on the corner where the store used to stand. Do the vendors feel any guilt for their demise? “Hell no,” says one, gesturing at the passersby. “It’s the book buyers,” he shouts as they walk by. “They’re all whores! There’s no fidelity! They go wherever they can get the lowest price.”
THIEVES R US
East Village Community Challenges Peddlers

By Marcio A. Silva

It resembles a street fair, a flea market or even an open auction. Voices with different accents fill the air with offerings and prices. "Thirty dollars, thirty dollars," calls a skinny man wearing dark sunglasses at almost 1:00 a.m., displaying a 10-speed bicycle. The prices are always open for haggling and the merchandise varies from silver candle holders to computer monitors. The trade is done as quickly as possible. Time is money and the police might come.

But if the police do come, neighborhood residents wonder if they will accomplish anything, as they are beginning to organize to take action themselves. "This is not a normal neighborhood," says Carol Joyce, president of the Six and Seventh Street Block Association. "From 10 p.m. to 4 a.m., another world comes out." Indeed, the west side of Second Avenue between St. Marks Place and Seventh Street becomes a tax-free market. Some street vendors sell merchandise picked out of garbage baskets; alongside them, another class of vendors has a hot business, peddling stolen merchandise. They are known as Thieves R Us.

The problem started in the late '60s. Back then, hippies sold handicrafts, books, music and flowered clothing, arraying their goods on blankets stretched out on the sidewalks. Businesses and residents felt comfortable allowing hippies to do business there, but today’s vendors, they say, brings out society’s worst ills—drugs, crime, homelessness and poverty—into the block. They want to let people eke out whatever living they can, but increasingly feel they need to draw a line. The question is where—and how. Joyce explains, "Residents feel a certain ambivalence toward this market. I think it serves some kind of function by recycling stuff when it is thrown away. There are a lot of people who don't fit into the economy, and it allows them to make a few dollars.”

Nonetheless, adds Kate Walter, head of the St. Marks Place Block Association, "You can't walk down the sidewalk in certain places without almost being harassed by people with car radios and other stolen merchandise.”

New York writer Stanley Holmes, a researcher of East Village peddlers, says that a good number of the vendors are people who lost their jobs during an economic recession and never made it back to the work force. As a result, what seemed to be a temporary financial remedy has become a way of living in which the peddlers risk being arrested rather than work for minimum wage. Holmes estimates that a
peddler can make from $50 to $150 a night.

Some vendors spread merchandise found in the garbage on a blanket laid open on the sidewalk in front of stores and residential buildings. Others keep their merchandise in knapsacks, shopping bags or suitcases announcing their products only if they spot potential buyers. Vendors carrying larger and more expensive merchandise usually keep it hidden in cars parked close by. Besides being able to purchase what is available on the sidewalk, customers can place orders for cameras, car radios, bikes and even golf clubs.

Sellers range from unemployed people to full-time thieves; the buyers range from students looking for $2 CDs to a wealthy regular known as Jaguar Joe because of his car. According to Paul Kovalevich, owner of Paul's Heavenly Burgers on Second Avenue, between St. Marks Place and Seventh Street, Jaguar Joe outbids less fortunate buyers “for kicks.”

But according to community groups, the most prominent clientele are recent immigrants. Holmes says that once a thief told him a story about a Korean who bought 20 refrigerators over the year for $150 each and sold them for $200 to other Koreans.

There’s one more class of frequent clientele: those looking for their own stolen belongings. A Ukrainian-American woman, who asked for anonymity, says that last year her van got broken into when she visited her daughter who lives in a building right off St. Marks Place “They only took clothes,” she says. Later that night, her grandson found some of them for sale at Astor Place.

After making a five-minute stop at St. Marks Bookstore on Third Avenue, Carl Skutsch had his bicycle stolen. He couldn’t believe what had just hap-
pended to him and set out to find it. A few minutes later he spotted an unshaven man in ragged clothes hawking his bicycle on the street.

**BUSTED?**

A man hustles through the crowd and whistles some type of code to the peddlers on the sidewalk. The whistle alerts them that the police are coming to confiscate merchandise of those vending without a permit—namely, everyone. “The peddlers have one eye on their clients and the other on the police,” says East Village resident Mark Salaberry. “It’s a gang operation.”

The peddlers pack merchandise quickly, dumping it into cars, or even into garbage cans, and within seconds the sidewalk is empty, but not completely. Often hurried and scared peddlers leave some of their products on the sidewalk. A few peddlers hang around pretending they are regular pedestrians.

The officers, with little enthusiasm, mix with the crowd and tell the remaining peddlers to leave or face the consequences. But the peddlers come back as soon as the officers are gone. Some even go back to the same spots they claimed before.

Inspector Elson Gelfand, the New York Police Department’s 9th Precinct Commander, says the police are doing what they can, but points out that the sidewalk vendors are more of a social problem than a police issue and that arresting homeless peddlers is not a deterrent to Thieves R Us.

He adds that dealing with this problem only wastes time for the officers, who must itemize and store the odd collection of confiscated goods in the precinct’s property room.

Captain Ovitz, also from the 9th Precinct, says that he loses an officer from street duties for about eight hours if a peddler is brought in, because the arresting officer needs four hours for filing papers and another four hours for trial.

**“The peddlers have one eye on their clients and the other on the police.”**

Bob Strong, owner of Rescued States antique store and the founder of the East Village Business and Theatrical Association, says that in order for a peddler to be put in jail, the peddler needs to be caught three times. After that, the peddler may serve a six-month sentence and then be free again. Once the peddler is out of jail, he needs to be arrested three more times in order to be sentenced to six months again. “It’s a merry-go-round,” says Strong. “It never ends.”

**COMMUNITY ACTION**

For years, neighborhood residents have attended regular meetings with police and locally elected officials, and some residents say these collaborations have paid off. “We’ve already had a fair amount of success,” says Kathy Wood, a member of the Seventh Street Block Association, noting that 15 people had signed up for Block Watchers, a police program that encourages residents to call in tips to the police anonymously.

But others are frustrated with the official response—or lack of response. Strong notes that block associations and other neighborhood groups have had no support from their city councilman, Antonio Pagan. “Pagan won’t get involved in this issue,” says Strong. “But as we get bigger, he will have to pay attention to us.” Pagan did not return phone calls requesting comment on Thieves R Us.

Meanwhile, local groups are trying different strategies of their own. Joyce points out, for example, that some stores have extended their hours to keep an eye on things and to maintain lively, legitimate activity in the neighborhood, and that this deters some criminal activity.

They have little choice. Business owners say that the more business thrives for the Thieves R Us, the more it suffers for them. Craig Nelson, the owner of San Loco Mexican restaurant on Second Avenue between St. Marks Place and Seventh Street, estimates that his business improves by 25 percent when the peddlers don’t set their business in front of his restaurant. “There is a high failure rate around here because of these guys,” he says. “People are going out of business constantly.”

In a recent effort to stir some action, Joyce’s block association applied for a Vendor Review Panel, a request to the City Department of Community Affairs for a close analysis of a problem within a community. If the panel is approved the East Village will turn into a Peddler Free Zone, a qualification that gives the police more authority to act against the peddlers. “I’m getting some help from other block associations,” says Joyce. “But it can take over two years to be approved. If approved.”

Strong resolved to tackle the problem with an embarrassing proposal: He wrote a letter to police commissioner Howard Safir praising the work that the 9th Precinct has done in the last few years, but suggesting that the East Village could use a police bicycle patrol to better control the Thieves R Us. And
then Strong offered, in the name of his association, to pay for the bicycles and uniforms. To date, the NYPD has not taken him up on the offer.

Strong and others in the neighborhood still wonder how Abe Lebewohl, the owner of the Second Avenue Deli, managed to expel the Thieves R Us from the corner of 9th Street and Second Avenue, where the deli is located.

In March 1995, Lebewohl was murdered in an attempted robbery on the corner of Fourth Street and Second Avenue at 8:30 a.m. In that same week, Lebewohl had received a hate letter. According to police officials the letter has no relation to the crime.

Still, says Paul’s Burgers owner Kovalevich, “I’m really surprised that after his murder nothing was done [about the Thieves R Us].”

WHAT’S NEXT?

During an afternoon at Paul’s Burgers, over a cheeseburger and soda, Kovalevich tells that he was born and raised in the Upper West side.

“Uuhh,” says a customer at the counter, meaning that the Upper West side is a rich people’s area. “Yeah. You say ‘uuhh’ now, but when I used to live up there it was worse than here,” says Kovalevich looking outside. “But hey, look now. It’s a great area.”

He seems to know the answer for the problem, but refuses to say it bluntly. “Look at the 42nd Street area. It was a disgusting red-light zone,” he continues. “Now it is being totally modified. You got real estate interest in there. It will be a beautiful and decent area.”

“The Village is supposed to be like this,” says Kovalevich. “People come to the Village to party, to get wild. They want the Village to continue as it is.”

Kovalevich, rushing through the tables and going behind the counter as he gives change to a customer, shakes his head. He looks out the window and says, “This is a beautiful neighborhood. We even have cops. See?” He points out to two young officers strolling along the sidewalk.

“I don’t know, man,” says Kovalevich. “All I know is that when people really want to get something done, they do.”
DEEP DECISION

NY and NJ Agree to Dredge for Success

By Genna Jin Y. Kim

At least until this Fall, a three-way agreement among state and federal government officials and environmental activists has rescued New York Harbor's 150-year-old status as the dominant East Coast seaport. But the great port may yet lose out to such backwaters as Halifax, Norfolk or Philadelphia, unless local officials come up with a workable long-term plan to keep the harbor's arteries unlogged.

The harbor, generally credited as the key natural resource that made New York America's preeminent city by the end of the 19th century, didn't have a build-up problem for the first 90 years of this century. The silt flowing down from the Hudson, Passaic and Raritan rivers was periodically sucked into barges and dumped off the Jersey Shore near Sandy Hook. As the hulls of bigger and bigger fully laden ships cut closer to the bottom of channels that could be as shallow as 18 feet in places without dredging, constant dredging became critical. But by the '90s, tightened environmental regulations and prodding by activists sharply curtailed the ocean dumping program.

According to the Army Corps of Engineers, dredging removed only 1.9 million cubic yards of silt from harbor channels in 1995, compared with 7.2 million cubic yards in 1989. The problem is that the dredge material is toxic; from 55 percent to 70 percent of the spoil from New York Harbor is now considered too contaminated for ocean dumping, but no problem for land dumping, according to the federal Environmental Protection Agency.

While the players struggled to find a solution to the dredging moratorium, ocean cargo, and the economic benefits that go with it, started diverting to other ports. "The more that oil and goods are off-loaded in Halifax and other deep-water ports, the more our economy suffers," complained the editorial page of the Record, a leading northern New Jersey newspaper. "The ports in Newark, Elizabeth, and elsewhere in the harbor provide 180,000 jobs and roughly $20 billion a year in business activity that we can't afford to lose," the editorial continued.

Record columnist James Ahearn called the silt-filled harbor "a disaster waiting to happen," because large oil tankers heading for terminals in the Arthur Kill, the crowded waterway between Staten Island and New Jersey, have been forced to stop south of the Verrazano-Narrows bridge and transfer nearly a billion gallons of oil a year into smaller vessels before becoming light enough to complete their journey north without touching bottom. "The next oil spill could wash up on Sea Bright or Spring Lake," Ahearn wrote last May.

Two months later Vice President Albert Gore and northern New Jersey Congress members announced an agreement with the EPA and environmental activists to lift the ban on ocean dumping until September 1997. "I'm proud to say we are at a turning point," said Gore at a July news conference. "We understand that to keep our port economies healthy and keep the environment clean we need to get dredging moving and dispose of dredge materials responsibly."

In an agreement released on October 7, 1996, Governors George Pataki and Christine Todd Whitman agreed to commit up to $130 million from the Port Authority of New York and New Jersey to dredge five million tons of silt from the clogged harbor channels until the new dumping deadline and to work on developing a long-term plan to dispose of the toxic material silt safely. "This bi-state plan is a critical step in breaking the dredging deadlock," said Whitman, in a statement accompanying the plan.

The announcements from the Governors and the Clinton administration have been warmly received by the owners of port-related businesses, but a bit more coolly by Port Authority and federal agency officials who are responsible for planning and implementing the dredging project.

"For the first time in a long time, we're optimistic," said John Holtz, a spokesperson for the New Jersey Petroleum Council. Gouting over the
prospect of seeing the clearing up of channels that have remained undredged since 1989, Holtz added, “The state and federal agencies are cooperating. They’ve really demonstrated to us that they’re serious about making this happen.”

But Lillian Borromeo, the director of port commerce for the Port Authority, says it’s too early to be optimistic. “Right now we don’t have an alternative to the ocean site.” But, Borromeo adds, “We’re looking to find one. It’s a tightrope we will walk. We have to find alternatives.”

One such alternative may be the decontamination technologies that are now being developed by the U.S. Army Corps of Engineers and the EPA. “Decontamination is a feasible and desirable alternative to ocean disposal that we are aggressively exploring with the enthusiastic support of the environmental, business and academic communities,” said Jeanne M. Fox, regional administrator for the EPA in New York. If decontamination proves to be workable, it could turn an environmental liability into an asset. New York may join the likes of Osaka, Japan, and Baltimore in the near future. These two port cities have used dredged silt to build artificial islands, sites for everything from airports to wildlife habitats. New Jersey officials are also exploring using dredged silt mixed with cement for the foundation of a shopping mall.
Is The Train To The Plane On Track?
LIRR-JFK Link Is Back On The Drawing Board

By Francine Phillips

Anyone who has been to Disney World and taken a ride on the sleek, swift monorail that floats soundlessly through the air on a narrow, curving track, has an idea of what to expect around the year 2000 when a monorail is installed at John F. Kennedy International Airport in Jamaica, New York. After many years of thwarted attempts to improve transportation to and within JFK, a new effort is underway to insure, once and for all, that frustrated travelers hauling heavy bags will no longer have to cram onto crowded, infrequent buses to get around the sprawling airport.

Last May the Port Authority of New York and New Jersey unveiled a plan to construct a $1.5 billion Automated Light Rail Transit System (ALRT) hooking
ALRT will provide a state-of-the-art solution to airport congestion and sluggish connections

easy payment on all three systems. The 10-station ALRT will have an expected ridership of 12 million by the year 2003.

Nowadays, taking the A-train to JFK means getting off at Howard Beach and transferring to a bus for the circuitous ride to the terminals. The driver-less ALRT will replace the buses, a common source of passenger frustration. Today’s bus trip takes about 20-30 minutes and buses are supposed to run at 10-15 minute intervals. With the congestion at the airport it is difficult to stick to the allotted schedule, and this results in passengers missing their flights. Some employees recall the sight of distressed passengers who were crying because they missed a flight. “It gets very emotional,” says Garfield Taylor, an airport worker.

Planners expect the ALRT to decrease travel time both in the airport loop and outside of it during the Jamaica and Howard Beach trips. A circular round trip within the airport will take eight minutes; the Howard Beach-JFK-Howard Beach run and the Jamaica-JFK-Jamaica run will each take 24 minutes. Trains will operate about two minutes apart in peak travel periods and at 12-minute intervals during non-peak times, all on a 24-hour, seven-day-a-week basis. The 8.4-

mile track will vary in height from 63 to 120 feet, allowing the train to glide along above the ground-level traffic.

The rail cars and platforms will be designed to comply fully with the Americans with Disabilities Act accessibility requirements, providing comfortable seating, wide aisles, and room for wheelchairs. In addition, the popular $1.50 Smart Carts used for carrying luggage—currently not allowed on the airline connection buses—will be placed on the ALRT and the doorways will be extra-wide to accommodate them.

From the ALRT stops, moving sidewalks will take passengers from the train to the gates in all but one terminal—but in that case, the train will stop inside that terminal, eliminating the need for the sidewalk.

If the completed ALRT will improve transportation around the airport, the three-year construction period won’t be so salutary. As soon as construction begins—the date is yet to be determined—the everyday pattern of airport activities will be interrupted. A Constructability Review presented to PA in July ’96 by Bechtel Infrastructure, the firm responsible for the project, mentions more than 300 traffic impacts and more than 400 facility relocations (some temporary and others permanent) that will be effected by ALRT construction. The Port Authority is concerned about the effect on parking and pedestrian circulation during the construction period and is planning temporary sidewalks.

Whether this ALRT is the answer to vast airport access problems that now exist remains to be seen. When compared to other regional systems, this project is supposed to be one of the best because the designers are studying existing trains and making improvements on past structural flaws. By all accounts, the ALRT will provide a state-of-the-art solution to airport congestion and sluggish connections. The remaining question is when. According to Bechtel Construction, construction should have started at the end of last year. They’re still waiting.
It's been two decades since Edward Said suggested, in his ground-breaking study *Orientalism*, that the Orient has been created by the West through a cluster of stereotypical descriptors, chief among them are ideas like mysteriousness, inscrutability, laziness, and sensuality. Since the early years of the 20th century, the highly visible and influential forum of fashion has perpetuated these stereotypes, and even today many of the top designers continue to use a Western fantasy of the allure of the Orient to enhance their designs, often with little regard for the integrity of the cultures from which the styles are taken. What's more, despite Said's scathing critique, Orientalism not only continues, but flourishes as a central motif of fashion advertising. The techniques of mass marketing have made liberal use of the Orientalist clichés of harems and slaves, princesses and sultans, dances and veils, to associate the products of the fashion industry with the luxury and seductive barbarism popularly associated with the Orient.

Orientalism permeates today's advertising with an increasing level of refinement. As recently as the December 1996 fashion magazines, Eastern images not only appear regularly, but are almost always used in combination with sexual stereotypes of the Orient. Brooke Shields seductively dons the cover of *Cosmopolitan* in a Jean Paul Gaultier dress with an indistinctly Oriental (Chinese?) embellishment. “America's most famous virgin” (as she is called in the *Cosmo* story) is one of the most visible contemporary embodiments of Western bourgeois morality, and the image of her in Orientalist garb provides a perfect update on the ironic contrast of self-proclaimed purity and exotic sensuality.

In the same issue of *Cosmopolitan*, an advertisement for an Yves Saint Laurent fragrance pictures a woman who appears to be Asian; however, on closer inspection, she turns out to be a Western woman who has been made up to look Asian, with dark hair and darkly painted eyes, laying invitingly in a flowing, red kimono, and whose playful smile suggests that she is enjoying the impersonation. The implication is evidently that the woman who wears the fragrance will become as mysteriously seductive to men as East-Asian women are often said to be, and on the opposite page, we are shown what she hopes to lure by means of this cultural masquerade: a very handsome but plainly white man. The atmosphere of erotic deca-
Many of the top designers continue to use a Western fantasy of the allure of the Orient to enhance their designs.

dence is further enhanced by the name of the perfume, Opium, which carries associations not only with the East itself but also with an entire history of other Orientalist images set in harems and opium dens.

In a much more subtle ad that appeared in the November 1996 issue of Harper's Bazaar, Gap clothing presents an ensemble of young people, a seemingly unhappy Asian girl surrounded by white (or American) men, against an Oriental-themed decor. The cursory message of the ad seems to be that Gap clothing exists everywhere, even in the Far East, where Asian youth mix comfortably with Western visitors. Closer study suggests, however, that the picture hints at a power relation between the white men and the Asian pair. The whites seem to be the ambassadors of Gap and, by extension, America; they have brought the clothing to the Orient and dressed the Asian woman as though rewarding her, perhaps in exchange for her work or other services. She is in fact the most striking figure in the picture with her white shirt, which stands out brilliantly against the dark clothes of the men around her and the bright red background. The white shirt, combined rather unexpectedly with a tiara, suggests the innocence of a bride or the aura of royalty. But the woman exhibits none of the happiness of a young bride and none of the power of a princess. Rather, she sits solemnly upright, almost stiffly, with a straight back and shoulders pulled down, as if she were there against her will. By contrast, the men are all in comfortably relaxed positions, suggesting their control over the situation and especially the woman, who has been subtly cast once again in the role of the male fantasy figure. On the surface, the advertisement proposes a cultural exchange: Gap clothes for the exoticism of the Orient. But, more grievously, it suggests an exchange of values wherein Asian femininity is viewed as a commodity on par with clothing.

Like these print ads, fashion shows, window displays, and balls of all types have used imagery of sultans and slaves, samurais and geishas, and other Orientalist icons to link a sensual fantasy of luxury and leisure to a product. As recently as in the November, 1996 issue of Vanity Fair, there is a two-page story about a San Francisco debutante’s spectacular costume ball on the “Arabian Nights” theme—“complete with snake charmers, a whirling dervish” and glimmering ladies of all ages showing off “bosoms and tummies”—with a striking array of pictures from the extravaganza.

But the new Orientalist advertising imagery is deceiving since it regularly involves the vulgarization of the cultures being pillaged. A typical strategy, for instance, has been to collapse different societies in the East into one
“Oriental” theme. Motifs or styles from various Eastern cultures are appropriated and then combined in fashion and its advertising without any respect for cultural integrity. Separately, Japan, India, or the Middle East may seem inscrutable, but fused have become tired of living with the knowledge of their culture’s excesses? And is the “semblance of innocence” really just a fantasy of freedom from the burden of sexual adulthood, as the writer seems to want to suggest, or is it rather the burden of history that is weighing on the Western mind?

Another example of Orientalist cultural “blending” can be found in the photo spreads of, and commentary on, the most recognizable Asian model in the fashion world, Irina Pantaeva—who is actually a Russian Eskimo, but is used as a generically Asian face. In a *New Yorker* article about this model, a fashion editor says: “You can put anything on her and it looks exotic. There’s lots of unusual-looking girls, but very seldom do they come in the right size,” confirming that the fashion world forces very narrow definitions of what is acceptable. She’s “unusual” in the sense that she does not have the clichéd blond-haired and blue-eyed look saturating most fashion magazines, but more telling is the reference to the “right” size—in glaring contrast to most Asians, she’s almost six feet tall, which one must infallibly be in order to succeed in the fashion world. Apparently, the exotic other must satisfy the pre-existing conditions of that world, no matter how much those conditions are at variance with the norms of a people, or else be excluded from the forefront of the fashion elite.

Images like these are only a small example of how the business of fash-
Sandra S., two of whose children are mildly retarded and two learning disabled, always wanted to have a perfect child. In 1990, she got pregnant for the sixth time, thinking that she would. But during her prenatal test, the doctors told Sandra that she had been carrying a genetically flawed chromosome, passing birth defects to her children all along. Fearing that her bad gene might cause her baby to be mentally retarded, she was given the option to abort and confronted with the agonizing dilemma that pregnant women increasingly face.

Sandra’s quandry is understandable: There is a tendency for society to look down on people with obvious genetic defects. In a survey conducted by Georgetown University and the Alliance of Genetic Support Groups, 143 of 332 people with genetic disorders felt that they had been denied a job and either health or life insurance because of such bias. And the problem is aggravated by the fact that tests revealing genetic defects before birth are being developed faster than treatments for resulting diseases. Ultimately, the mismatch between science’s ability to predict disease and medicine’s ability to treat it creates a social dilemma: A rising wave of genetic abortions or the creation of a new underclass of people who cannot obtain insurance or employment.

For example, a woman carrying the so-called breast cancer gene (BRCA1), who has an 80 percent chance of developing breast cancer and a 50 percent chance of developing ovarian cancer, may find herself discriminated against by insurance companies and employers who see her as a liability. According to Dr. Richard Elledge of the University of Texas Health Science Center, “Some women will pay for this [genetic] test out of their own pockets just to avoid having their insurance company or employer find out.”

Indeed, the existence of such discrimination based on genetic predisposition creates the need for special medical treatments. In the miraculous world of genetic engineering, there are
two types of such treatments. The first is germ line therapy, which has the capacity permanently to alter the phenotype, the physical and some psychological traits of an organism. Under this therapy, changes from here on will be passed on to future generations. By implication, if Sandra's baby were to be treated with germ line therapy, it would eliminate the passing of her fragile X-chromosomes to the baby and to his or her descendants.

The other type of genetic engineering is somatic cell therapy, in which the changes are not passed on. An example of this method would be cancer patients who are only treated for their disease. Because somatic cell therapy does not seek to manipulate the law of inheritance, it has not raised ethical issues beyond those of standard medical practices.

Meanwhile, germ line therapy has been embroiled in deep controversy with vociferous charges from Christian fundamentalists accusing scientists of playing God and from the general public of creating a genetically engineered caste system like the one depicted in Aldous Huxley's novel *Brave New World*. On the medical front, major international associations, such as the Council for International Organization of Medical Science, the European Medical Research Council and the Canadian Medical Research Council, have all agreed to ban germ line therapy—they have argued that it was unethical and that they did not have enough knowledge to perform this procedure.

The American Medical Association, on the other hand, approves of germ line therapy as long as the procedure is safe and is used solely for treating diseases, not for the sake of enhancement or eugenics, the science of improving humans by genetic control.

Due to the controversy, research on human embryos has been limited. It is mostly conducted by privately funded infertility clinics trying to improve techniques of in vitro fertilization, where eggs are surgically fertilized outside the body.

Although President Clinton lifted the ban on fetal tissue research in January 1993, Congress has refused to fund human embryo research. In developing the budget for 1996, political opponents and proponents of this research had a tug of war, adding and then deleting restrictions on human embryo research. The final version of the bill banned federal funding. Mark R. Hughes, a scientist at the National Institutes of Health's National Center for Human Genome Research and a professor at Georgetown University, says that the problem with the absence of federal funding is that basic research into why and how the embryo develops is not being conducted.

On the other hand, doing even basic research stirs explosive controversy. When Drs. Robert Stillman and Jerry Hall of the George Washington University Medical Center conducted a human cloning experiment, an international uproar followed that reached Europe. "The Americans do not even have our scruples. They simply go ahead with research, cost what it may," said Rudolf Dressler, Deputy Whip of the Social Democratic opposition party in the German Bundestag.
Probably the most profound question that the rise of genetic science poses concerns the inherent value of a human life. Is a mother who knowingly gives birth to a retarded child guilty of negligence? "No," says Dr. Paul C. Vitz, a psychology professor at New York University. "It's not because of the baby that parents abort. That's just a rationalization. Most babies who have Down's syndrome are happy. The reason is that it's an embarrassment to the parents."

Out of 1,550,000 abortions performed every year, between 1981 and 1990 only 3,750 were performed due to a fetal defect. Although this is a small number compared to the whole, the issue it raises affects everyone. If "our DNA is us," as Dr. Anil K. Malhotra of the National Institute of Mental Health stated, there is no major ethical problem to germ line engineering or eugenic abortion. But if we are individuals with inherent value, every child should be held in equal esteem. The long-standing debate between religious thought and Darwinian evolution has been taken to a "cellular" level. Although biological determinism—the philosophy that biology can dictate an individual's ability and personality traits, and ultimately the person's worth—had been abandoned after the atrocities committed by Adolf Hitler, it is now making a comeback as genetic science expands.

The evidence for a biological basis for human behavior is rapidly expanding. The mounting evidence suggests that our emotions and our decisions may be the result of biological forces and not free will. "Behavior is determined somewhat," says Dr. Walter Reichman, chair of the psychology department at Baruch College. "It is a combination of the genetic and the environmental but there is some level of passivity."

Inherently, this raises the issue of responsibility. If we are passively induced to go where our genetics and environment lead us, can anyone be responsible for crime? "My concern is that even if behavior has genetic underpinnings, we still need to have a society that takes in responsibility. Within genes is a propensity, not an absolute," answers Reichman.

In a similar vein, "All behavior is mediated by the body," argues Vitz. "It's true of musical talent, criminal tendencies...so what? A biological base for mental life does not imply causation. Physical basis doesn't cause; where and how something happens in the nervous system does not explain it."

For Sandra S., the decision was ultimately to carry the pregnancy to term. "I wish I could have aborted, but I couldn't do it. These children have as much a right to be here as we do. We do not have the right to play God," she says.
Corporate Fairy Tales

Hollywood Conjures Illusions of Prosperity

By Dusan Stojkovic

Despite being entrenched in one of the most profitable—and most capitalistic—of all industries, contemporary Hollywood films do a measly job of tackling pertinent economic issues. Money is depicted merely as a means to obtaining an unreasonable archetype of luxury, banks and financial markets are shown as the playgrounds of the rich and powerful, while explorations of issues affecting blue-collar workers are virtually non-existent. Indeed, the people portrayed in the mainstream American cinema rarely have actual jobs that are relevant in their lives—if they are shown to have jobs at all. Not one of last year's top grossing blockbusters—Independence Day, Twister and Mission: Impossible—has a plot with a realistic economic foundation, nor do they portray characters having any sort of significant employment.

Underlying all this may be America's self-delusional denial that it is, in fact, a class-driven society. It is somewhat paradoxical that film makers from nations with a greater sense of class consciousness and social inequity, notably the United Kingdom, produce more truthful depictions of socio-economic realities. In recent years, new British directors have, successfully, written, directed and produced realistic docudramas, exploring the plight of the working class. The most widely acclaimed of these directors are Ken Loach and Mike Leigh, whose films, including Riff-Raff (1990), Ladybird, Ladybird (1995) and Secrets and Lies (1996) have garnered prizes of festival juries internationally. As a rule, docudramas are distinguished by ever-varying focal points: Riff-Raff, for instance, follows the uprising of construction workers against management, caused by the death of one of their colleagues; Ladybird, Ladybird examines the vicissitudes of a single mother in a bureaucratic welfare state; Secrets and Lies subtly explores socio-economic themes, most poignantly class-status and race. Perhaps the most important innovation film makers like the docudramatist Brits have brought forth is the humanization of people left at the fringes of society, who are completely ignored in today's Hollywood.

American independent film makers have also made strides in dealing with economic aspects of the human existence. Michael Moore's groundbreaking 1989 documentary Roger and Me, produced by Dog Eat Dog Films, follows the director's attempts to interview the CEO of General Motors in anticipation of the shutdown of one of his company's largest production plants, and unravels a number of the automobile industry's "dirty little secrets," which seem indicative of ailments affecting the broader society.

The omission of the working class in Hollywood is a fairly recent development. Poor people were the subject of many silent films, and their role was taken to another level in the work of Charles Chaplin. The trend continued when characters on the screen started talking—one of the earliest, and boldest, attempts at social realism in talkies was Orson Welles's classic Citizen Kane, which revealed the perils of upward mobility and wealth. Elia Kazan's 1954 On the Waterfront was pivotal in starting off a chain of similar movies depicting the lure of organized crime as a means to attaining higher social ranks.

The '70s, widely regarded as the golden age of American cinema, saw the rise of new directors—Peter Bogdanovich, Robert Altman and
George Lucas—who took a serious look at the state of American society. In 1974, Martin Scorcese's *Alice Doesn't Live Here Any More* delved into the less than luxurious world of the title character, a single mother and waitress aspiring toward a singing career, a realm today's Hollywood would not address. The same could be said of another film from that year—Paul Mazursky's *Harry and Tonto*, which recounts the adventures of an old man and his cat on their trek to Chicago after being evicted from their New York apartment. Probably the boldest motion picture of the '70s to come from a major studio, Sidney Lumet's *Network* (1976), is a case study in the role the media play in manipulating public opinion, and, conversely, how the public's economic state, manifested in the form of ratings and advertising revenues, shapes media content. But the most socially responsive films of this epoch may well have come from less renowned directors. A case in point is Paul Schrader's *Blue Collar*, which owes much to the 1960 British film *Saturday Night and Sunday Morning*, directed by Karel Reisz. The gritty 1978 picture authentically depicts three car factory workers who resort to unionization and theft in search of a better life.

Even in the '80s, movies were still in touch with economic reality. Oliver Stone's 1987 film *Wall Street* irrefutably proved that the word scruples is not in the vocabulary of most stock brokers. *Wall Street* is one of the rare films whose very subject is the financial market and the people who run it. And then there were the innumerable flicks in which a movie star, more often than not Sally Field, mimicking her late '70s performance in *Norma Rae*, portrayed a hard-working, single mother who overcomes incredible odds to feed her children and gain the self-respect she deserves.

How realistically such films portrayed the working class is arguable, but in the '90s, there's not even anything to argue about. Ironically, the sole exception to this rule has been Robert Altman's 1992 film *The Player*, which took a scathing look at the film industry itself. *The Player* managed to satirize the industry's glamorous façade while exposing its less than shiny reality: the dynamics of power, the deals being struck in the back rooms, and the unethical breeding of sensationalism in the mass media.

For a society composed of hard workers and embedded in the Protestant work ethic, it is appalling that screenplay writers for the major studios insist on assigning their characters arbitrary occupations that have very little, if anything, to do with the scenario of the individual film. In 1997, Hollywood movie characters still suffer from the elevator operator syndrome: cultural and social stereotypes. African Americans, the most commonly stereotyped sub-population in American popular culture, either have meaningless menial jobs or are portrayed as heartless "buppies" with meaningless professional jobs. Jewish film personages are doctors or lawyers by definition, though, in most movies, they may as well be shoe salesmen. Among the ethnicities even less represented in film, Latinos and Asians play gangsters. And stereotypical employment in motion pictures is not reserved for ethnic minorities: Gay men are persistently depicted as hairdressers, ballet dancers or interior designers, while lesbians enjoy the dubious luxury of being sociopathic murderers. People with disabilities are lauded for surmounting grave hurdles. But where the money for their battles comes from remains a mystery, as they remain, as a rule, fashionably unemployed in Hollywood films.
This body of work is the result of the portfolio assignment for Art 2060, taught by Professor Sussman in the Spring 1996 semester. These photographs are more concerned with the process of tattooing than the product of the tattoo. This is a process in which the artist must gain the trust of the recipient while executing the painful and permanent art form. While the tattoo itself may be the result of much consideration, and the procedure might be shorter than one hour, the process still carries as much significance as the final result. This ancient practice requires a high level of dedication by both artist and client, and it remains popular among a wide audience throughout the world.
Photo Essay by Michael Stewart
Tattoo designs by Leach Cross
INSIDE OUT

Throughout our lives we experience countless things that shape us into the people we become. “Inside/Out” is a collection of windows opening on this process of becoming, allowing others to peek at a particular work in progress. With every word and vivid description, the narrow window frame view widens into a full-size picture.

Ariadne Mui recalls the view of a neighborhood sweatshop from the backyard window of her childhood, and another harsh truth about immigrant life in New York. From Florence Chan’s window you can see the story of a relative’s hardship upon arriving in America in “Chasing the Dream.” From another angle, Ligia Matasaru looks at living “Life With An Accent.”

Tamer Onay looks out to face down a troublesome neighbor in “My Beloved Neighbor,” while Tayra Pope looks for the box-office window in “Ticket to Stardom,” a day in the life of a movie extra.

In another part of town closer to our hearts, Sharon Williams takes “The Last Dance” that changed her life forever. Ariadne Mui also reappears with the terrifying specter of domestic violence in “Could This Be Love?”

Anthony Gregory tries to draw the curtains on an elderly woman’s slide into decrepitude in “The Vigil.” Nearby is Michael Stewart’s account of a friend who became “dangerous even for the dangerous,” in “Duane’s Death.” So sit back and enjoy the views—nine windows that combine to form one vista of hope and despair, loss and understanding that is life through our eyes.

—Belinda Delpêche

Chan’s house, my next door neighbor, and wait to begin another day of work.

A quiet bustle would grow as they all spoke among themselves in their native language. I always wondered why they barely had any energy and such looks of exhaustion on their faces. Shortly, the wooden door of Ms. Chan’s house would open and the talking would come to an immediate end. One after the other, they would go down the steep cement steps and into Ms. Chan’s basement. They stayed there for 10 hours straight, except for a 20-minute lunch break.

I remember hearing the sound of the sewing machines as I left for school at 7:00 a.m. each morning. Aside from the rumbling of the gate to Iris’s Dry Cleaning across the street as it opened up, the sewing machines were the only sound. After school, my siblings and I would go into the backyard and play. At 4:00 Ms. Chan would let them out for lunch. We would stand behind the red plastic divider that separated the two yards and giggle as we watched them line up with their food in thin plastic bags to sit on the cemented-over ground to eat. They looked like prisoners and were treated like slaves. They were starving and pathetically tired.

They squatted with their bag of food on the ground between their feet. They shoved the rice into their mouths as if they hadn’t eaten in days. One day, there was a woman who wore a look of utter despair. Her tiny eyes were red and her face was full of sad-
ness. The skin on her cheeks was wrinkled, pulling her face to a frown. Her thin lips were dry as she opened her mouth and seemed to struggle to swallow her rice. Her hands were so bony that the green jade bracelet on her wrist slid down toward her elbow each time she raised her hand to her mouth.

She sat in the corner near the basement door, and leaned her head against the brick wall. Her hair swept over one side of her face as she closed her eyes to rest. It looked as if the wall was holding her up. I had never seen anyone look so tired. Just then, two workers ran over to her. I could hear them speaking loudly and abruptly in their language, almost as if they were being chased by someone. They picked up the woman from against the wall and shook her—hoping, I guessed, to revitalize her.

After 20 minutes, Ms. Chan would appear to summon them back to the basement. They stayed there for another six hours. They repeated this routine every day.

One day after Mom came home from work, I saw her talking with a few of the women from Ms. Chan’s basement during their break. I had no idea what was being said, but there seemed to be some type of understanding by the way Mom nodded her head. She came over to me and explained how hard these women worked. They were new here, she said, and had to find some way to provide money for their families here and back home.

From that day on, when I played in the backyard and watched these people sit outside on their break, I no longer giggled, but saw and felt the pain. I saw the looks on their faces no longer as exhaustion but as hope. None of these people wanted to live this way. They all came from different backgrounds, but shared one common interest which was to make better lives for themselves and their families.

I no longer live in this neighborhood, but I do return to visit. The neighborhood is not as quiet as it used to be and there are new faces on the block. Iris’s Dry Cleaning has been replaced by Fernando’s Bodega and Ms. Chan no longer lives in the house next door. Her daughter, Ming, has replaced her and runs the business. Sadly, the only things that have remained constant in the neighborhood are the illegal workers in the basement. They look younger now and work twice as hard for less. The never-ending tide of new immigrants will always be ready to replace the old—to make better lives for themselves.

**Chasing the Dream**

*Florence Chan*

“Everywhere around the world, they’re comin’ to America. Every time that flag unfurled, they’re comin’ to America,” crooned Neil Diamond on the radio. So, why do they come to America? They come in search of the American dream. But the expectation is quite different from the reality.

I have a distant relative named Su Ling, who was born in China, and dreamed about coming to America.
From an extremely poor family, her parents filled her with stories of prosperity in America. It was impossible for them to immigrate because there were no members of the immediate family living in the United States. So, they only had their thoughts to hold onto. Su Ling absorbed every word and hoped for her dream to come true.

In 1993, when Su Ling was 20 years old, her parents arranged for her to wed a 55-year-old man named Chung Wah. Chung Wah was a United States citizen who came from China. Since his wife had died and two children grown, he went back to China to find a woman to marry. He wanted someone to take care of him as he got older. Su Ling’s parents had a friend who knew Chung Wah. Since Su Ling and her parents wanted to go to America, and Chung Wah wanted a wife, the friend thought it was a good match up. Regardless of Su Ling’s feelings about marrying someone she did not know and had never seen, her parents thought it was the perfect opportunity for Su Ling to immigrate to America. And after five years or so, she could apply to have her whole family emigrate too. Chung Wah was not rich, but that didn’t matter. As long as he was an American citizen, it was fine. A few months after Su Ling and Chung Wah got married, they moved to San Francisco, California, where Chung Wah lived.

I've never met Su Ling but have seen a picture of her in my grandmother’s old photo album. In the picture, Su Ling stands in front of what looks like a rice paddy. She wears a long floral dress that reaches her calves. She has a long frail body, and an angular face, straight black hair tied behind her neck, and a toothy smile. Although I've never met her, I constantly hear stories about her and Chung Wah through aunts and uncles, who kept in touch with her.

Living in her new country, Su Ling wanted a job. But she was turned down because she did not know English. She relied on her husband to translate everything to her. Eventually she found a job as a dishwasher in a Chinese restaurant. It wasn’t much, but it was a job.

The kitchen was filthy. No one took any notice of the thick grease caked on the stove, walls, or ceilings, nor did anyone mind. In the rear of the kitchen, there was a large sink overflowing with porcelain dishes smeared with scraps of food. This was where Su Ling spent most of her day. Some days were busier than others depending on the number of customers. Su Ling continued to work hard each day and never complained about the rheumatism in her hands nor the slaving over a sink filled with dirty dishes. By the end of the day, her clothes reeked of stir-fry, her hair was in tangles and her hands ached from scrubbing the dishes. The tips of her fingers were shriveled like raisins.

Spending very little on herself, Su Ling saved her money and often sent it to her family in China. She frequently wrote letters to her parents. She never told them what she had to go through to earn just a few dollars. Since she never explained what a hardship it was for her to make a living in America, her family in China got the impression that it was easy to make money in this country. Su Ling didn’t want to admit to her parents the falsity of the American dream.

Su Ling sacrificed everything to experience the American dream. She lived far away from her family, married a man she did not love, and put up with a work environment that was unsanitary to her health just to make enough money to survive. Su Ling traveled half way around the globe in search of a promised land and chased after the so-called American dream, but what she found was a land that wasn’t as magical as people in her native country thought it to be. There is always a question left unanswered does the American dream really exist, or is it just a myth?

**Life with an Accent**

*Ligia Matasaru*

In a world marked by massive emigration, learning a foreign language and making it sound as your own native one has become the norm. But rarely are people aware that the way we articulate words, inflect our voices, or use vocabulary categorizes us from the moment we open a conversation.

Most of the people I know today remember me as the “girl with the accent.” My accent is now my trademark. But I don’t call it this; I call it my handicap. At times my accent makes me sound exotic, but like all handicaps, it is embarrassing and often makes me feel excluded. I know what
all those who are not “blessed” with an accent think right now! I’ve heard my American friends say it a zillion times: “Don’t be ridiculous; your accent sounds so cute!” Of course I am supposed to smile and respond with a “Thank you” in the same cute accent. But what if I don’t want to sound cute? What if I want to sound firm or grave or just normal like the rest of my friends who were born in New York?

In 1986 I moved to Germany from Romania. Before arriving in Munich, I did not know German. Fortunately, I was young and determined and had nothing better to do than learn the language. I spent my years in that country living in large refugee camps. But the refugees lived in relative silence. We could not communicate with each other or with the outside world. What separated us, reduced us to silence was not race or nationality nor the uncertain political status we shared. What stood between us was language. We lived in the same building, we met in the same hallways, day after day for months, not knowing more about each other than our first names and the countries we came from. I remember that we all seemed to suffer from a sort of amnesia.

Even after I learned German, and later, English, freedom did not follow. My accent imprisoned me, incarcerated me in solitary confinement because I am someone who has always loved to talk. As a school girl in Romania I was praised for my facility with words, and I took great pride in my vocabulary. I never thought that I would be driven to remain silent because of my accent.

Even now, after so many years, I live the nightmare that my accent betrays my past. Nothing scares me so much as the thought that I might sound like Ivanna Trump. I suspect that to most people her accent sounds just plain foreign. To me she is the classic example of the pretty girl who married the rich and famous American hero, but remained just the girl from Eastern Europe. It is the accent that will never forgive her humble past. Sometimes I wonder if plastic surgeons could devise a means to zap the accent away with some sort of laser.

Actually, it is not the accent that makes me uncomfortable, but the questions that follow. Why do I have to explain to total strangers a part of my life I would rather forget or keep to myself. Yes, I was born in Romania, but have not lived in that country for the past 10 years, nor do I possess that country’s citizenship any more.

So if you happen to meet me on the street, try to overcome the temptation of asking me where I am from.

My Beloved Neighbor
Tamer Onay

“Could you please turn that down,” he said as I was opening my apartment door. He always seems to be present whenever I feel like playing music slightly louder than usual, which in other buildings would be at an acceptable level. My downstairs neighbor has been haunting me for years. Complaint after complaint, I’ve dealt with him maturely and patiently.

He is a recovering alcoholic and a writer. I assume that any sort of noise disturbs his concentration so I feel obligated to conform to his requests. I feel that lately he’s been going too far when it comes to knocking on my door and telling me to lower the volume of my music or my television set. I understand that he has a right to live without being disturbed and I also understand that his work requires his extreme concentration.

But now my tolerance has vanished. I say, “Tough luck!” and if he can’t take it, he’s more than welcome to move out of the city to upstate New York where he’ll be surrounded by the sounds of a leafless forest on a cold winter day, and if a tree should fall in the middle of that forest, he’ll be there to hear it.

It was last summer on a Saturday afternoon that I last heard from my neighbor. I woke up that morning feeling very relieved. I had just finished the first session of summer school and I was in a euphoric state just thinking about what I had accomplished while it seemed like everyone I knew was on a beach somewhere. Days that I wake up with this sort of energy don’t happen very often in my life. But that day was special. I had gotten a great night of sleep, rare because summer in New York isn’t the easiest climate to sleep in unless you have an air conditioner. That night was a perfect 73 degrees or so compared to the usual 85. I didn’t have to...
go through my three shower ritual throughout the course of the night.

My window was open all the way and I felt cool air blowing in. My cat was on the ledge; rays of the sun filled my bedroom. When I hopped out of my bed, my cat joined me while I went to the bathroom. Even he seemed energetic. I did a little dance in front of my mirror, posing as if I were in a Mr. Universe competition. My plans were to spend that day in Central Park, rollerblading around and hopefully running into a couple of people I knew. I switched on my stereo and what a coincidence it was to hear Fire by Jimi Hendrix, one of my favorite Hendrix songs. I said, “What the hell, I’m going to turn it up a bit, in fact, I’m going to blast it. It’s Saturday and it’s summer. I have a right to listen to music a bit louder than usual.”

It didn’t take more than five minutes for my neighbor to run upstairs and pound on my door. I’m calm and happy. All I want to do is go to the park and enjoy my day. My music isn’t going to be on longer than a half an hour and I have this maniac beating the hell out of my door. That was it. My patience had just died out after all these years. I flung open the door and said, “What!”

“Turn that down!” he said.

I asked him again in a sarcastic and mocking voice, “What?”

“You heard me, turn that down!”

There was no way I was about to let him get away with it this time. He saw the rage in my eyes and knew that I was angry. He modified his tone and asked me, “Would you please turn that down?”
That's when I knew that I had him. I had scared him. He had noticed my clenched fists and my bottom lip being torn apart by my teeth. My nostrils were flaring and even though I had forgotten the sheer pleasure of getting violent, an instinct that comes from growing up in New York was awakening. My heart began to race at an enormous speed and my hands were trembling from the anticipation of a physical confrontation. “Who the hell do you think you are?” I said, trying to stay calm and well mannered. “You come running up here like you own the building every time I play music and it's not even that loud.” I noticed his face getting softer and he seemed puzzled that I was not about to obey his demands. His eyes were getting wider and he was clearly intimidated. “All these years, I’ve responded to your requests and have had the common courtesy of letting you work. You know what? You were lucky to have a neighbor like me and now you have abused your privileges. From now on, unless you call the cops on me, you will not have that privilege. I will play my music as loud as I want, whenever I want. How about that?” I said and slammed the door shut on his face.

As soon as I did that, I felt an even greater rush of adrenaline in my stomach. I felt like I could bench press a minivan. I was a simian creature walking around with my arms dragging behind. I had to beat my chest and flex my muscles and relieve some of the energy which had built up inside. I was king, king of my building, and no one was ever going to dethrone me.

A week later I ran into my beloved neighbor in the lobby and he greeted me with a smile. He told me that he was out of line when he demanded that I lower my stereo on a Saturday afternoon. I’ve known him too long to fall for that crap. He thinks he can be Mr. Nice guy and have me forget about every time he’s disturbed me. I’m the king now, what I say goes and I say “NO!” He is a bitter man who does not like me in the least and I know that I don’t like him. As long as he lives in my building, he will never get the courtesy I’ve shown him in the past. I will play my music as loud as I want, during decent hours, of course, and he will have to live with it and if he can’t, I certainly don’t believe he will ever express his displeasure to me again.

**A Ticket To Stardom**

_Tayra Pope_

A crowd of people stands outside the church doors huddled together to ward off a fierce cold wind. A funeral is going on inside. No one leaves the steps; instead, they wait. It’s almost time. They all know it. The anticipation causes a quiet chatter to rise. No
one notices the man sitting in the chair across the street. Soundlessly, he surveys the crowd, then in a loud voice he shouts, “Quiet on the set!” The chatter instantly dies. Satisfied, the man shouts, “Action!” A sigh of relief courses through the crowd; they know that as a movie extra, their chance of being seen in a major film has finally arrived.

The life of a movie extra is exciting and hard for the dreams it encourages. Most extras see it as a step closer to stardom. They pray for the director to spot them, to be so enamored by their unsung craft and abilities that they will be immediately snatched up for a bigger role, one they can really sink their teeth into. So, each time a hopeful hears about a new movie casting for extras, everything is dropped—work, school, family—anything to be in the movies.

I could not pass up the chance. I sent in my name and picture to the casting agency hoping to land a role in a new Castle Rock film not only for the chance to be a movie extra, but also to work with an Oscar-winning actor. It took months to get a reply. Filming was scheduled to begin on a school day, but of course, I decided to skip my classes. They wanted me for the next day too, a day that I ordinarily work. But my problem was solved when the agent told me that this would be a paying gig. I decided that I would tell my boss that I had to go to a funeral. It was true, because I had been hired for the funeral scene on the church steps. This, I believed, was going to be my shortcut to Hollywood.

But somehow stardom does not come that easily. The moment I step foot in the large, dingy room filled to the brim with benches and chairs, I knew this was not stardom. A movie extra does not get comfortable chairs and platters of tasty food. Stale bagels and lukewarm coffee are more typical. Lunches are better—vegetables, meats, and desserts. But you have to stand on a line that goes around the corner to get them. Nevertheless, you get on line because you have been sitting in the same chair for hours and could use the change of scenery.

The waiting is what you remember. The assistants keep everyone thinking that you will be on set in about 10 minutes. But 10 minutes is really 10 hours. No television or even old magazines. Luckily, I went on this adventure with my sister. For hours we cracked jokes, told stories, and kept watch as each of us took turns taking short naps, all the while getting more discouraged wondering if we would ever get to the set. By the end of the day, we were all sent home and told to come back tomorrow.

At home, no one discussed the long hours, the poor conditions, and the monotony. All I could talk about was how exciting it was to be near a movie set. The next day, everyone returned, hoping that today would be the day. The coffee was the same and so were the bagels. But just before noon, the unbelievable happened. Everyone was called to the church steps. As the assistants get everyone set up, you wonder if you’ve ever been so cold in all your life. Still, no one complains because everyone is just happy to have finally gotten to this point. But even here on the set, in front of all the lights and the cameras, the wait does not end. Now you have to wait for the cameras to be double checked, the clothing to be looked over, and for the “real actors” to get ready.

From his chair, the director yells, “Action!” Everyone is silent and trying to act as if they are funeral attendants. Slowly a black car rolls up and our steps Al Pacino playing the part of the mayor of New York coming to attend the funeral of a slain child. He shakes some hands and heads for the church. Everyone stays in character and call him Mr. Mayor because we have all been warned not to address him as Al, Scarface, Carlito, or any of the other characters he played or we’d be thrown off the set. Even though we have to shoot the scene several times, it’s okay because we know, with each new take, there is a chance that the camera will pan to us and linger on us for more than a brief second and bring us that much closer to being noticed as an unborn star.

**The Last Dance**
Sharon L. Williams

We stood across from each other, waiting for the music to begin. I had prepared myself for this day for weeks and now the time had finally arrived. My eyes began to fill with tears.
He looked elegant in his black tuxedo. His eyes sparkled, reflecting the love he had poured into dance for over 25 years. I remembered all the many times I had stood across from him, anticipating our next performance. But now I knew this would be the last dance for Joel and me. I also knew this would be his final performance.

I met Joel eight years ago when I auditioned for him, the leader of a small dance company in Jersey City. I had never been to an audition before, so I was quite nervous. He stood against the mirrored wall sipping a cup of coffee. The white sweat suit and matching ballet slippers he wore made him look more like a model waiting for a photo session to begin. He introduced himself with a smile that began to relax the million butterflies in my stomach. I changed into my dance clothes and warmed up on the brown wooden floor with the rest of the eight dancers who had also come to audition.

Joel's buoyant personality and genuine love of dance overflowed into the movements and combinations he choreographed. I had almost forgotten that I was at an audition because I was enjoying myself so much. I did my best, of course, but knew that I had fumbled a couple of turns. Afterwards, Joel said he wanted to talk to each of us in his office.

My turn came and I entered Joel's small office. Pictures of well-known dancers covered the walls. "You are very talented," he commented, "and your training at Dance Theatre of Harlem shows." I sat in the wooden chair and a slight smile came to my face. I was just waiting for him to thank me for coming and send me on my way. At the same time, I was hoping to be chosen to join the eight dancers who were pictured in one of the frames on Joel's desk.

"The company is called Hudson Repertory Dance Theater," he said, and as you can see, we are a multi-ethnic group which makes us very unique." I just wished he would just tell me "yes" or "no." "And I would like you to be part of my group," he said at last.

Joel started rehearsals the following week. I worked five hours a day and would always stay afterwards if I needed to break in new pointe shoes or work on a particular dance. During Christmas when every dance company and school across the country rehearsed for "The Nutcracker," we were preparing for Joel's "Ebenezer's Dream," which was based on the Dickens classic.

This ballet was full of dance sequences which demanded a great deal of acting. I cherished these hours Joel spent on coaching me in order to make
me feel as though I was actually in that particular time period.

Joel became one of my closest friends during the seven years we worked together. As a company director, he created roles for me which allowed me to grow as an artist. He opened doors to my own creativity by giving me the opportunity to teach dance to young children. He also encouraged new ideas I had, always making me feel as though I had more to offer. Many times, he touched my life in such a way that I knew he truly cared. This moment came when my dance partner had failed to appear for a performance. Minutes before our entrance he was nowhere to be found. I couldn't believe this was happening to me, and when I looked at Joel, all he said was, "don't worry." He must be absolutely insane, I thought! He didn't panic as I did, and I couldn't understand why. The three dancers were near the end of their section, and my stomach began feeling queasy, when all of a sudden, Joel appeared behind me, took my waist, and we entered the stage smiling.

“You can do anything if you believe in yourself,” he religiously told me. Sometimes these words were difficult to digest. One time, Joel choreographed a ballet to a German Lieder song. The solo was about six minutes long, and seemed to be more technically demanding than anything else I had ever done. I knew that he was giving me the opportunity to prove to myself what he had already known, that I was capable of performing this dance.

The rehearsals seemed endless. At times my legs felt as though they would just drop off. I remember sitting in the middle of the studio floor one afternoon wanting to tell Joel that I didn't think the solo was looking good enough to perform in three days. Before I could get the words out, he said, "The piece is looking better every day. I know what you can do, but you have to be the one to believe in yourself as much as I do."

The performance was a great success. A week later, Joel surprised me by using my picture on the cover of the company flyer. "Is that me?" I asked, staring at the picture as if it were someone else. I looked at Joel's face and he looked like a proud father, a father who finally succeeded in creating the ballerina he always said I would be.

Life is too short, I thought, as I stood across from Joel, waiting for the music to begin. Why did he have to get sick, like so many others I knew. Why him? He had asked me to perform this piece with him over two months ago. At the time, I hesitated, not knowing if I could fit in all the rehearsals necessary to prepare the piece.

Still undecided, he asked me one day to listen to the lyrics from the song, "Send In The Clowns." He looked like one of the saddest clowns I had ever seen. My decision was made; I knew I would find the inner strength to grant Joel a wish he truly wanted. I knew he needed this more than anything. Joel's wish was fulfilled one cold evening in December two years ago. We performed at a lavish celebration honoring him for 10 years of dedication to the arts in New Jersey. The audience was filled with politicians, community leaders, parents and their children who were attending the company's dance school, and a host of well-wishers. The expression of happiness on Joel's face touched my heart. It is a day I will never forget.

Joel's condition worsened, and although he fought his illness, he had to be hospitalized. He asked me to come to see him. I sensed that he
knew he was dying and that this would be the last time we would see each other. He was very weak and incoherent, but he knew me. He held my hand and looked into my eyes and said in a raspy voice, "Don't you ever give up. You can do anything, just believe in yourself."

Joel died the next day. I had wanted a miracle to happen, but it didn't. I wish he was still here. And then I remember that he is. His spirit will always live within my heart and when I dance, he will always dance with me.

Could This Be Love?
Ariadne Mui

The smell of incense concealed the stench of the cigarette smoke that filled the one-bedroom apartment in Rego Park. Lissette and her boyfriend were alone. The glare from the 19" television set reflected off her pale complexion as his fingers ran through her wavy brown hair. She lay on the black leather sofa as his hands ran all over her thin body. Her breathing grew louder and louder with each touch. The only sound that interrupted the silence was a burst of laughter from the TV as David Letterman read off the night's top 10 to his audience. Suddenly, Lissette let out a scream. Could this be......Love?

Love was not mentioned in the police report. Two huge officers blocked the door to the apartment. "We received a call from a neighbor who said they heard fighting again," one said. I could just see Lissette through a crack between their shoulders. She was in her pajamas leaning against the wall. She stood with her hands crossed and hair all tangled in her face. "Everything is fine, we just had a little argument," I heard her explain to an officer. It was obvious from the blood on her nose and the scratches on her face that this was not just a "little argument." The officer repeated with concern, "Ma'am, are you sure you don't want to press charges?" Lissette's hands shook as she raised them to push the hair from her face. Each time she nervously responded, "No, I'm okay."

About 15 minutes after the police left, I came up from my apartment to see her. I hadn't realized how severe her wounds were until I got a closer look. The light freckles she always complained about on her cheeks were not even visible under the scratches and bruises. I asked her where her boyfriend was. She said he had taken a walk to cool off after the police left. He had gotten angry over something stupid she had said. She blamed herself for provoking him to hit her. I didn't bother to probe any further because this wasn't the first time it had happened.

Lissette and I grew up together. In high school, she was outgoing, smart, and very popular with the guys. Even thinner back then, she could get a date with just about any guy she wanted by batting her big brown eyes and swaying her hips. After high school, we went our separate ways. But a year ago she invited me to her baby shower.

The father was "Manic," a guy we had met one night at the Buddha Bar, a club in Manhattan, back in our old high school days. She rambled on about how nice he was and how well he treated her. It so happened there was a vacant apartment directly below hers. I needed one and within months found myself living there. It was almost as if we were reliving our high school years again.

The fighting started about a month after the baby was born. The ugly sounds became part of my nights. Whenever I asked her what was going on, I never got a straight answer. "He just has a bad temper," she would say. It was obvious what was going on from the new bruises she frequently wore on her face. "Why does she stay with him?" I would ask myself.

The fighting got worse. I remember one time at about 1:30 a.m. Lissette called. She was crying and told me she was scared—scared that one day he would really hurt her or her baby. She explained how they had just gotten into an argument because she didn't have dinner on the table. He had slapped her. I pleaded for her to come and stay with me that night, but she said she couldn't leave her baby who was sleeping in the room. Then she said, "I love him and I know he loves me too." I never thought in my wildest dreams that Lissette would end up in this situation.

Once after coming back from the movies, I stopped off at Lissette's apartment to see the baby. Her boyfriend had been out with some friends and she was home alone with
the child. Shortly after, Manic walked in, drunk. Aside from seeing him when we passed each other entering the building, this was the first time I had been in the same room with him. He was taller than he looked, about 5'9". He had big broad shoulders and a shaved bald head which I noticed for the first time when he took off the red cap he wore religiously. An ugly scar arched over his left eyebrow. He wore the usual baggy blue Guess jeans and loose Polo shirt. As he walked past me, he dragged his feet and twisted his shoulders dramatically from side to side. He had a deep, strong voice and slurred his words when he spoke. He looked at me. "Wha'sup?" I responded with an enthusiastic smile as he passed by me, leaving the strong scent of his Calvin Klein cologne lingering in the room.

"Why isn't there any food in the fridge?" he demanded. Lissette, with the baby in her arms, said, "I was taking care of Alex, Jr. all day and didn't get a chance to go to the market." Just then, he slammed the refrigerator door hard enough for the Gerber baby food on top to fall, breaking the glass and spilling its contents onto the kitchen floor. I jumped up, startled by the bang. I wondered if I should leave. Lissette quickly put the baby in the bedroom. As she was coming out, he walked over with a look of anger and grabbed her by the back of the hair. "Clean this f**ckin' shit up. That's the least you can do, you lazy bitch," as he shoved her face into the glass. I had never been so scared in my life. I could see his eyes widen evilly every time he banged her head into the floor.

"Manic," I screamed. "You're gonna kill her, damn it!"

He stopped and shouted, "Get the hell out of my house." He dragged Lissette into the living room by the hair, slamming her against the wall. I could hear her breathing heavily as his hands embraced her neck. Without thinking, I began hitting him on the back with all my strength. My pounding seemed to have no effect on him.

"Please, Manic, stop it, I love you," she whispered half-strangled. I was so confused by these words that I ran downstairs and dialed 911 while hearing the thud of her fragile body against the walls above me.

The next morning, I saw Lissette and Manic with their baby outside. He loaded the child in the stroller, kissed Lissette and whispered he loved her. They headed down the block, hand in hand into the morning sunshine.

**The Vigil**

**Anthony Gregory**

Four a.m. The doorbell was ringing. I thought I was dreaming and rolled over. But then it rang again and I jerked awake and stumbled to the window. The police car outside explained everything. My neighbor must have called the cops again. I went downstairs to let them in—one a large woman, the other a squat older man, both clearly veterans of the force—and directed them to the rear of the building, the source of the complaint.

For the past couple of months Helen Tumina's health had deteriorated. As an 82-year-old widow living off of her husband's social security checks there was only so much she could do to help herself. She lived in a three-room, rent-controlled apartment for which she paid $250 per month. Occasionally my mother or I would get a few groceries for her, but how she managed to live was beyond us.

After my family moved into the building five years ago, she invited us in for coffee or dinner, but we politely declined. Her furnishings included a ramshackle collection of hand-me-downs—a broken pea green couch, a beaten up dinette, and rusting cupboards. Her stove was so caked with grease you could carve your name in it. We had no desire to eat anything cooked on that.

Helen's legs sometimes swelled up like two over-cooked Polish sausages, and during those times she couldn't walk downstairs, let alone around her apartment. Through the courtyard that separated her apartment from ours, I would see her sitting on her couch. She would remain there for hours, sometimes a full day. When she did manage to get on her legs, she would attempt to prepare herself something to eat, but as soon as she sat back down in her living room, she would doze off and her meal would burn on the stove. Foul odors would sometimes waft through the courtyard, and at night when I came in, a small mouse in the hallway would scurry back under her door.

Helen had mentioned her son in Florida and her daughter on Long Island, but I never saw them visit.
At some point, my mother got in touch with Rose, the daughter, who informed us that “My Mom might seem like a sweet person but actually she's a real bastard.” Rose told us that she had married very young so she could get away from her mother. But Rose did arrange for a nurse and then she disappeared.

“You thief! You’re stealing my money,” I would hear Helen shout at her nurse, a polite and quiet Jamaican woman.

“I am not,” the nurse would protest. “You don’t have any around to steal,” she would reply without heat or malice.

Helen went through three nurses. Each complained that she found Helen lying in her own urine because she had refused to wear her diapers. Eventually the nurses had stopped coming, and the awful stench from Helen's apartment returned.

The male officer knocked on Helen’s door and it slowly opened. Even from my apartment I could smell urine and body odor. As he walked into the apartment he kept calling for Helen to tell him where she was. They finally found her on the floor of her bathroom. She was awake and insisted that she was okay. The apartment was in a complete disarray. The gas was on under an empty tea kettle, the sink was overflowing with dishes, and there was just filth and garbage everywhere. The police could not do anything but file a complaint. They said they would check back in a couple of hours. My mother said she was going to call Rose.

At 6 a.m., the police were back to
check on Helen. The female officer told me that if she was in the same condition she had been in a few hours ago, they would call for an ambulance. Then she went into Helen’s apartment, but came right out again. She said the stench was too much for her. Apparently Helen had relieved herself all over the living room floor and was now unconscious in the mess she made. The male officer donned his blue gloves and reached for an ammonia snap, while his partner radioed for an ambulance. She asked for Helen’s daughter’s name and telephone number. At last this was coming to an end.

As the EMS paramedics carried Helen out on a stretcher, she screamed, “I don’t wanna leave! This is my house! I don’t wanna leave!” I heard her bellowing this over and over.

Rose arrived the next morning, mean looking in her late 50s to early 60s. She seemed inconvenienced by the whole event. She asked that she be let into her mother’s apartment to look for a few things to bring her in the hospital. Nothing could have prepared me for what I saw when I entered Helen’s apartment for the final time.

The walls were covered in grime and filth. The stove had rotting food on it, the sink overflowed with god knows what. Rat droppings and dead roaches were everywhere. I managed just to glance into the living room where I saw a fecal smear on the wall. Then I turned and left.

Each day Rose came and went. She said she was trying to straighten the apartment up because a family member wanted it. When I asked how her mother was, she said she had water on the brain that was causing delusions. “She won’t be coming back home,” Rose said icily.

One month after Helen was taken away, she died.

**Duane’s Death**

*Michael Stewart*

I have a box in the closet of what was once my bedroom at my parents’ house in the small beach town of Rehoboth, Delaware. It is stuffed with letters, pictures, and old memories, given to me by people who have passed out of my life. Yet I cannot bring myself to throw away the contents. The items nourish small connections with the past, even as the years move on.

There is one item in the box that affects me more than the rest—an old, leather baseball mitt that was given to me by my friend, Carl Speck, or “Duane,” as close friends called him. The glove is very worn, with Duane’s signature on various spots, and it is still creased in that particular fold that he would spend so much time to perfect on his new gloves. I am sure that it was spat on, sat on, and worked back and forth in its early days just as much
as the new one that his parents bought to replace it. He passed the worked glove on to me when I was about 13, so he and I could play catch.

There were only two things that Duane had given me that I will always have. One is the glove, and the other is the reassurance that I am the only one who remained a true friend to him, even after we stopped spending time together. He told me this several weeks before his death, as if he knew that I would feel guilty that I hadn't done something to prevent it.

At the height of our friendship, Duane, several years older than I, trained me in all the ways of the local boys. We would spend our free time walking along the railroad tracks, or shooting .22 rifles at refrigerators, clothes washers, and dryers abandoned in the woods, or playing video games on his Atari system. I saw an angry streak in Duane during these times. He was always the one to pick up a rock and hurl it at the passing Amtrak cars, or point his rifle at a small bird overhead, or reset the video game if he wasn't doing as well as he would have liked to.

There always seemed to be a cry for attention from Duane, attention which he did not seem to receive at home. Although I was as bad as Duane when it came to staying away from home, I always knew my parents were there to talk to. Duane's parents seemed to have no knowledge whatsoever of his coming or going, and only imparted attention to him through material gifts.

The more trouble Duane got into, the angrier he seemed to become, and the more he put himself into positions that he knew would harm him. I had already started drinking alcohol with Duane, but I pulled away from our friendship when I realized he was always either intoxicated or stoned. All the boys in town ostracized him, even those wild kids who would have colds in the summer from inhaling refrigerant for a quick high. He was becoming too dangerous even for the dangerous.

I had always felt that I could keep him in check. Friends would criticize me for spending time with him. Most other people could not tolerate getting close enough to Duane to understand that deep down he was actually a good person. They never saw his caring side, the side that caused him to give me his baseball glove because my parents could not afford to buy one.

It was two of my other friends, both critical of this friendship, who were with me when the news of Duane's death arrived. Dennis, Robert, and I were sleeping in a wooden fort that we had built in Dennis' parents' woods. Robert's father, knowing that I had been friends with Duane, drove over to the fort one day and woke us with the information that Duane had died in a car accident earlier that morning. He had been a passenger in his cousin's car, and both had been drinking. His cousin had driven into a telephone pole.

The last time I saw Duane alive he was stumbling along a path which led to a foot bridge over a creek that flowed into the river. He was bloody and beaten up. I later learned that he had started an argument with an older teenager who the local kids called "Mountain." The argument had erupted into a drunken fist fight, in which Mountain rolled a bare-backed Duane over a broken bottle. When Duane reached me on the path, he stopped me. "You're the only one," he slurred, "the only one who stayed a real friend, the only one who never judged me, no matter how big of an asshole I was."

I sometimes wonder how it would have affected me if I had not seen Duane on that last night, when I was "pre-absolved" of any guilt in my relationship with him. I also wonder whether it was a good thing that Duane felt that I had not been overly judgmental. Maybe I should have been less friendly to him to show how much I disapproved of his actions.

I feel for those who were around him, especially family, and those who have known people like him—those who never know if there was more that they could have done, or if there is anything that anyone can do to alter the outcome.
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