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#### MADE IN ITALY (BY THE CHINESE): ECONOMIC RESTRUCTURING AND THE POLITICS OF MIGRATION

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## Made in Italy (by the Chinese): Economic Restructuring and the Politics of Migration

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#### Resumen

Personas de todo el mundo se desplazan y establecen en lugares nuevos e inesperados. En Prato, Italia, los inmigrantes chinos dirigen la mayoría de las empresas de confección textil de la ciudad e incluso subcontratan la confección de famosos diseñadores como Giorgio Armani o Dolce & Gabbana. Los productos italianos, antaño fabricados por trabajadores italianos, ahora cada vez están más hechos... ¡por chinos! Este desarrollo es el resultado de una extraordinaria sincronía entre su propia perspectiva empresarial y la estructura de producción local italiana a pequeña escala y basada en la familia. En definitiva, los chinos prosperan porque se adaptan bien al tipo de producción y a la demanda de la industria italiana.

#### Palabras clave

Migración china, Italia, empresa familiar china, talleres confección.

#### **Abstract**

People around the world are on the move and settling in new, unexpected places. In Prato, Italy, Chinese immigrants now run most of the city's textiles-apparel companies and even subcontract for such leading designers as Giorgio Armani and Dolce & Gabbana. Italian products once made by Italian workers are now increasingly made...by the Chinese! I argue that this development resulted from an uncanny synchronicity between their business approach and the demands of Italy's local, family-based, small-batch production environment. In other words, the Chinese thrived because they fit in well with the unique makeup and demands of Italian industry.

#### **Key words**

Chinese migration, Italy, Chinese family business, garment industry.

# MADE IN ITALY (BY THE CHINESE): ECONOMIC RESTRUCTURING AND THE POLITICS OF MIGRATION

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International migration hardly seems novel anymore. In the post-World War II era especially, people have been increasingly on the move, crisscrossing the globe and settling in new, even unexpected places. Prato, Italy, a city located eleven miles from its famous neighbor Florence, is an extraordinary case in point. Today, a visitor can walk down Via Pistoiese on the city's west side and hear nothing but Chinese being spoken and patronize a seemingly endless line of Chinese-owned stores. In one of the city's industrial districts (macrolotto industriale), that same visitor would find an equally stunning development: Chinese owners, once apprentices and workers, running the vast majority of the textiles-apparel companies based there and even subcontracting for such leading design houses as Giorgio Armani and Dolce & Gabbana. Italian products once made by migrants from Italy's South are now increasingly made...by the Chinese! A generation ago, such an outcome would have been unimaginable.

Not surprisingly, there is considerable disagreement over what all this means for Italy's future. Clearly, Chinese entry into these sectors has reinvigorated industries that were once in the throes of a slow but undeniable decline. At the same time, the rapid ascent of the Chinese, coupled with limited understandings of them as individuals and as a community, has prompted growing concerns among native Italians that continued Chinese success may undermine the country's economy and even its way of life. Roberto Saviano's popular novel *Gomorra* offers a dramatic manifestation of this anxiety.

His characterization of the Chinese as accomplices, even active partners of the Italian mafia in criminal activity provides a facile explanation for the decline requires aggressive action against the Chinese and other migrants, who collectively embody the "other."

This sense of unease was crucial in the return of current Prime Minister Silvio Berlusconi to political prominence as well as the growing influence of a key political party, the Northern League (Lega Nord). Determined to fulfill its campaign promises and curtail the perceived ills of migration, the Berlusconi-led government initiated police sweeps in the country's major metropolises in April 2008. Such actions quickly cascaded into vigilante action against the Roma community near Naples and in early 2010, military-style raids on Prato's Chinese-owned businesses after local elections installed a center-right administration in the city for the first time in 63 years. <sup>2</sup> The crackdown traumatized the Chinese community to such a degree that "newspapers reported that China's consul-general in nearby Florence compared the raids with the Nazi SS." This unprecedented denunciation was a remarkable break from previous Chinese pronouncements and signaled the Chinese government's grave concern that its nationals had become scapegoats for Italy's domestic difficulties. Despite this strong response, the raids have

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<sup>&</sup>lt;sup>1</sup> See Roberto Saviano, *Gomorrah*, translated by Virginia Jewiss (New York: Farrar, Straus, and Giroux, 2007), especially pp. 3-37.

<sup>&</sup>lt;sup>2</sup> Elizabeth Rosenthal, "Italy Arrests Hundreds of Immigrants," *New York Times*, 16 May 2008.

<sup>&</sup>lt;sup>3</sup> Guy Dinmore, "Tuscan Town Turns Against Chinese Migrants", *Financial Times*, 8 February 2010.

continued unabated, engendering new fears and resentment among Chinese and Italians alike.

While security is undoubtedly a serious and legitimate concern, studying Chinese migrants solely in these terms reduces them to one-dimensional caricatures, inscrutable on the one hand and subversive on the other. Such an approach misses fundamental aspects of who they are – their complex histories and identities – that are essential to understanding their roles in a changing Italy. To me, the Chinese are multidimensional, purposeful actors animated by the same forces that motivate all people: love of family, a desire for financial security, pride, and the hope that their children will one day lead happier lives than they have.

Hence, this article adopts a different and more expansive approach towards understanding the Chinese in contemporary Italy. I begin with an analysis of the broader structural changes that took place in Italy and China over the last 30 years and show how they combined to open up an unprecedented economic opportunity for the Chinese. Within this larger context, I move to a micro-level analysis of the Chinese and their work experiences. Drawing upon participant observation and personal interviews conducted with 74 respondents in Italy from 2007-2010, I provide a "thick description" of the economic challenges and constraints the Chinese face, the strategies they use to overcome them, and how their success has fueled further adaptation.4

<sup>4</sup> Although most of the interviews were conducted in Prato, I also draw upon testimony collected in Bologna, Milan, Florence, and Venice. Clifford Geertz coined the term "thick description." See The Interpretation of

Cultures: Selected Essays (New York: Basic Books, 1973).

My research suggests that the Chinese have done well for reasons not emphasized in similar studies. In contrast to those analyses, I argue that the stunning economic success of the Chinese in Italy results from an uncanny synchronicity between their business approach and the demands of Italy's local, family-based, small-batch production environment rather than incompatibility between the two. In other words, the Chinese thrived because their individual and collective profiles as well as their work orientation actually resonated with the unique makeup and demands of Italian industry. This overlap eventually allowed the Chinese to utilize their kinship and native-place networks for economic advance: the "social capital" contained in these relationships supplied the requisite information (on fashion trends in particular), money, and labor for them to compete and eventually thrive in alien surroundings. 5 They turned out to be an excellent fit for a highly turbulent situation.

#### Prelude to Breakthrough

At the macro-level, the success of the Chinese in Italy can be generally traced to the confluence of several developments. The restructuring of the Italian textiles-apparel industry, Italy's demographic shift and inconsistent immigration policies, coupled with China's post-Mao reforms and reintegration into the global economy, decisively upended entrenched practices and created new complementarities between a migrantreceiving Italy and a migrant-sending China. The result was

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<sup>&</sup>lt;sup>5</sup> The term "social capital" was largely popularized by Robert Putnam. See Bowling Alone: The Collapse and Revival of American Community (New York: Simon and Schuster, 2000) and Making Democracy Work: Civic Traditions in Modern Italy (Princeton: Princeton University Press, 1994).

simply a perfect but accidental storm that created new openings for the Chinese to break through.

It is sometimes easy to forget that well before the arrival of the Chinese in Italy during the 1980s, the Italian textile-apparel industry was world-famous for its competitiveness and flair. Since the nineteenth century, Prato has been home to some of the country's leading producers, especially of woolens. As Michael Piore and Charles Sabel (1984: 214) observe, Pratesi firms were competitive against international (especially British) and domestic rivals alike. Capitalizing on comparatively lower wages, these companies eventually grew into large, vertically integrated enterprises. As Japanese and East European challengers began entering the market in the 1950s, producers in Prato introduced innovations like tessuti fantasia, "'fantasy' fabrics, woven of different-colored reconstituted threats. combined according to the designer's imagination and fashion's whims," (ibid, 214) to stay one step ahead of their new competitors. Even so, Pratesi manufacturers could not evade the immense financial and structural pressures that bore down on them and other textile-apparel producers in the post-war period. Richard Locke (1995: 137-138) summarizes the situation this way:

As a result of changing conditions of international competition, increased labor costs and rigidities, higher energy and raw material costs, more restrictive government environmental and safety regulations, and altered consumer tastes, the industry's traditional model of economic development -- based on low-wage, semiskilled workers producing large series of low-to-medium quality standardize goods and integrated mills - was rendered inefficient and obsolete in both Western Europe and the United States.

The large Pratesi firms, which at one point employed nearly 80% of all employees working in the textile sector, responded by downsizing: they laid off workers and either sold orrented

them equipment, effectively turning them into subcontractors. By the 1970s, the textilesapparel sector in Prato had been radically reconfigured into a more fragmented, batch production-oriented industrial structure dominated by small, often family-run shops (Locke, 1995: 214-215). However, this resulting flexible specialization came at a high price. Richard Locke (1995: 144-145) contends that while individual Pratesi firms were more exposed than ever to the vagaries of the market, they did not have strong, relatively egalitarian associational networks to rely upon for advice, assistance, or resources. Put another way, Prato lacked the social ties and the social capital that could have enhanced the ability of producers to better understand and take advantage of emerging market trends). <sup>6</sup> These small companies were left to fend for themselves in an increasingly competitive world.

Compounding these changes is an often underemphasized development, Italy's demographic shift. In the post-war period, Italy, like the rest of Western Europe, experienced not only declines in total fertility rates, but also a considerable aging of its population. In other words, Italians "were living longer and having fewer children" (Demeny, 2006: 41). The immediate and practical consequence of this trend was diminishing numbers: there were simply fewer potential replacements for the young, southern Italians who had moved north to power Italian factories during the 1960s and 1970s. Moreover, young Italians who could have followed in their parents' footsteps and joined the textiles industry, for example, increasingly aspired to and also possessed the means to pursue more professional careers. For them, Italy

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<sup>&</sup>lt;sup>6</sup> Others disagree with Locke's assessment. Paul Ginsborg, for instance, maintains that the Italian textile industry remained highly competitive in the global marketplace. See Ginsborg, *Italy and Its Discontents: Family, Civil Society, State 1980-2001* (2006: 3).

was "a land of opportunity; not...on the level of the 'make good' societies such as the USA and Australia, but certainly more so than many other European societies" (Ginsborg, 2006:32). They saw upward mobility as natural and inevitable. Thus, as Antonella Ceccagno notes, "opportunities for a low-skilled labour force opened for new migrants," especially in the specialized, small, local businesses that dominated towns like Prato (Ceccagno, 2003: 188).

Still, given that the non-Italians initially seeking to enter Italy were predominantly European and relatively modest in number, Italian officials were not ready or resolved to implement a comprehensive plan for managing migrants. As Stefano Allievi points out, "In 1970, permits of stay issued to foreigners numbered 146,989; in 1975, they were 185,715; but by 1980 and number had reached 298,749" (Allevi, 2010: 149-150). By 1986 though, continuing growth in the immigrant population forced the Italian Parliament to finally acknowledge the need for clearer regulations and pass Law 943, also known as Legge Foshi. Although this was a critical first step, its casting of migrants as "extracommunitarian" laborers only rather than potential citizens limited its scope and effectiveness (ibid, 152-153). Each successive law concerning migration, from the Martelli Decree of 1990 to the Turco-Napolitano Law of 1998 and most recently, the Bossi-Fini Law of 2002 sought to balance competing objectives: the maintenance of law and order, the expansion of immigrants' rights, and their eventual integration into Italian society (ibid, 153-160). The problem, however, was simply that there was no clear strategy for achieving these increasingly elusive goals. Of even greater

concern was the fact that as political polarization during the 1990s and 2000s intensified and further weakened Italy's already fragile coalition governments, the number of immigrants entering Italy grew at rapidly escalating rates.

Official data from the National Statistical Office (ISTAT) showed "more than 1.3 million permit holders at the end of 2002, and 1.7 million at the end of 2003, 2.1 million in 2004, 2.3 million in 2005, 2.6 million in 2006, 3.1 million in 2007, 3.9 million in 2008" (ibid, 150). Compared to 1970, this represents a nearly 27-fold increase! When I asked my respondents why they chose Italy as their destination, several of them immediately cited Italy's lax immigration policies. Initially, some tried to join relatives in France and Germany while others had hoped to settle in the Netherlands; however, strict immigration procedures in those countries made it nearly impossible for them to secure permanent residence. A running joke among Chinese migrants is that all one needs to do is wait five years or so for the Italian government to announce one of its periodic regularizations (santoria) and residency in Italy could be attained. 8 Several respondents admitted that while Italy was not their top choice, securing residency there nevertheless had its advantages. They could travel freely and visit family and friends living elsewhere in the European Union; they also enjoyed and benefited from Italy's generous social welfare policies, especially health care, in ways that Chinese migrants elsewhere in Europe could not. As Kitty Calavita has noted, this is how "Italy became a 'back door' to the rest of Europe...[and] an alternative to northern destinations" (Calavita, 2004: 347). This failure to devise a

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<sup>&</sup>lt;sup>7</sup> In some ways, the law was reminiscent of the *Bracero* program that restricted the number of temporary Mexican laborers who could work in the United States.

<sup>&</sup>lt;sup>8</sup> They were not off the mark. "Italy promoted regularizations (regardless of the composition of the ruling coalition) in 1977, 1982, 1986, 1990, 1995, 1998 and 2002" (Allievi, 2010: 155).

national immigration policy, however, greatly strained local authorities who were now responsible for managing both community affairs and the influx of migrants.

These major structural changes within Italy coincided with China's dramatic reorientation that began in 1978 under the leadership of Deng Xiaoping. Seeking to revitalize a stagnant economy, the Chinese party-state gradually dismantled Maoist policies and encouraged private enterprise and more marketbased activity. With the de-collectivization of agriculture and the acceleration of the economic boom, villagers, especially those in the interior regions of the country, circumvented the household registration (hukou) system, a structure of controls imposed during the Maoist period to prevent rural-urban migration, and took on the most arduous factory and construction jobs in the country's major metropolises. They became a "floating population" (liudong renkou) (Ceccagno, 2007; Solinger, 1999) temporary sojourners numbering in the tens of millions, who were critical in transforming China into the world's leading industrial workshop. Despite suffering from pervasive discrimination and exploitation during their time in the cities, many migrants returned to their homes with new skills and perspectives and some hard earned money to start businesses of their own, heightening the prospects for change in their hometowns.

In the international arena, a more open and cooperative stance emerged in tandem with the swing in domestic policies. Recognizing that China could not modernize its economy without foreign assistance, government officials encouraged more foreign investment, joint venture projects, and engagement with the outside world. While this produced new partnerships with major corporations like Volkswagen and General Electric, this policy shift also aimed to reengage Chinese Diaspora communities worldwide. Historically,

overseas Chinese have served as a crucial provider of startup capital for ventures back home and a valuable connection and resource for relatives and friends seeking to follow in their footsteps. It is under these circumstances that the residents of Zhejiang's Wenzhou region became part of the first wave of Chinese to move beyond China's borders and into Italy. But why were the Wenzhounese in particular better positioned to do so in comparison to residents of other areas?.

Several factors stand out. First, unlike other famous migrant-exporting areas like Guangdong (the home of Cantonese migrants) and Fujian, Wenzhou benefited from its historic ties to Europe, which date back to the late nineteenth century. It is worth quoting the historian Philip Kuhn (2008: 336) at length here:

Europe (host today to a burgeoning Wenzhounese population) first attracted immigrants from nearby Qingtian county in a hardscrabble border area up the Ou River from Wenzhou city. Qingtian, Though mountainous and dirt poor, boasted one salable resource – an attractive pale-green soapstone that local artisans carved into decorative shapes. These carvings reportedly were first sold as curios to foreigners in China in the 1880s by a Qingting man. Having discovered their market value, he and other sculptors (the story goes) boarded a steamer to France in 1893, which was the beginning of Wenzhou-area emigration to Europe. The ensuing outflow, sparked by fabulous stories about quick riches (including one in which a Qingtian emigrant presented a carving to the Dutch Queen), provided the bridgehead for a surge of Wenzhou-to-Europe migration after World War II.

Not surprisingly, "out of a population of about 6.9 million (1994), Wenzhou municipality recorded 165,000 as living in Europe, 95% in France, Holland, Italy, and Spain" (ibid, 336) Wenzhou residents had a support network of fellow natives (tongxiang) who were established and ready to assist them with settling into the new venue society. Others did not. They could "hit the ground running" so to speak after completing the long

and often treacherous journey from China to Italy, which usually involved taking the overland route through Russia and Eastern Europe. 9

What perhaps most distinguishes the Wenzhounese from compatriots with similar backgrounds though is their extensive history as entrepreneurs. Even prior to their arrival in Italy, the Wenzhounese were already known as some of China's most formidable and pioneering business people. Their enterprising spirit was partly the outgrowth of Wenzhou's longstanding ecological limitations (mountainous, comparatively inaccessible terrain and lack of resources), which led residents to seek out and collaborate with one another on a wide variety of commercial pursuits, including petty trade, umbrella and shoe production and cotton spinning, in order to survive. These experiences actually enhanced their familiarity with and dexterity in handling business-related challenges; it also strengthened the familial and social connections that they relied on for resources and support. Moreover, decades of isolation and state neglect during the Maoist period only reinforced notions that taking risks was critical to attaining financial security and success. In fact, much like entrepreneurs in California's Silicon Valley, the Wenzhounese are not averse to risk, but instead expect and welcome it. In fact, in my prior research on Wenzhou, I found that Wenzhou natives often feel embarrassed or ashamed if they do not put everything they have -their resources, reputation- on the line as they seek to fulfill their ambitions. This is what they expect of themselves and each other; this is a fundamental feature of the region's social norms and culture.

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It is not surprising then that many admire them for their indomitable spirit of self-reliance and determination. One non-Wenzhounese respondent offered this assessment: "Wenzhou people really stick together. They have really tight networks and can raise money quickly to help each other. If they want to start their own business, they just go to their families. There isn't any need for formal documents; they have their ways of making things work out." Others, however, note that, on the flip side, such attitudes and behavior often lead to an intense obsession with materialism. One Chinese female respondent whose ex-partner is a Wenzhounese put it this way:

The Wenzhounese only care about money. If their kids aren't keeping up in school, they just pull them out. Some of these kids are as young as 10 years old. They just go to work in the factories with their parents. All they think about is earning a little more. They don't care about other things like music. They don't believe that playing the piano is valuable in any way. It

Italians are also divided on this issue. On the one hand, they respect Chinese industriousness but on the other, they wonder whether the laser-like focus on work is necessary or desirable. As one middle-aged Italian male states, "The Italians see the Chinese as very hardworking [his original term was "laborious"] people but they keep to themselves, they are in their own world. They work 16 hours a day –it's too much but at least they work." Another young Italian woman in her 20s, a language teacher whose classes are filled entirely with Chinese students, adds: "I have to be frank: the Wenzhounese I have encountered here [in Prato] are only interested in money.

<sup>10</sup> Respondent #6, personal interview, Prato, Italy, July 18, 2007.

<sup>&</sup>lt;sup>9</sup> Despite the potential dangers of riding the Trans-Siberian railroad, this was a popular route because it was relatively inexpensive and border controls were rather loose after the collapse of the Leninist regimes in the former Soviet Union and Eastern Europe.

<sup>&</sup>lt;sup>11</sup> Respondent #14, personal interview, Prato, Italy, July 26, 2007.

<sup>&</sup>lt;sup>12</sup> Respondent #9, personal interview, Prato, Italy, July 22, 2007.

Outside of classes, they say they watch TV and play video games at home. It is a bit depressing –what is life then?."<sup>13</sup>

Unfortunately, for just about all Chinese migrants, not just the Wenzhounese, the stark reality is that they have no choice but to work hard, at least in the short term. Despite the major policy changes in Italy and China mentioned earlier, actually getting into Italy remains difficult and expensive, forcing some migrants to use subterfuge and more extreme, illegal methods to secure entry. One respondent, a female Wenzhounese business owner, recounts the lengths she went to secure passage to Italy:

I came to Italy ten years ago [1997] and getting out was hard. There are so many of us from Wenzhou all trying to leave that government offices would reject our applications once they saw that we were from Zhejiang. So the snakeheads (*shetou*) had us change our pictures and reapply as Hunan natives. The Hunanese don't have a reputation for illegal migration so it worked.

For the majority of Chinese in Italy, the massive sums they were often forced to pay in order to migrate locked them into the worst of circumstances. A Prato *comune* official told me how he sees the situation:

There really isn't a workable migration process. The Chinese go to Russia, then Austria, and then Italy. They pay €20,000-25,000 to come and their families serve as guarantors. When they arrive, they begin to repay their debts at a rate of €00 per month. They must work 12 hours per day from 10-1 than 3-12 a.m. they are bonded servants for three years. The government can't sue because it's technically a contract. I'm sorry to start with such a dark picture but it's important for me to get this out at the beginning [of the interview]. There were investigations done on work conditions. For three years these workers have no contact with

<sup>13</sup> Respondent #41, personal interview, Prato, Italy, July 13, 2010.

the local community. Their only concerns are eating, sleeping, and staying healthy and they only stay within the [Chinese] community.

Understandably, many are outraged by these dire circumstances, including the migrants themselves. Nonetheless, this situation persists because the Chinese have few viable alternatives and the structural deficiencies of the process have not been remedied. Like migrants elsewhere, the first generation Chinese migrant is resigned to sacrificing her own dreams so that her children have a greater chance of fulfilling theirs. The female business owner cited earlier maintains that "this is a tough life [running a factory in Italy]. I want my kids to get an education, to stay in school. I don't want my kids to start another factory like this one. That's not what I came here to do." <sup>16</sup> For her and many of her compatriots, working hard is the best and perhaps only means of moving beyond a fragile existence.

Taken together, these macro level variables laid the foundation for a dramatic remaking of local level dynamics. Although the timing of these shifts was coincidental, they nevertheless created an unprecedented opening for a particular group of Chinese, the Wenzhounese, to find their way to Italy and apply their unique business talents to the textiles-apparel sector and communities in need of revitalization. Decades of isolation, state neglect, and plain bad luck paradoxically propelled them to develop alternative strategies of survival that were vital to their eventual success. Like the Jewish immigrants who arrived in America in the late nineteen and early twentieth centuries, the Chinese who went to Italy were not daunted by the

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<sup>&</sup>lt;sup>14</sup> Respondent #16, personal interview, Prato, Italy, July 27, 2007.

<sup>&</sup>lt;sup>15</sup> Respondent #36, personal interview, Prato, June 26, 2008.

<sup>&</sup>lt;sup>16</sup> Respondent #16, personal interview, Prato, Italy, July 27, 2007.

challenges awaiting them, but charged ahead and tackled them with fierce determination.<sup>17</sup>

#### **Textiles and Tensions in Prato and Beyond**

Prato is Italy's historic textile hub and home to one of the largest, if not the largest, Chinese communities in Italy. Estimates on the size of the community, however, range widely: the *commune* of Prato claims that Chinese with legal residence status number approximately 10,000, but informal accounts suggest the total number of Chinese ranges from 20,000 to 40,000 (including those who are undocumented) out of an aggregate 180,000 for the entire city. Based on these numbers, the Chinese would constitute eleven to sixteen percent of the city's population. Most of the Chinese in Prato work in the textiles-apparel and leather goods sectors, which have simultaneously taken full advantage of the low wage labor provided by the Chinese while supplying those same workers with employment and skill development. Indeed, these early apprenticeships provided them with valuable experience and insights into these industries, which they later used to launch their own companies.

In addition, comparatively permissive local policies regarding migrants, partly born of local political rivalries, made it easier for the Chinese to settle in Prato. A Chinese respondent, a male college student, part-time cultural mediator, and ten-year resident of the city, recounts the situation in the following manner:

Prato encouraged the Chinese to settle here. One of the reasons had to do with the city's desire to become independent of Florence. Before, Prato

On the success of Jewish immigrants in New York, see Malcolm Gladwell, "The Three Lessons of Joe Flom" in Gladwell, *Outliers: The* 

Story of Success (New York: Little, Brown, and Company, 2008), 116-158. On Jewish immigrants in New York's garment industry, see 142-151.

was under the jurisdiction of Florence. In order to become independent, it had to reach municipality status, which requires a population of 180,000. The city loosened laws so that Chinese owners could have workers live on factory premises [and thus, increase the resident population].  $^{18}$ 

Another Chinese gentlemen in his 40s who currently serves as a Chinese business association representative and has lived in Italy since 1998, echoes this point as well, emphasizing that Italians initially welcomed the Chinese to achieve their own political objectives:

[The] Pratesi need to remember that in order for the city to become independent of Florence, it needed a population of 170,000 [or 180,000. It's unclear which is correct]. The Chinese came because they could register their workplace as their residence. But two years ago [2008], the government ended this policy. Yet without it, Prato would still be a part of Florence.

Word spread quickly among Wenzhounese networks that Prato was an attractive destination. He continues:

There are very few big companies in the area with 50 or more employees. Companies in Prato are typically small family-run businesses and this was attractive to the Chinese as well. Italy fits right in with Chinese family business practices and preferences...You have to think, why didn't Chinese people go to Pistoia and Arrezo?<sup>20</sup>

A Chinese newspaper editor concurs: "Their [Wenzhounese] small, family-based businesses are actually a great fit for the

stipulations was lax.

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<sup>&</sup>lt;sup>18</sup> Respondent #38, personal interview, Campi Bisenzio, Italy, June 27, 2008. It is important to point out that even in the 1960s and 1970s, Italian workers often lived in the factories in which they worked. Despite regulations banning such arrangements, local enforcement of these

<sup>&</sup>lt;sup>19</sup> Respondent #10, personal interview, Prato, Italy, July 23, 2010.

<sup>&</sup>lt;sup>20</sup> Respondent #38, personal interview, Campi Bisenzio, Italy, June 27, 2008.

production structure of the Italian economy. Its small scale and batch oriented production allows them to survive without large capital investment."<sup>21</sup> For example, one respondent, a Jiangsu native in his 50s who owns a small firm on the outskirts of Milan, told me that his sewing machines cost €1,300 each (I counted seven in his workshop) and rent was €1,400 per month. 22 To him, these costs were not prohibitive at all. As another Wenzhounese working in a purse factory put it: "It's not too hard to start a company here if you work for a few years and save some money – you can borrow the rest from relatives. With €0,000, you can be your own boss." <sup>23</sup> Indeed, once Chinese migrants had settled in Prato, kith and kin were crucial in helping them understand and meet business requirements. Thus, even though few, if any, of the migrants possessed extensive prior knowledge of Italy in general and Prato in particular, many did feel a gut level familiarity or resonance with their new environment. They felt comfortable.

Still, the textiles-apparel industry remains a tough and competitive enterprise. Although the Chinese are now engaged in nearly every aspect of the industry, from fabric dyeing and printing to even fashion design, the majority of Chinese firms remain engaged in the nitty-gritty production of clothes. Most notably, they are closely associated with a specific niche of the broader market, pronto moda. Pronto moda or "ready to wear" garments epitomize what is fashionable, what's "hot" to a

largely twenty-something crowd.<sup>24</sup> To them, what's hot at any given moment is shaped by, among other things, variations in fabric, color, pattern, and cut and in many cases, departures from the more mainstream look promoted by retail chain stores. While relatives and associates are attuned to trends and provide valuable market analysis (Chinese social networks encompass all of Italy and other parts of Europe like Spain), the unpredictability of popular tastes nevertheless prevents these companies from making mass quantities of a specific item. Also, given the short turnaround time demanded by clients, the situation becomes fraught with stress, as one Chinese textiles enterprise owner explains:

It's really hard to work with Chinese customers [who order pronto moda garments]. Sometimes they will come to us with a design and ask us to make a sample. I usually make it myself especially if it might result in a large order because I don't trust the workers to be very careful with such an important task. The problem is that the customer comes in during the afternoon and if they like the sample, they want the order filled the next morning or within two days. Although they often only want one to 40-60 pieces total, the deadline is very tight. Italian companies are a bit better. They tell us what they want two months in advance but they also are stricter about quality.

A female Wenzhounese who had recently moved to Prato after selling her factory in Naples stresses similar points:

We used to own an apparel company in Naples. Chinese own many apparel factories there: mine made children's clothing [woolen jackets]. But it was hard to stay in business and hard for workers too. Owners had many burdens – it wasn't easy. We took orders from Italian companies

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<sup>&</sup>lt;sup>21</sup> Respondent #6, personal interview, Prato, Italy, July 17, 2007.

<sup>&</sup>lt;sup>22</sup> Respondent #22, personal interview, Milan, Italy, June 14, 2008.

<sup>&</sup>lt;sup>23</sup> Respondent # 21, personal interview, Prato, Italy, July 29, 2007.

<sup>&</sup>lt;sup>24</sup> Pronto moda garments are typically less expensive than clothes sold in retail stores and thus, especially attractive to consumers with more limited incomes.

<sup>&</sup>lt;sup>25</sup> Respondent #15, personal interview, Prato, Italy, July 28, 2007.

but didn't do much work for Chinese clients. Chinese customers would usually come in asking for 100 pieces of something and if we took that order, we'd have to work through the night so that the goods could be shipped the next morning. It was too grueling so we stopped doing that kind of work.<sup>20</sup>

While pronto moda's emphasis on small batch production involves less overall financial risk for these family-based companies, it also limits their opportunities for growth. Their "hotness" aside, the reality is that pronto moda garments simply do not command the high prices and high profit margins typically associated with designer label apparel. Making matters worse is fierce competition from new firms eager to secure just a small slice of the market.<sup>27</sup> In 2007, I visited a small textile operation in Prato, just off Via Pistoiese, and the owner, a man in his late 20s and a native of Qingtian, offered the following assessment with some frustration:

It's really getting competitive. When a customer asks for a quote, I might say €4 per piece. But someone else will come along and drop it to €3.80 and another will drop it even further to €3.60. Sometimes they are not making any profit whatsoever. They are breaking even but hoping to get more contracts in the future. I don't care if I lose a contract – maybe your quality is better or you have a longstanding relationship with a client. That's fine. But the pricing should all be the same. No one can make any Money this way. Chinese are always fighting themselves.<sup>28</sup>

In 2010, the situation was even worse. Another owner, a male Wenzhounese in his 50s who has been in Italy since 1990, was especially agitated when discussing the challenges he faces:

Chinese competition is crazy. I don't take orders where the profits are lower than €1.5 per piece. Take this coat, for example. I would charge €10-11 but another competitor is offering to do it for €6.9. The material already costs €; I outsource the button sewing – that's €, then you have to sew and ship and there are utility costs as well. It's outrageous that some folks will do the work for €0.1 per piece!.<sup>29</sup>

In addition to low pricing, these firms have to contend with slow-paying and even latepaying clients. Pinched for cash themselves, the customers buy largely on credit and promise to settle their outstanding debts once the merchandise has been completely sold off. The danger of course is that the products may fizzle in the market and result in losses, further tightening already strained finances. The Chinese owner from Jiangsu cited earlier worries about how long he can hold out, especially with seven employees under his charge:

I have one really good friend who borrowed money from another friend to loan to me because I had €0,000 in unpaid work orders! It was scary. Last year [2007] it took my customers eight months to pay me. Normally, businesses are supposed to pay within three months. But [some of my Italian customers] held the money for much longer – they say they can't pay until their customers have paid them. But right now, I owe €10,000 in back pay – it's making me nervous. It's been four months since my clients have paidme.

Without steady cash flow, these companies are understandably reluctant to expand their operations and acquire better, more expensive machinery. To alleviate these pressures, some have adapted by moving up the production chain, shifting away from low-end items and more towards expensive goods like those of Giorgio Armani and Dolce & Gabbana. A young Chinese leathers goods seller describes the situation in the following terms:

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<sup>&</sup>lt;sup>26</sup> Respondent #55, personal interview, Prato, Italy, July 26, 2010.

<sup>&</sup>lt;sup>27</sup> Observers estimate that there are between 4,000-7,000 small enterprises in Prato, including those that are not officially registered.

<sup>&</sup>lt;sup>28</sup> Respondent #17, personal interview, Prato, Italy, July 28, 2007.

<sup>&</sup>lt;sup>29</sup> Respondent #44, personal interview, Prato, Italy, July 18, 2010.

Respondent #22, personal interview, Milan, Italy, June 14, 2008.

My cousin owns a factory [near Milan] that makes purses for Dolce & Gabbana. They sell the products for approximately €100 each to Dolce & Gabbana, but Dolce & Gabbana sells the bags for over €1000 each. They have higher rents and overall cost to be sure, but people are willing to pay because they want the brand. It's true they have very high and exacting standards. They want better zippers and metal rings, for example. And because it's Dolce & Gabbana, the Chinese workers are more careful. With the merchandise we sell, they don't need to be as rigorous. Chinese workers are smart: they don't need to pay quite as much attention to these goods because the profits are so low.

Such moves certainly involve a good measure of risk, but it is precisely this nimbleness and willingness to make rapid strategic shifts that sets Chinese businesses apart and more importantly, keeps them afloat.

Given these intense pressures, one might reasonably expect these factories to have horrid work conditions. Many did and some still do; dark and dingy workshops were especially commonplace during the 1990s when scores of these firms were first launched. However, I was surprised that workplace conditions, at least in the factories I visited in 2007, 2008, and 2010, were much better than I had anticipated. Having read earlier depictions of Chinese firms in Italy, particularly those in the popular media, I expected to see scenes from a Charles Dickens novel. Instead, these firms had established simple, clean, and efficient operations. Although the overall workspace was cramped, the layout was orderly and reflected a clear division of labor. In just about all of the enterprises, one would walk into the middle of the factory and find numerous mounds of fabric laid out for processing. The work process begins with a massive, rectangular table, where workers cut the cloth into the various parts of a shirt, for example. These components are then

<sup>31</sup> Respondent #73, personal interview, Venice, Italy, August 4, 2010.

moved along the perimeter of the factory, literally along the four walls, to individual sewing stations for processing by workers "downstream." Each employee focuses on a single task like attaching the sleeves or collar and then passes the item to the next employee. After the sewing is complete, other employees take on hemming and buttoning. Finally, the remaining workers iron and/or package the finished apparel in preparation for shipping. The complexity of the task as well as the individual's skill determines where the worker is stationed. Sequencing the various tasks from simple to complex not only makes it easier for employees to see and remember work routines and procedures, but also alleviates potential production bottlenecks. Even within small-scale, family-based operations, assembly line techniques enhanced efficiency and overall productivity.

Despite these positives, work is nevertheless grueling. A typical workday can last more than ten hours and involve the completion of 1,000-2,000 pieces during that span. In contrast to the more conventional 9-5 regimen, employees in textilesapparel firms "start work in the afternoon and [continue] through the night, finishing around 3-4 a.m. Workers sleep from around 7 a.m. to 3 p.m." They also take several breaks for meals from 3-4 p.m., 7-8 p.m., 10-11 p.m., and 2-3 a.m. Seeking to capitalize on fast-changing trends, these factories have little alternative but to operate through the night so as to meet early morning pickup/delivery times. One consequence, as a worker at a synthetic fabric company succinctly and wryly noted, is that "Italians work eight hours per day [while] the Chinese only rest eight hours per day." The irony is that the

<sup>32</sup> Respondent #15, personal interview, Prato, Italy, July 28, 2007.

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<sup>&</sup>lt;sup>33</sup> Respondent #19, personal interview, Prato, Italy, July 2007.

Chinese today are how the Italians *used* to be, according to a retired Italian academic:

We Italians used to work 12-14 hours per day as well. Just 20 years ago, I remember my father asking my mother's uncle how much he earned. The uncle said, "500,000 lire." My father said he earned twice that by working 12 hours per day. Italians also wanted to drive a Mercedes! The Chinese learned from us, especially how to engage in "black work" [uninsured, informal, undocumented work].

Although workers earn an average of €800-1,100 per month with have room and board covered by the factory, burnout and quitting after a year or two of employment is normal. However, most workers will just "suck it up" because they need their employers to secure residency. There was a note of resignation in the voice of one owner when we talked about the daily grind:

It's not a very consistent way to live – there's no predictability or regularity in our lives. It just depends on the work orders. The longest I've worked was 40 hours without sleeping. When we're not working, we're either eating or sleeping. There's nothing else.

A former business owner was glad to be out of the industry because "sometimes I would work for a couple of days straight without sleeping. It got so bad that I would vomit from being so tired." Indeed, on all of my visits, I saw employees who were absolutely focused on the tasks at hand. On one, maybe two occasions, I heard workers engage in some light banter or small talk, but it was done in passing when, for instance, picking up

<sup>34</sup> Respondent #51, personal interview, Prato, Italy, July 22, 2010.

more materials from a storage area. All of them returned to and approached their jobs with the utmost seriousness.

Calvin Chen

Authority relations within the factory mirrored the constraints and challenges posed by the work process. Compared to most other companies, the command structure in apparel companies is relatively simple, consisting of a simple hierarchy with the owner on top and his employees below. These are not multidivisional firms that require bureaucratic coordination but rather small companies where intensive personal contact is the norm (Edwards, 1977: 23-26). Problems are tackled through direct consultation and action rather than standard operating procedures and fines. Owners recognize that survival depends heavily on teamwork and stability and that overzealous monitoring of work performance is not only unnecessary, but also potentially counterproductive. Since each worker is assigned a quota, she can measure her productivity by the size of her pile of fabric in relation to a coworker's. The more a worker falls behind, the longer she must stay before she can end her shift. Because of this, self-monitoring is the primary means of guiding work performance. Should that fail, the owner is usually on the shop floor as well and only needs to point to the pile to goad employees into working faster. All of this is reminiscent of the earliest stage of enterprise development in China's rural enterprises, what I have called elsewhere "enterprise survival" (Chen, 2008: ch. 3). What is significant here is not simply the transfer of abusiness approach from China to Italy, but rather its resonance and utility in a foreign institutional environment. These developments suggest that critical structural features – the irregular and rushed nature of work orders, erratic cash flow, and shifting client base, among other factors – decisively shape the scale and scope of textiles-apparel operations. While some companies have made decisive breakthroughs and moved beyond these limitations,

<sup>&</sup>lt;sup>35</sup> Respondent #10, personal interview, Prato, Italy, July 25, 2007.

<sup>&</sup>lt;sup>36</sup> Respondent #15, personal interview, Prato, Italy, July 28, 2007.

<sup>&</sup>lt;sup>37</sup> Respondent #14, personal interview, Prato, Italy, July 26, 2007.

the vast majority continues to follow this model. In many ways, the Chinese way of doing business paralleled the Italian one.

While this portrait of work life in a Chinese apparel company appears bleak, there are nevertheless moments of great liveliness and vibrancy. The desperation and monotony that workers experience are tempered to some degree by a sense of community built upon common experiences and even horseplay. On one of my visits to a Prato textiles factory in July 2007. I was invited to have dinner with the owner and ten employees at 10:30 p.m. We gathered around a large table and consumed in less than 30 minutes, eight, maybe nine dishes, soup, and sliced fruit for dessert. At this time, the seemingly silent, robotic workers were full of life and laughter. A few employees teased a coworker about her boyfriend: she smiled nervously and avoided eye contact. Some joked about how lazy others could be on their day off, sleeping in or lounging around when they could be going out and having fun. Much to my surprise, the owner was a target of the conversation as well. Employees pretended to be irate over the bad food and the luxurious lifestyle he led at their expense. A jovial fellow, he took their mock attacks goodnaturedly, pointing out how spoiled and indulgent they are, just like small children. He then cleverly shifted the conversation back to the subject of the employee's boyfriend before they cleaned up and prepared to return to work. The experience was like eating with a large family with all the attendant chaos, ribbing, and camaraderie.

Still, fun and games could not and did not make up for perceived abuses and inequities. The trying financial pressures owners faced every day forced most of them into "penny-pinching mode": they kept a close eye on all costs and sought to slash every unnecessary amenity. One former worker now turned apparel salesman was especially delighted to no longer be on the shop floor. His recounting was especially bitter:

Owners are often really cheap. In one place I worked, there were only a couple of electrical outlets and a couple of lights! There wasn't even a light in the workers' rooms. It was completely dark. So when the boss went to sleep, we did too. It was like being in the military. We had to take turns charging our cell phones!

Another factory only had one electrical fan. The boss only turned it on when we sat down for meals. How can anyone stand it when it's this hot? He was trying to save money on his electrical bill. He also tried to save money by telling workers to cook their own meals. He only thought about the lower bill for groceries but what about the gas bill and all the time we spend around the stove?<sup>38</sup>

This obsession with the bottom line, as understandable as it is, produces unanticipated and counterproductive consequences. Rather than enhance workplace stability, it actually undermines morale and prompts some employees to be more suspicious of their bosses rather than more trusting. One young male worker in a purse factory expresses his dismay in the following manner:

It's hard to rely on friends and family now. Every person has become very practical and just focuses on his own affairs. It's more like how Westerners think. Some people will still treat you like a brother, but once you work for a friend, you're a worker and his employee. <sup>39</sup>

He stated further that a loss of *renqing* (literally "human feeling") or empathy made work an even heavier burden. It greatly undercut the sense of common purpose and camaraderie that once infused the workplace community.

Finally, besides market competition and fractured interests within factories, one must recognize the significance of the state in determining the fate of Chinese business in Italy. Through inspections and fines, state officials are the ultimate

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<sup>&</sup>lt;sup>38</sup> Respondent #20, personal interview, Prato, Italy, July 29, 2007.

<sup>&</sup>lt;sup>39</sup> Respondent #21, personal interview, Prato, Italy, July 29, 2007.

arbiters of a company's existence and their power has spawned different coping strategies among the Chinese, especially in light of the government's inconsistent enforcement of its own policies. The most typical response is ignorance. Many claim that, because of their short time in Italy, limited communication skills, and subsequent unfamiliarity with business regulations, they are just beginning to learn about the myriad requirements they must fulfill. Over time, however, this excuse becomes untenable. Low profit margins and the threat of heavy financial penalties have forced more and more to seek ways around the law. What is particularly astonishing though is the widespread assessment of the Chinese (and many Italians as well) that full compliance would lead to bankruptcy, not prosperity. Indeed, following the letter and spirit of the laws is foolhardy and leads to one's eventual demise.

Nearly every Chinese migrant I spoke with sees Italian officials as generally corrupt, unfair, and biased. To them, using bribery, evasion, and other "weapons of the weak" to subvert their authority is not only vital to survival, but also a means of overcoming what they perceive to be grave injustices built into the Italian legal system itself (Scott, 1985). One female respondent was extraordinarily open about how she dealt with inspectors: "Each year we bought those big hams [prosciutto] and gave them to the police and inspectors. When they came for inspections, everything would go smoothly." <sup>40</sup> A Wenzhounese woman who owns a women's clothing store on Via Paolo Sarpi in Milan was disgusted by the brazenness of the police:

The police here are really corrupt. They know that the Chinese have lots of money, lots of cash. With the new security law, it's easy for them to

<sup>40</sup> Respondent #14, personal interview, Prato, Italy, July 26, 2007.

stop people and check their IDs. When they see that the Chinese have so much cash on them, they take us to the police station. There, they threaten to report us for tax evasion and then demand a bribe to keep quiet. They want  $\mathfrak{S},000$  but my friends talked them down to  $\mathfrak{S},000$ .

When paying taxes becomes unavoidable, some resort to counterfeit tax receipts as a way of coping with crippling expropriations, as was the case with this business owner in Milan:

Typically, you have to make profits within 3-5 years of operation. The taxes are just too high. It's not that the business is complicated: it's actually quite simple. If the Business tax is 20%, no one can survive. You have to cheat to get it down to 10%. We often resort to buying fake tax receipts for €400 per book. If we didn't do this, the Italians would think we are stupid -- even they have to cheat to stay in business!<sup>42</sup>

Nearly every Chinese respondent I interviewed either experienced something similar or knewsomeone who did. Although such incidents are not entirely alien to them (Chinese officials can be equally, if not more oppressive), Chinese migrants feel Italian officials are targeting them and taking unfair advantage of their vulnerabilities simply because of who they are.

Such sentiments were manifest in early 2008 when the Berlusconi government began arresting and repatriating illegal immigrants in the name of "security." These actions sent shock waves throughout Italy and the Chinese community became especially apprehensive. The operation against Via Paolo Sarpi in Milan (where Chinese businesses are concentrated) took on a decidedly military tone, according to one respondent:

When the police came to sweep, they blocked the front of the street and the side streets so there was no escape when the inspectors came up the

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<sup>&</sup>lt;sup>41</sup> Respondent #25, personal interview, Milan, Italy, June 18, 2008.

<sup>&</sup>lt;sup>42</sup> Respondent #22, personal interview, Milan, Italy, June 14, 2008.

rear. They've reportedly caught 127 illegals in one day as they went through each business checking people's papers. Some illegals have already been sent back to Shandong [a province in China] -- they were fined 10,000 *yuan* and then charged another 10,000 for the air ticket. The fine is just bad luck -it was the result of being in the wrong place at the wrong time. But no one feels good about paying the ticket price: it's just money down the drain! We know all this because they [those who were sent back] called their relatives here to let them know they are safe.

Fear and outrage intensified among the Chinese in Prato when Italian authorities, essentially put Via Pistoiese in lockdown and brought in military units to help patrol the streets on foot and from above by helicopter in early 2010. While local authorities were determined to restore public order in the aftermath of violence and murders in the area, they also failed to mention crucial details. A Chinese man, an interpreter and cultural mediator who has lived in Prato since 1992, explains the situation:

I actually know something about this [murders]. It was a turf war between rival gangs [bangpai]. They were fighting each other to protect their territory and it was related to drugs. But it was Chinese fighting Chinese. It did not involve the Italian Mafia at all. The Chinese don't target Italians; instead, the Chinese rob other Chinese. They go after others in the community. It's clear why this is happening. With more Chinese here, it's harder to survive. People are engaging in riskier, more dangerous behavior – it's related to economic problems.

The government crackdown, however, continued and extended to Chinese-owned businesses. As was the case in Milan, government units cited a vast array of violations as justification for their actions. Unlike past efforts, this current campaign has been more sustained and brutal. The interpreter offers an insider's perspective:

I've served as an interpreter 5-10 times for government inspection teams. They go out and check compliance with sanitation, building codes, work conditions, employment of undocumented workers. They don't tell you anything before they move out: they don't allow me to bring anything or drive my own car. I have to ride with them. The teams are more aggressive now. The inspectors used to be very polite and knock on the door before entering. Now they have the fire department come in and break the door down without knocking or alerting anyone. They use a special tool to do this. It's very extreme.

Reactions to the inspections turned out to be more mixed than I had expected. Many Chinese actually agreed with the government that there should be greater compliance with the law: what they did not appreciate though was the complete shutdown of their operations and not having the opportunity to make proper amends for their behavior. To them, the government's efforts were grossly disproportionate to the threat posed by Chinese business people and will ultimately prove counterproductive. While some Italian observers advocated even more extreme measures like repatriating the Chinese altogether, I was surprised that many native Italians were critical of the government and more supportive of the Chinese. 46 One young Italian college student vehemently claims that it is the Italians who are more responsible for the crisis: "People always point out that migrants cheat, don't follow the laws, but it's the Italians who are even better at cheating. We know how to hide it better – it's like a big scandal in the US, like Wall Street. We are like Bernie Madoff!" 47

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<sup>&</sup>lt;sup>43</sup> Respondent #22, personal interview, Milan, Italy, June 14, 2008.

<sup>&</sup>lt;sup>44</sup> Respondent #43, personal interview, Prato, Italy, July 19, 2010.

<sup>45</sup> Respondent #43, personal interview, Prato, Italy, July 19, 2010.

<sup>&</sup>lt;sup>46</sup> Silvia Pieraccini takes a particularly hardline stance against the Chinese. See Pieraccini, *L'Assedio Cinese* (Milan: Gruppo24Ore, 2008).

<sup>&</sup>lt;sup>47</sup> Respondent #45, personal interview, Prato, Italy, July 18, 2010.

By contrast, a Pratesi man in his mid-50s blames the Italian government: "The current immigration issues are the fault of Italians and the Italian government. If we had made clear rules for everyone to follow right at the beginning, relations between the Chinese and Italians would be much better."48 An Italian woman in her mid-50s also echoes this point: "Although Italians blame the Chinese for breaking the laws, this result is our fault. We haven't made clear what we want and how they should behave. If we were clear right from the beginning that any immigrant who wants to stay must do things the Italian way, the situation wouldn't be as chaotic as it is now." 49 Amazingly, many of my Italian respondents pointed more to structural deficiencies, not cultural differences as the primary reason for friction between migrants and Italians. What this implies is that many of the current problems can be resolved through more effective policies (undoubtedly a big "if"), increased understanding, and greater tolerance. A high-ranking representative of a local school offers this sophisticated and thorough assessment:

The political environment right now is not good for immigrants, but I think immigration is a positive phenomenon. The Pratesi are at fault for current attitudes. For years, the left did nothing so stereotypes flourished. People still believe that the Chinese are stealing jobs. No one has done a serious analysis of the challenges posed by migration. Chinese migration took place during a crisis in Prato. The Chinese are being blamed for it, but no one realizes that it would have happened anyway. The analysis should have been about the economy before the arrival of the Chinese in order for us to understand the full picture.

In my opinion, the Chinese involvement and role in the local economy will deepen and lead us to a new stage of development. The Chinese are

<sup>48</sup> Respondent #54, personal interview, Prato, Italy, July 25, 2010.

investing here while Italians investí elsewhere. The Chinese are keeping Prato alive. I spoke with some Italian kids and they said their father's work in a Chinese owned factory! Their bosses are Chinese. No one sees this. All they do is blame without understanding that Italians can work because of the Chinese.

#### **Conclusion**

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This article argues that an unusual confluence of macro-level forces ranging from demographic change in Italy's population to the loosening of controls in post-Maoist China provided an unprecedented opportunity for the Chinese to migrate and settle in Italy. Once settled in locales like Prato, the Chinese and specifically, the Wenzhounese applied their unique talents and experiences towards reviving the textiles-apparel industry. The Chinese were not only in the right place at the right time, but also seemed in many ways, tailor-made for an industrial system that privileged small-batch, family-based production.

Nevertheless, significant challenges remain. Low entry requirements or the relative ease of starting a business has resulted in the rapid proliferation of Chinese-owned enterprises. While this has provided employment for many Chinese migrants, it has also led to increased competition that not only constrains future growth, but also threatens their very survival. As a result, some Chinese businesspeople felt compelled to use tax evasion, bribery, and other means to cope with a highly turbulent situation. Not surprisingly, all of these developments contributed to official and popular backlash: the local government continues to enforce more hard-line policies in concert with strong anti-immigrant sentiment.

<sup>50</sup> Respondent #52, personal interview, Prato, Italy, July 26, 2010.

<sup>&</sup>lt;sup>49</sup> Respondent #47, personal interview, Prato, Italy, July 20, 2010.

However, even under these conditions, sprouts of change have emerged and contributing to Italy's continued transformation. This change has already spread well beyond factories to all interstices of Italian life, from cafes to parks to neighborhoods, among ordinary people living in extraordinary times. Some are dismayed and fearful about a future that may well look radically different from the recent past. It will be one that includes the Chinese, who as a community certainly remain a work in progress. Their experience over the last thirty years does suggest though that in spite of the recent tensions, the Chinese will continue to adapt and play a positive role in an increasingly multiethnic and multicultural Italy.

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