A race from the bottom? Lessons from a workers' struggle at a Bangalore warehouse

This paper analyses the emergence of the 'full package' firm in India and its implications for workers' strategies. A 'full package' firm expands outward, from low-value assembly-only products to high-value specialized garment production; consolidating under one roof. Historically, geographic and political barriers separated centres of value-creation (producers) and value-capture (brands and retailers) in the global garment sector. However, enhanced value-capture at the point of production has led to considerable consolidation organizationally, giving an increasingly symbiotic character to relationships within 'buyer driven' supply chains. Though this change aggregates the bargaining power of workers, it also introduces new obstacles to workers' organization. The concomitant rise of supplier-end value capture allows garment trade unions to nonetheless demand greater shares. Thus, previously unviable modes and methods have become available to workers engaged in struggles with their employers in the globalized garment sector. This paper examines a protracted workers' struggle in light of this process. In doing so, the paper demonstrates that codes of conduct and auditing alone cannot significantly impact labour standards because the needs of capital accumulation are greater than the threat posed by any auditing program or code. Ultimately, the paper demonstrates that labour rights within the garment GVC will not arrive through a rights-based approach – though strong codes of conduct and independent auditing can assist – but rather through a combination of an increased power of suppliers vis-a`-vis buyers, greater workers' bargaining power with their direct employers, and – critically – workers' self organization.

Keywords

Labour, global value chains, codes of conduct, bargaining power, consolidation

Manufacturing sectors with high variable capital – toys, garments, footwear, etc. – relocated production from the Global North to the Global South early in the process of globalization.[1] This globalized 'race to the bottom' intensified the asymmetry between producers and buyers (Armbruster-Sandoval, 2005; Hale and Wills, 2011; Kreider, 2002). The functionally and geographically disintegrated garment industry is one of the most exploitative, labour-intensive, and 'globalisable' sectors in the world economy and indeed has become an archetype of this global 'race' (Hale and Wills, 2011). Fluctuations in purchasing patterns, seasonality, and fickle 'fast-fashion' trends, require high volume production and quick turnarounds to accommodate just-in-time orders (Brooks, 2007). Accordingly, for the past century, garment production has been the phase of the clothing commodity chain that brands and retailers have sought most to outsource, using high-rates of fluidity to reduce liabilities of investment (Collins, 2009). By limiting investment to bulk purchasing contracts, brand companies have been able to maximize profits by throwing factory owners, who have thinner profit margins, into bidding wars. The pressure of competition is then transferred onto workers, who must work longer for less in conditions that are progressively worse. Factory floor workers are soon left without the wiggle room in negotiations with their direct employers, virtually powerless to form trade unions, obtain livable wages, or improve workplace conditions (Collins, 2009; Hale and Wills, 2011). These structural limitations to labour agency and organization in the garment sector have inspired alternative attempts to establish workers' rights such as through the WTO and bilateral trade agreements, corporate codes of conduct, and auditing – which have either fallen far below a basic threshold of success or failed outright (Brooks, 2007; Kumar, 2015; Seidman, 2009).

Human rights issues have historically been effective on issues that can be addressed 'from above' (political prisoners, slavery, child labour) – in which the cost of addressing the issue is less than the cost of reputational damage. Labour rights – specifically demands around wages and benefits – have been far more efficacious when demanded from the shopfloor. Indeed, the most successful and sustainable means of implementing labour rights has been through workers' self-organization and self-activity – frequently through trade unions.

In this paper, I argue that the 2005 phase-out of the 30-year Multi-Fiber Agreement, ending global quota limits, which triggered radical changes in the economic geography of the global garment sector. These changes, driven by the logic of competition, opened up new vistas for garment workers in labour-rich countries such as India. In the campaign documented in this paper, we see that codes of conduct, auditing regimes, and consumer activists – established and driven by a rights-based framework and a sense of international solidarity respectively – played an important role in supporting a workers' campaign. However, as we see from the case, these secondary tactics are only as strong as the weakness of capital and/or the structural power of workers.

This paper takes a firm-level case study approach to explore the factors in India that led to the consolidation and diversification of garment production, in this case denim, and the consequent transformation of relations between buyers and sellers, workers and bosses. I suggest that the end of the Multi-Fiber Agreement brought with it an end to the regime of 'comprador capital' that had dominated Indian economic life from the early post-colonial days allowing indigenous firms to piggyback onto foreign corporations seeking access to cheap labour and raw materials. The post-Multi-Fiber Agreement era has seen globalized competition weaken and gradually removed altogether the autonomy of smaller firms across the globe leaving many absorbed into larger rivals, forced to merge, or simply vanished into the red. Increasingly what remains, in a handful of countries, are a growing number of mega suppliers; powerful enough to corner the supply chains of specialized products, and intensify supplier-end value-capture. Meanwhile, large retailer/brand oligopolies simultaneously benefit from growing profits brought on by economies of scale and integration, while becoming gradually dependent on increasingly oligopolistic suppliers. Thus, the 'buyer-driven' character of the commodity chain gives way to a kind of 'buyer– producer symbiosis'. In consequence, labour's resistance adapts as well.

As the case study demonstrates, the development of economies of consistent size and scale increases capitalist accumulation at the supplier-end, allowing for the introduction of new technologies that cause a 'cascading effect' (Nolan et al., 2008) down the supply chain, expanding each link. I argue that the symbiosis that emerges between global buyers and producers leads to a closer integration of supplier-end capital; horizontally, as factories grow larger; and vertically, from factory to warehousing and logistics to retail.[2] The increased value capture at the bottom of the global supply chain, closes the historical and geographical gap between spaces of value capture and value creation.[3] I maintain that the reverberations of this change, through production and the circulation of capital, results in a corresponding adaptation of workers' resistance in the garment sector that reflects the shift in the locus of power from spaces of consumption to production. The case of Arvind highlighted in this paper embodies this symbiosis and the changing relationship of buyer and producer, from asymmetrical monopsony to a kind of synergetic interdependence.

Domestic suppliers operate as giant contractors in the Global South have taken on functions attributed to lead firms in the coordination of value chains of their own. This has contributed to their ability to reorganize production in order to undermine workers' actions at a single factory, while also diminishing the leverage of brands, who are made more deeply rooted and less able to 'cut-and-run' from their suppliers. Indeed what may have initially been an attempt by global brands/retailers to facilitate the consolidation of the value chain has taken a life of its own. As entire commodity chains are digested by single entities, the workers therein find themselves capable of larger scale operations, too; with the potential for multi-phasic organization allowing them to bring a full-court press against their newly amalgamated employers, and avoid the pitfalls of single factory resistance (such as isolated contingents of victorious workers becoming casualties of the market). In the absence of effective voluntary, corporate, statist, or multi-stakeholder initiatives, it was the underlying logics of competition coupled with the subjective agency of workers that have opened up new vistas for workers' bargaining power. Thus, the evolution of managerial forms in the apparel industry, as in other sectors, engenders a reciprocal evolution in labour strategies, and within the case of this paper indicated a distinct departure from traditional 'anti-sweatshop' campaigns, which historically targeted the buyers rather than the producers in the sector.

The case method

India is a middle-income democracy with a vibrant domestic market. However, globally fluid borders weaken the variations between states, which is particularly acute in labour-intensive sectors (Yueng, 2014). Through an analysis of a specific 2011–2015 workers' struggle at a distribution site outside Bangalore for jeans manufacturer Arvind Group (herein after 'Arvind'), I illustrate the effects of greater supplier-end value capture on the organization of both domestic capital and labour, as each seeks to enlarge its share of the surplus. Additionally, the paper contributes to ongoing debates on the relationship between economic upgrading and social upgrading that stem from ILOs Decent Work Agenda. The research herein supports Selwyn's (2013) claims that rather than being a 'top down' process, social upgrading grows out of the class antagonism between capital and labour 'from below' (or 'labour-led') resulting in concessions from state and/or capital but, as is shown with Arvind, these newly value-laden firms have a greater ability to undermine such labour struggles by hiring expensive inter-state workers, buying influence with police and state officials, and the internal restructuring of production. Ultimately, we find that diminishing traditional brand/retailer power in relation to full package suppliers has given workers multiple economic targets. This takes place as full package suppliers consolidate supply chains, replacing intrastate workers with interstate workers, and are empowered with new accesses of surplus value.

The study is based on extensive field research conducted over a three-year period from 2012 to 2015 including participant observation, company data, and semi-structured interviews with workers, labour activists, labour monitors. Much of the company data are derived from annual reports and corporate databases such as Capital IQ. A total of 27 interviews were conducted with Arvind workers, managers, union organizers and international factory auditors. Interviews were conducted in person and, except for an English-speaking factory auditor, were translated from Kannada by the author. Interviews were conducted with a recorder and I took additional written notes on non-vocal speech that I observed. They typically lasted between 40 minutes and several hours sometimes over the course of many months. Names have been altered for anonymity.

Notably, at the end of 2012 as Garment and Textile Workers' Union leaders in Ramnaraga were being targeted for violence by management-side workers and security guards. In one particularly brutal attack, a worker was severely beaten and rushed to the hospital. I accompanied workers to the hospital, then to the police station, and was followed and verbally threatened by a number of management-side workers. I recorded and reported these threats to an international monitoring organization. The organization was given access to the site at the request of the brand, PVH, to conduct an independent investigation. The organization asked if I could be the Kannada interpreter, since the only other person fluent in both Kannada and English was the PVH representative. For three days, I translated interviews with senior management, dozens of workers, and an executive from Arvind headquarters. Since my role was as an interpreter, none of the interviews conducted during the investigation were used directly in this paper. However, I did gain invaluable theoretical insights that I have applied here; in particular, I noticed the relative powerlessness of the PVH representative vis-a`-vis the Arvind executive. These personal dynamics prompted my interest in examining the changing power relationship between buyers and producers.

Two decades of anti-sweatshop campaigns

The garment sector capital is marked by its ability to shift, maneuver, and relocate production at the slightest advance by organized labour on the factory floor with few sunk costs. Therefore, despite their efforts, traditional trade unions have faltered in establishing a foothold in outsourced manufacturing companies that, until recently, operated exclusively at the behest of the transnational brands they produce for.

Since globalization, an abundance of methods mobilized to confront the abysmal conditions workers face in the Global South. Approaches spanned from ‘fair trade’ and International Framework Agreements to more voluntary codes of conduct and the inclusion of the ‘social clause’ in trade agreements. Today, there is a sense of acceptance among union activists and scholars that, despite some isolated successes, two decades of effort to establish workers’ rights in the garment supply chain have done little to impact conditions. In fact, while the garment sector remains ‘essentially unchanged’ after twenty years of anti-sweatshop efforts (Anner et al., 2012: 2), garment worker wages in real terms fell between 2001 and 2011 in most producing countries (WRC, 2013).

Garment trade unions of the Global North initially reacted to capital flight and deindustrialization with calls for protectionism, blaming so-called ‘cheap’ workers in the South, making little effort to develop links between the two spheres (Brooks, 2007; Kabeer and Mahmud, 2004). The 1990s, however, witnessed a rapid expansion of global capital and with it an eruption of anti-sweatshop solidarity campaigns specifically targeting major clothing transnational corporations. The early 2000s saw a wave of animated grassroots anti- capitalist protest on the heels of the historic convergence of environmental and labour activists (‘teamster and turtle’) against the WTO meeting in Seattle in 1999 alongside the development of a global resistance to neoliberal globalization. An oppositional consensus began to take shape by workers and activists in both spheres of the globe. Yet despite widespread campaigning, the conditions of garment workers remained largely unchanged and almost every unionization effort resulted in major brands ‘cutting and running’ to another site of production (Kumar and Mahoney, 2014).

Owing to the growth of sweatshops, the 1990s saw a surge in students and activists respond to expensive big-brand marketing by making demands on transnational corporations. Transnational corporations in the garment sector responded to the flurry of anti- sweatshop activity in the Global North by immediately introducing ‘codes of conduct’. Codes of conduct were meant to inform consumers to choose products with higher ethical standards, sometimes including third-party monitoring of working conditions such as the Fair Labor Association (FLA) or the Workers’ Rights Consortium (WRC). While many codes included language on forced and child labour, few, if any, initially included many of the rights enshrined in the ILO core conventions – this included collective bargaining or freedom of association rights (Sethi, 2002).

Notwithstanding this, alongside one of the only successful factory unionization cases at Fruit of the Loom factories in Honduras (see Kumar and Mahoney, 2014), there was the 2001 campaign at the Korean-owned Kukdong factory in Mexico – a factory that supplied collegiate apparel for the sports brands Nike and Reebok. Workers went on strike after their employer denied them the right to form a union and what ensued was a standoff between U. S. student activists, who had direct contact with workers, and college administrators who had direct contact with brand executives. In its conclusion, the dual tactic of worker action and consumer solidarity resulted in the reinstating of all the sacked workers, recognition of the union, and collective bargaining (Hermanson, 2013). This multi-pronged campaign strategy ensured that action on the ground led by garment factory workers dovetailed with codes of conduct and a consumer boycotts, ultimately built sufficient power to challenge transnational brands enough to change workplace practices.

Today, the code of conduct model within a consumer choice regime continues to remain the strategy of many Global North ‘anti-sweatshop’ or ‘fair trade’ NGOs, yet originally codes of conduct proliferated as a direct result of trade union pressure (Hale and Wills, 2011; Murphy, 2004). There is a body of literature analysing the effectiveness of establishing workers’ rights solely through consumer choice of the Global North. Some conclude that these codes have proven useful as leverage during a corporate campaign, however, the voluntary nature of codes have made issues of enforceability nearly impossible (Compa and Hinchliffe-Darricarrere, 1995; Emmelhainz and Adams, 1999; Herrnstadt, 2000; Hong, 2000; Liubicic, 1998; Rasche, 2010) and still others claim that codes not only mirror, but also entrench the asymmetrical power relations between ‘neo-colonial’ and consumer-end development modes (Freidberg, 2003; Hughes, 2006; Hughes and Reimer, 2004). Indeed, other ‘top down’ initiatives in labour-intensive sectors – such as labour protections in trade agreements (Campling et al., 2016) or CSR initiatives (Mezzadri, 2014) – have been found to be largely ineffective or the research framework flawed. While NGOs and transnational corporations tend to support codes of conduct (Braun and Gearhart, 2004; Compa, 2004; Compa and Hinchliffe-Darricarrere, 1995; Kolk and Van Tulder, 2002; Locke and Romis, 2006; Sethi, 2002), trade unions tend to call the expansion of trade union rights as the enforcement of workers’ rights from the shop floor (Gallin, 2001; Howse, 1999; Taylor and Bain, 2001).

The varying perspectives on how to respond to and resolve worker exploitation in the garment industry reflect wider ideological, political, and strategic differences: those who represent international aid organizations and transnational corporations have tended to either overtly or tacitly support codes of conduct, while trade unions have tended to support the creation and support of trade unions to enforce workers’ rights.

Workers' self organization as human rights

From as early as the late 19th-century, due to the vertical disintegration of the garment sector, workers sought to put pressure at both points of production and consumption (Collins, 2009). The International Ladies' Garment Workers' Union, for example, leveraging buyers (brands, retailers) through secondary pickets and boycotts and relied on the language of both human rights and solidarity to win converts from outside the shopfloor. It was precisely this tactic that was internationalized with the global garment sector (Seidman, 2009).

However, the allocation of rights remains conflicted within international legal and governance regimes. Many scholars of business and human rights presuppose moral imperatives for capital or institutional applicability of universal declarations (Hsien, 2017). Take Hoffman and McNulty (2009: 114) whose critique is premised with the 'recognition that even under optimal conditions, good companies sometimes are susceptible to moral lapses'. Both the problem and the solution are understood as individualistic. Thus, the human rights literature is littered with moral, legal (Buhmann, 2006), third sector (Outhwaite and Martin-Ortega, 2017) or trade agreement (Compa and Diamond, 2003) solutions to human rights abuses. Absent from much of this literature is a recognition of the underlying logics of capital – competition and exploitation – and the agency of workers to collectively change their own conditions.

However, critiques of human rights are by no means a recent phenomenon. Marx (1867) famously wrote that 'between two rights' – that of the propriety classes and the working class – 'force decides'. This extends to the neoliberal context, as the rights of the dominant social process of capital accumulation through market exchange against the rights of workers for economic democracy and collective action. Marx applies this to the current mode of production, capitalism, as one that pits the rights of workers in direct conflict with the interest of capital. Marx (1867) continues, 'in the history of capitalist production, the determination of what is a working-day, presents itself as the result of a struggle, a struggle between collective capital, i.e. the class of capitalists, and collective labor, i.e. the working-class'.

Critically, the argument 'between two rights' by Marx is less a question of ends – certainly, the ILO core conventions' freedom of association, broadly understood as the right to a democratic trade union, is framed within the language of human rights – but rather a question of means. The right of a worker to form a union is a human right, but more importantly it is the means by which workers can collectively confront their employer to win concessions (i.e. wages, benefits). As such, the reality of ensuring workers' rights under globalization, as demonstrated in the case herein, lies somewhere in the middle of human rights and class antagonism – between the exercise of a universalist language versus the self-organization and internationalism of labour, respectively. Relying on the moral obligations of corporations, in lieu of an enforceable system of transnational regulation, nor the sheer dint of strength demonstrated by workers' collective action, may not deliver sustained workers' rights under the current conditions.

Indeed, labour rights and human rights have historically 'run on tracks that are sometimes parallel and rarely meet' Leary (1996: 22) in which human rights organizations focused on issues of political and civil rights (i.e. political prisoners, torture or free speech) while the workplace remained the realm of trade unions and labour rights organizations (Leary, 1996). Certainly, social movements around the world from housing, racial equality, or environmental justice, or where trade unions have had difficulty finding footing (immigrant workers, day labourers, labour-intensive industries), have increasingly framed their struggles and demands, at least in part, through the language of human rights (O'Connell, 2018).

Indeed, labour rights are playing a more prominent role within business and human rights literature but still relies on the individual decisions of the proprietors of capital. For example, Buhmann and Wettstein (2017: 6) cite the 2013 collapse at Rana Plaza garment factory in Bangladesh, resulting in over 1000 deaths, as caused by the 'economic decisions to producer under cheap conditions [and] the fact that those incidents were not rare but unfortunately common have called for critical assessments of decisions of certain firms'. Here, as with much of the business and human rights literature, the emphasis is the decision of a few firms. This 'bad apples' theory cannot coexist with a critique that understands these phenomena as part of the underlying logics of capital.[4]

Go back a century to 1911 to New York City's towering Triangle Shirtwaist Factory. In what emerged as the city's largest industrial disaster, 146 workers lost their lives. Enter the International Ladies' Garment Workers' Union whose *raison d'etre* was actualized through collective organization, action, and a demand, which challenged the hierarchies of the clothing industry and triggered improved working conditions for decades. As such, it was workers – not the employers – who eliminated US factory fires till date. Then and now, the garment industry structure remained the same. Brand companies at the turn of the 20th-century maximized profits by creating bidding wars between factory owners. Factory owners, in order to stay competitive and survive, would increase downward pressures on workers. Workers at the factory-floor end of this chain reaction were left with poverty wages, deteriorating workplace standards, and increasing incidences of factory fires and collapse. However, with its emphasis on individual business decisions (rather than capitalism itself), and business solutions (rather than workers' self-organization), much of the literature and language of business and human rights remains incongruent with the history of change in the garment sector, or indeed of workers under capitalism.

The rights of workers and the right to organize trade unions are well established in principles 3–6 of the UN Global Compact, the UN Guiding Principles on Business and Human Rights as set out by the International Bill of Rights and the ILO's 1998 Declaration (ILO, 1998; UN, 2008, 2011). This is particularly the case in instances where formal trade union rights are limited, such as in South China, and the language of rights can help raise workers' consciousness to build autonomous organizing and strikes (Chan, 2018). In different ways, workers in South China and in South India rely on the twin forces of rights and conflict in their struggles. Indeed, it is a confluence of factors including the changing composition of capital, workers' organization, and transnational activists and organizers placing pressure on the various actors in the value chain that assisted in the campaign documented in this paper. I argue, in a similar vein to Lund-Thomsen and Lindgreen (2018), that as the value chain moves from a short-term market-based to a more cooperative hierarchical GVC (Gereffi et al., 2005) – the possibilities for workers to utilize ethical frameworks increases. Indeed, codes and other rights-based frameworks are tools that are only as powerful as the workers and activists who can enforce them.

Shifting governance

Gereffi's original conception divided supply chains into two categories of governance: Producer-driven and buyer-driven. Producer-driven chains are those in capital-intensive, large transnational manufactures, such as automotive, and play a central role in coordinating production networks. Here, value capture at the point of production is greatest because of high-barriers to entry with limited competition, resulting in enhanced 'control over backward linkages with raw material and component suppliers, and forward linkages into distribution and retailing' (Gereffi, 2002).

Buyer-driven chains are those in which large retailers and brands are decisive; often decentralized, highly competitive, networks requiring labour-intensive manufacturing such as garments, footwear, and consumer electronics (Gereffi, 2002). Gereffi (2002) claims that, profits in buyer-driven chains derive not from scale, volume, and technological advances as in producer-driven chains, but rather from unique combinations of high-value research, design, sales, marketing, and financial services that allow the retailers, designers, and marketers to act as strategic brokers in linking overseas factories and traders with evolving product niches in the main consumer markets.[5]

Through this structure brands outsource risk and narrow their focus to high-value added activities, maximum profits at minimal capital-investment. Gereffi's thesis contains the implicit premise that production and consumption are delinked, a fact exacerbated, and spatialized, after the relocation of manufacturing between 1960s and 1990s – globalization. This original typology, of two conflicting ideal-types, has since been developed to capture the full range of commodity and value chain governance (see Gereffi et al., 2005; Smith et al., 2002). This research is inspired by Gereffi et al. (2005) which moves beyond the duality of buyer and producer-driven framework. However, labour agency and power within the value chain is noticeably absent.

By treating Gereffi's original binary more as two ends of a spectrum, we can measure the bargaining power of workers in the value chain and in doing so inform effective workers' strategies. Understanding the GVC with producer-driven and buyer-driven at either extremes allows us to home in on the changing composition of manufacturing firms as it is reflected on the labour process and workers' bargaining power. I argue that the dominance of 'full package' garment suppliers, once assembly-only Cut-Make-Trim firms that have integrated across the supply chain into higher-value sectors, is giving the relationship between 'producer' and 'buyer' an increasingly symbiotic character, dramatically affecting power dynamics, and offering a new opportunity for every challenge it presents for workers' resistance in the global garment industry.[6]

Spatial inflexibility and workers' structural power

To understand workers' rights in the garment value chain, one must understand that it is the combined force of material conditions (the composition of capital) and subjective agency (structural/associational power) that result in positive or negative labour bargaining outcomes. Wright (2000) draws a distinction between structural power, derived from workers' location in the economic system, and associational power, a product of workers' collective organization. Indeed, the history of the garment sector can be read as the former opening up the possibilities for the latter. The degree of monopsony power is articulated through what I identify as the degree of spatial inflexibility, which is reflected in labour's bargaining power. Greater spatial inflexibility results in greater bargaining power for workers. This concept builds on Harvey's notion of the 'spatial fix', which is capital's use of space to absorb its crisis of profitability. There are two, sometimes overlapping, forms of spatial inflexibility: regulatory and market.

Take, as the case, the history of the garment sector. Between the 1920s and the early 1970s, a high degree of regulatory spatial inflexibility resulted in greater structural opportunities for the assertion of associational power resulted in higher labour bargaining power, crystalized through trade unions and collective bargaining agreements. Before the economic crisis of the 1960s and 1970s, garment workers in the advanced capitalist world, particularly the US and UK, capitalized on a measure of structural and associational power brought on by national protectionist policies that restricted the flow of capital and goods. This capped the monopsonistic power of buyers while also allowing the International Ladies' Garment Workers' Union to 'chase the work' within border of the US and in parts of Canada. The economic crisis led to trade liberalization; a lower degree of regulatory spatial inflexibility, as capital began outsourcing production beyond its borders intensifying its degree of monopsony power whilst curtailing the power of the International Ladies' Garment Workers' Union.

However, pressure from Global North trade unions resulted in the signing of the Multi-Fiber Agreement. The agreement operated ostensibly as a global trade agreement that established quota limits on the amount of garments produced in the Global South for consumption in the Global North. The result was a high geographic spread while ensuring a minimal degree of regulatory spatial inflexibility. The regulatory spatial inflexibility was low enough to ensure that attempts by workers to assert associational power would be counteracted through a spatial fix and the relocation of outsourced capital. The Multi-Fiber Agreement phase-out saw the end of the last vestiges of regulatory spatial inflexibility. Global buyers moved production from the far-flung corners of the globe to a handful of labour-rich countries and a higher degree of monopsony power saw a fall in the structural power of workers and a sharp increase in the share of value captured by buyers (Lopez-Acevedo and Robertson, 2012). Finally, as manufacturing firms began consolidating – due to the downward pressure by global buyers – the degree of monopsony power fell and we witness the emergence of what I call market spatial inflexibility.

Indeed, attempts to establish workers' rights through a rights-based framework were limited by the structural phenomenon of low degree of spatial inflexibility. However, the logics of competition resulted in increased firm consolidated, intensifying the share of value captured at the bottom of the global value chain, and raising barriers to entry. This emergent market spatial inflexibility increases in the relative structural power of workers due to low a Degree of Monopsony Power, economies of scale, and increased sunk costs due to increased automation. Ultimately, as is demonstrated in the paper, structural power (and in some cases associational power) increases alongside the degree of market spatial inflexibility.

From mill to retail

India was relatively late to liberalization. It was not until the 1990s that export-oriented garment production began to proliferate in India, and only towards the end of the first decade of the 2000s that large Indian garment firms began establishing beachheads in transnational markets. The constitutive forces of 'liberalization' – increased access to foreign capital, greater domestic purchasing power, deregulated foreign direct investment – explain these changes. Gupta and Qiu (2013: 57) elaborate:

Market liberalization was the root of unleashing this trading potential, by empowering the Indian firms to participate in the global capital and investment markets. Many firms, such as Moser Baer in optical media, Bharat Forge in auto components, Reliance in polyester yarn, Arvind Mills in denim fabric, and Zee Telefilms in satellite television channels, become global category leaders.

Appelbaum (2008) describes the economic benefits of consolidation in China where globalization matured before India. He cites manufacturer, Luen Thai Holdings, which created a 'supply-chain city' in Guangdong Province that includes a product-development centre, a 4000-worker capacity on-site dormitory, and a two-million square foot factory. Luen Thai buyers (like Liz Claiborne) soon became a one-stop-shop where designers meet directly with both factory and textile mill technicians, bringing the whole supply chain under one roof. Now Liz Claiborne plans to downsize its network of 250 suppliers in 35 countries to only a handful, including Luen Thai. Under this plan Liz Claiborne and Luen Thai anticipate reducing staff by 40%, which will cut costs and improve turnaround times, through logistic harmonization (Appelbaum, 2008).

An economy of scale geared toward producing primarily a single product is likely, for obvious reasons, to undercut more diversified competitors. In addition to Luen Thai, global suppliers like Panarub (Adidas' exclusive cleats producer in Indonesia) and Yue Yuen (which does exclusive shoe production for Nike) provide additional examples of large capital holding companies that have upgraded to produce highly efficient specialized product lines, and have thereby become crucial 'strategic partners' for major brands.

Despite Gereffi (2014) contention that this consolidation occurred when buyers – driven to reduce transaction and monitoring – began working with fewer and fewer suppliers resulting in the consolidation at the manufacturing end of the value chain. The question for buyers is now 'how can we "rationalise" our supply chains from 300–500 suppliers to 25– 30 suppliers?' (Gereffi, 2014: 15). Certainly, the reduction of their source price buyers facilitated the consolidation of manufacturers. But as Galanis and Kumar (2018) articulate, this phenomenon is not a top-down decision by buyers but the consequence of the underlying logics of global competition. Galanis and Kumar (2018) introduce the concept of Degree of Monopsony Power as essential in determining the share of value captured by buyers in the GVC. In their model, higher Degree of Monopsony Power leads in greater share of value capture by buyers resulting in increased downward pressure on producers. In this way, if Degree of Monopsony Power is rising then the 'buyer-driven' dynamics of the value chain are intensified. Conversely, when Degree of Monopsony Power falls then the value chain takes on a more 'producer-driven' character. This explains the move towards consolidation.

But critically, these giant suppliers located in the 'rising power' have themselves emerged as giant contractors in the Global South (Nadvi, 2014). The growth of these suppliers and the transformation of the value chain is reflective of the larger structural transformation and economic development the Global South countries. Horner and Nadvi (2018) cite a number of factors that explain these changes. Firstly, nearly half of global manufacturing is now sourced from the Global South. Second, Global South is estimated to increase from 32% in 2010 to nearly half of global consumption by 2025. Lastly, South-South has replaced South-North as the dominant flow of global trade flows.

Evolving workers' strategies

There remains a dearth of research on the rise of large producers and the repositioning of the drivers of GVC governance (exceptions include Appelbaum, 2008; 2009; Azmeh and Nadvi, 2014; Gereffi, 2014; Merk, 2014). Indeed, drivenness is a crucial variable in determining the shape of GVCs (Bair, 2009; Gereffi, 1994) and changes in GVC governance determine the bargaining power of workers (Riisgaard and Hammer, 2011).[7] It has been shown that in the original development of the Global Commodity Chain (GCC) framework labour remained at best subordinate within commodity and value chain analysis (Selwyn, 2013). As Smith et al. (2002: 47) stated, ‘insofar as “workers” are present in this literature, they appear as passive victims as capital seeks cheap labor’. Later, the development of Global Production Network (GPN) literature brought more actors into the fold and contributed valuable insights in understanding the process of value capture in commodity production. However, labour continued to remain largely ancillary. As Coe and Martin (2013: 5) point out, with some notable exceptions (Alford et al., 2017; Cumbers et al., 2008; Lund-Thomsen, 2013; Lund-Thomsen and Coe, 2015; Newsome et al., 2015; Rainnie et al., 2011; Riisgaard and Hammer, 2011; Sportel, 2013), GPN literature has hitherto ‘been largely silent on the issue of labor agency’.

The Asian garment firms given a boost by liberalization established widely dispersed supply chains without losing functional integration. They eliminated middlemen and inched ever closer to the source of their income, the customer. In the course of this ascension retailers acted as proxies, effecting a shift from a producer-driven marketplace to one that is consumer-led. Tewari (2006) explains India’s flourishing clothing production, despite relatively low sectoral foreign investment, as a result of a burgeoning domestic market. Bangalore, where much of the Arvind’s supply network is based, accounts for 30% of India’s garment production and 8,00,000 of its 6 million garment workers (Mallikarjunappa, 2011). Since the mid-1990s, the top 20–30 textile and apparel firms have begun introducing domestic brands, like Parx (Raymond) and Indian Terrain (Celebrity Fashion Limited) (Jin et al., 2013).

Previously, the divide between the source of value creation (production) and value capture (brands and retail) had forced workers to make demands of buyers, rather than their direct employers. This often had to be accomplished through Global North allies, like the Global Justice Movement’s ‘anti-sweatshop’ campaigns of the 1990s and 2000s (Brooks, 2007; Kreider, 2002). Global North activists were asked to compel brands and retailers through secondary economic pressure or other tactics to take responsibility for the conditions in outsourced factories, since they had the power to impose labour standards on suppliers. This kind of response sought to close the growing gap between workers and the brand executives that controlled the industry, with a few rather isolated successes limited to large institutional purchases (Kumar and Mahoney, 2014).

The asymmetry of power between buyer and supplier exists also at the point of consumption. As Merk (2008: 82) states,

> Manufacturers produce shoes that are distributed and sold under the name of the contractor [i.e. the brand] and little control is exercised over (retail) market outlets in Western countries. Generally speaking, their lack of control over large market outlets renders them dependent.

These socio-economic factors caused campaigns at the point of consumption to become an important lever against brands to achieve gains for workers at the point of production (Brooks, 2007; Kreider, 2002).

Conventional export-oriented units in the garment sector undermine worker campaigns to organize through systematic harassment and retaliatory dismissals. If the union is established the company is likely to be driven from the market as transnational brands take orders elsewhere. The early campaigns to unionize in the 1980s and 1990s therefore had predictable results. As described by Kumar (2014) the strategy of the workers' union, the Garment and Textile Workers' Union, was to adopt a 'community organizing' model by establishing a 'women workers' front'. Shortly after, Garment and Textile Workers' Union began to incorporate a brand strategy, targeting large global brands with the assistance of allies at the point of consumption. As outlined in detail in this paper, under pressure during the struggle at the Arvind Warehouse in Ramnagara, Garment and Textile Workers' Union evolved practices targeting full package suppliers while simultaneously placing secondary pressure on brands.

From a cotton mill to a full package supplier

Arvind Limited is the flagship company of the Lalbhai Group, the largest manufacturer of denim in India, and amongst the top three manufacturers and distributors of denim in the world (Reuters, 2007; Singh, 2012). The company owns the cotton mills, garment factories, distribution and retail outlets of cotton shirts, knits, khakis, and denim for major transnational brands of PVH Corporation (which include Tommy Hilfiger, Calvin Klein, IZOD, and Arrow), alongside Gap and others across South Asia and the Middle-East.

Established in 1931, Arvind, along with thousands of other producers, was borne out of the demand for domestically produced fabric, part of Mahatma Gandhi's call for boycott of imported fabric, or the 'Swadeshi Movement'. Arvind emerged as the sole survivor among over 85 textile mills that made their home in Ahmedabad three decades ago entirely as a consequence of their decision to transform from a multi-product company to primarily a denim manufacturer (Sampler and Sarkar, 2010). Until 1987, all available denim in India was imported. That year Arvind became the first mill in the country to produce denim, a key initiator and beneficiary of India's 'denim revolution'.

Arvind was a well-known textile mill with trusted distribution channels throughout India producing high quality traditional Indian clothing such as voiles, dhotis, and sarees.[8] In 1986, Arvind began investing in increasing its production capability, erecting its first denim facility with a capacity of 10 million meters per annum, and under Arvind's 'renovision' strategy expanded its products marketed as 'high-quality premium niche' to the international market. Small-scale power looms simply could not compete with the large scale, high quality, timely turnaround expected by U.S. buyers. As Sampler and Sarkar (2010: 74) state, these requirements 'meant that manufacturers would have to invest in capital-intensive technology, large scale as well as better management of operations'. The company's success in India quickly expanded outward and it soon began selling its material to leading transnational brands of denim such as Levis, Wrangler, and Lee. Technological upgrading and increased capacity made Arvind an important partner to transnational brands and by 1990 it had opened up offices in New York, Hong Kong, and London (Choudhury, 2001).

Jeans were inextricably linked to the aesthetic of the young urban Indian and with each successive year, with more expendable cash in the pockets of India's urban residents, the increased affordability of jeans saw an ever-expanding consumer base. By 1991, the company was selling 100 million meters of denim per year and within a year they had upgraded a number of plants further increasing production and cost cutting. By the mid-1990s, Arvind had expanded across the supply chain with separate textile, garment and telecom divisions to create harmonized supply chains that provided global brands with greater comparative economies of scale, increasing Arvinds' capacity and profits.

Around the same time in the 1990s, Arvind expanded the consumer base of jeans outside of the urban centres to the villages, by creating an in-house low-cost brand RufNTuf. The strategy led to a second explosion of jeans, and Arvind sold over a million pieces within the first two months (Shah, 2000). This massive expansion of Arvind's denim capacity was funded largely by domestic financiers and overseas financial institutions, the latter made easier in post-reform India (D'silva and Joseph, 2014). Simultaneously, Arvind began using capital generated from denim sales to diversify its production portfolio, bolstering its non-denim technological upgrading by breaking ground on India's largest state-of-the-art shirting, gabardine and knits facility. However by the late-1990s, a shift in fashion trends led to a crash in denim prices and Arvind had to restructure its debts in order to repay its increasingly onerous international debts. By 2001, Arvind had the 'distinction of becoming the first Indian corporation to restructure its entire debt in a single go' (D'silva and Joseph, 2014: 46).

By the early 2000s, Arvind had 'moved on from being a commodity player to a value provider from South Asia' (Sampler and Sarkar, 2010: 68). Arvind was initially hit hard by falling input prices and revenues brought on by the 2005 phase-out of the Multi-Fiber Agreement when China offloaded nearly 40% of the world's denim, severely undercutting global denim prices and Arvind's competitive advantage. In time, however, the Multi-Fiber Agreement would assist Arvind's market share, as already hard-pressed powerloom or handloom weavers were now saddled with the cost of meeting India's Central Value-Added Tax.[9]

These smaller member-controlled handloom cooperatives had been encouraged through macroeconomic policy of the post-independence Nehruvian state and were now collapsing under the weight of both international and domestic competitive pressures. As small capitals began to quickly vanish larger capitals like Arvind would take over, realizing exponential growth in their market share.

Indeed, India would become a prime beneficiary of the Post-Multi-Fiber Agreement world, with India rising to become one of the world's foremost cotton producers with a global market share of 25%.

The first export boom grew out of a demand for handloom garments rather than through foreign capital in the form of foreign direct investment. Throughout the 1980s into the 2000s, while China, Bangladesh, Sri Lanka, and Latin American relied on foreign capital for rapid export-oriented growth, India's garment sector advanced primarily through direct sales between medium-sized indigenous producers to medium-sized retailers and buyers – first in the EU then in the US (Kar, 2015). Recent years have seen the announcement of major mergers and acquisitions of Indian apparel brands and manufacturers.[10] In particular, studies of the sector in Tirupur, Mumbai, and Greater Delhi areas found that most firms experienced greater process and functional upgrading across the value chain from lower value production phase to higher value such as design (Ray et al., 2016).

The emergence of a transnational producer–retailer

Today, Arvind is a conglomerate of seven diversified divisions with their own brands.[11] The expansion in Arvind's retail division is a crucial component of its comparative advantage and appeal to transnational clothing capital. Crucially, in 2007, Arvind magnified its brand and retail division with the creation of MegaMart in addition to Club America. Almost, 45% of Arvind's retail sales are its own brands while international brands account for the remainder. The company expanded its services to include low-cost product design for transnational brands by hiring a team of international fashion designers, which is the clearest indication of its extension to the high value phases in the supply chain. A sign of Arvind's growing value to buyers is in its ability to negotiate stability of orders by requiring buyers to enter long-term purchasing contracts (Sampler and Sarkar, 2010), lowering Arvind's liability in an inherently volatile fashion sector and aggregating its competitive market advantages.

By integrating various phases of the value chain Arvind has kept its costs low allowing it to invest heavily in Research and Development (R&D). Arvind spends 5% of its annual turnover on R&D, leading to technological advances like the modified airjet looms as well as slasher technology in dying operations making Arvind's 'vertically integrated plant[s] among the most modern in the world' (Sampler and Sarkar, 2010: 70). Arvind's technological advances have contributed to economic upgrading and a 50% reduction in its manufacturing costs over time (Shukla, 1998), allowing it to expand even more rapidly, further cornering the denim market and becoming an indispensible partner to transnational brands. This represents a departure from the low R&D investment that has become a trademark for Indian companies (Bound and Thornton, 2012).

By 2011, Arvind began its transition to become a transnational full package supplier. Importantly, Arvind announced it would set up a large-scale garment factory in Bangladesh (Ahmed and Nathan, 2014). Additionally, it secured long-term production, marketing, and retail packaged licensing contracts with major transnational brands across South Asia and the Middle East for PVH brands such as IZOD in 2011 (PVH, 2011) and a 50:50 joint venture to open 500 stores with Tommy Hilfiger in 2012 (Bailay, 2013). Then, in 2013, Arvind entered international undergarment retail by becoming the exclusive licensee for major undergarment markets and becoming licensed to sell Hanes in India.

In 2014, Arvind announced that it would enter a full package agreements with the largest casual wear retailer in the U.S., Gap, expanding from production to distribution, marketing, managing Gap's Indian e-commerce on its newly announced platform, in order to open 40 stores for Gap beginning in 2015. For Gap's South Asian debut it chose to franchise with Arvind, with whom it had a long-standing relationship for denim manufacture, despite 100% foreign direct investment being permitted in India for single brand retailers.

Arvind has seen year-on-year growth rates, doubling its annual revenue between 2004 and 2010 and doubling it again between 2010 and the end of 2014, with annual profits increasing by 26% in 2011 and by 30% in 2014 alone. Thus, Arvind's continual expansion geographically and across the value chain has increased its economy of scale and bargaining power in the clothing commodity chain to secure longer-term contracts, including the full breadth of clothing manufacture off the success of its denim sector, further cementing its relationship with buyers.

Arvind's strategy today is to provide transnational brands and large retailers with the full production package, from cotton mill to retail rack, having integrated most of the clothing commodity chain including textiles manufacture, garment production, marketing, design, with a vast network of ever-expanding retail outlets, a GPS-based fleet automation and management for logistics as well as in-house warehousing facilities and, crucially, invaluable access to India's retail market.

Arvind warehouse workers' struggle

One of Arvind's primary distribution sites was at a warehouse an hour's drive southwest of Bangalore in the town of Ramnagara. While Arvind owns the Ramnagara warehouse, the building itself is leased for another 20 years, according to one manager, who claims that Arvind owns only one of the three floors. In 2011, the Ramnagara warehouse handled cataloguing, inventory, and international distribution in South Asia and in the Middle East, primarily for transnational brands owned by PVH.

PVH brands alongside Gant and US Polo were distributed through the Ramnagara warehouse. Arrow had established a long-term full package contract with Arvind, which had first hosted the brand to India in 1993. In 2011, Arvind signed an eight-year full package licensing contract, alongside a renewal option that would extend that agreement until 2029, with Arvind to produce, market, and retail Izod throughout India, United Arab Emirates, Kuwait, Bahrain, Qatar, Saudi Arabia, Bhutan, Madagascar, Seychelles, Oman, Yemen, Bangladesh, Nepal, Sri Lanka and Maldives (PVH, 2011). At the time, the major distribution node between the point of production and consumption was the distribution site in Ramnagara.[12]

Before the beginning of the workers' unrest at the end of 2010, the site was a 'pressing warehouse', which meant it had five areas of responsibility: ironing, fabric testing, fabric distribution, accessories distribution, and alterations. Warehouse worker Jayram[13] recounts the primary tasks,

> Garments arrived inward and categorized into inventory, placed on racks and coded. The outward department received directions electronically from the head office specifying which garments, how many pieces, what sizes, and to which country. The system operator then gives the directions to helpers, who direct the pickers. Next the helpers bring clothes to a scanner while another registers the code and where the clothes will be delivered. Workers place the box of clothes for the dispatcher to ensure it is picked up and ready be taken to its destination.

During the seasonal rush, the numbers of interstate workers at the warehouse would swell with short-term 'job workers' (temporary workers) brought in mostly from north India.[14] As another worker, Ratnamma,[15] explained,

> A "job worker" is like a coolie (a worker for hire). They are brought in to work for the day and do not get any social benefits like healthcare or pensions and are paid by piece-rate rather than a salary, paid weekly rather than monthly, but their lodging and food are paid for by the factory.

Temporary workers end up costing the factory more in the short-term but flexible terms are essential within the seasonal garment sector and, as we will see in the case of Arvind, a crucial bulwark against worker organizing.

In November 2010, the General Manager (GM) of the warehouse called all the workers to the floor and announced that Arvind would close the warehouse, shifting work to a new warehouse in Hosakote. In the past five years, Arvind has built a number of new warehouses in and around Bangalore to facilitate its growth including in Whitefield, Hosakote, and Chintamani. The reason given to workers for the move was that the building had been leaking during the rainy season and would be prohibitively expensive to repair. The GM told the workers they could get employment in the new locations, but nearly all decided to stay in Ramnagara. A few asked that the company provide a bus to Hosakote but the

GM refused, offering two to three months' salary as a severance package for those who declined.

Arvind worker Santosh[16] recalls,

> None of us said anything after this announcement, we began discussing amongst ourselves, and one of the workers Nirmala had previously worked at an Arvind garment factory in Peenya Industrial Area in Bangalore which had a union fight a few years back. Nirmala tracked down the union contact from her sister who still worked there and that's how we joined the union.

Upon arriving, Garment and Textile Workers' Union organizers asked how far the workers were willing to go, as Kempraju[17] recalls, 'we told [Garment and Textile Workers' Union organizers] that we were willing to lay our bodies in front of the gates to stop the closure'. Within days 70% of the workforce had joined the union. By December 2010, the workers were given some critical information, as Nirmala[18] recounts,

> A driver at the Arvind transport company SpeedX once worked in the warehouse and still had friends there. One of the workers at the warehouse received a call from the transport worker stating that he had heard Arvind had called a large number of trucks to Ramnagara. So we were ready.

The workers had strong suspicions that Arvind planned to move the equipment that night. Another worker, Krishna,[19] recalls, 'we waited nearby until one truck went in the gates and immediately called all the workers'. By 10 p.m., there were one hundred local workers assembled outside of the factory gates alongside members from Suwarna, a popular Kannada-language news channel. The workers began picketing and laid down their bodies in front of the gates refusing to let mover trucks leave the premises. The Arvind warehouse sits on the main artery that runs through Ramnagara and so word quickly spread. Local community organizations began rallying their own members and the crowd began to grow. Within a few hours, dozens of police arrived at the behest of the management. The crowd continued to swell and hundreds of community members, workers and their family put their bodies on the ground, picketed, and chanted.

Finally, as Jayram[20] recounted, 'in the early morning the GM finally stepped out of the gates and announced that they would not close down the factory and the crowd erupted with celebration'.

On January of 2012, after a year of union education and membership strengthening, Garment and Textile Workers' Union submitted a Charter of Demands, which would have resulted in union recognition and collective bargaining at Arvind. The threshold for filing a Charter of Demands is 10% of the workforce, and in the middle of 2012 the union density at Arvind had reached an unparalleled 70%.

For most of 2012, the union would be attacked and its membership undermined. Kempraju,[21] another union leader at the warehouse, indicated how the warehouse management began exerting pressure on the union,

> Once our union became bigger [. . .] management offered union leaders money and promotions to switch allegiances, which turned to threats; then they began to bring in contract workers mostly from [the north-eastern state of] Assam, and finally they began to physically attack us.

By November 2012, the abuse at Arvind had reached a fever pitch. That month, a number of union-side workers were violently attacked by management-side workers at the direction of the HR managers. Following the attack, four union leaders were terminated from employment. Garment and Textile Workers' Union sought the assistance of a number of international allies including the International Union League for Brand Responsibility and United Students Against Sweatshops. Since collegiate apparel was produced at the facility, an international labor rights organization initiated an investigation into factory conditions. Protests were conducted at US college campuses as Garment and Textile Workers' Union members targeting Arvind retailers for pickets and actions in Bangalore and Mysore. As with other factory cases, the codes of conduct were invoked as a means to pressure university administrators to put pressure on PVH to put pressure on Arvind. After a month-long campaign and due to internal/external pressures and the union campaign workers were rehired with back pay.

Reorganizing production to undermine the union

Over the course of the union campaign it was revealed, and later confirmed in a district labour court decision, that Arvind operated unlawfully without a contract license and failed to compensate workers legally mandated overtime. In addition, it came to light that management had begun laying the groundwork to convert the warehouse from a 'pressing warehouse' to a 'returns warehouse' following Garment and Textile Workers' Union submitting a Charter of Demands. A pressing warehouse is a primary node between in-house production and disintegrated international consumption, with clothes arriving directly from Arvind's manufacturing facilities and distributed directly to brand-name retailers. A 'returns warehouse' functions as a site for handling rejected garments, repackaging clothes originally destined for the international market into garments for domestic consumption.

By early 2013, Arvind began the 'returns warehouse' transformation with the Ramnagara's pressing functions being moved to a new facility in Chintamani on the eastern part of Karnataka. Within a few months, the facility had become a site of returned products (or 'returns warehouse').[22] Santosh[23] believed this transformation of the warehouse was directly linked to workers' actions,

> It's clear why [Arvind management] did this, they know our union is strong and if we went on strike it would cost the company greatly as a pressing warehouse, but as a returns warehouse the impact would be minimal because those items are non-essential and not headed for international retailers.

The transformation from pressing to returns warehouse reduces liabilities by transferring international to domestic, core to peripheral, functions. Other workers shared similar suspicions suggesting that a one-day strike alone at the pressing warehouse during season would cost the company immensely, but as a returns warehouses the impact would be negligible.

As of November 2014, the union had 80 members, rising from its nadir of 25 at the end of 2013. Even though the number of workers has remained consistently at 150 and the workload had remained stable throughout, Arvind has begun replacing local Ramnagara workers with roughly 50 temporary workers brought in from Goa, Assam, and Orissa, up from 20 in 2010. In early 2014 after reading a company press release on the Internet, Arvind warehouse union members began demanding a 20% increase in their wages, citing Arvind's profits and the announcement of the opening of 500 new stores.

Mangala[24] stated, 'when we approached management they opened a file and showed us that although they made profits, those were redirected towards opening more retail shops'. Despite the company's denials of profit numbers, union members continued to exert pressure on the company to increase workers' wages. As Rajanna[25] from Arvind stated,

> Smaller garment companies I have worked for have never had profits for us to demand higher wages from, they use their small profits to make us work more and for less money, and even when they do have profits they are not as publicly available as Arvind. . . even if Arvind lie to us we can find out the truth easily because it's a big public company.

Jayram[26] stated that workers have begun looking into other ways to pressure the company, 'we are now reaching out to Arvind production facilities near Ramnagara in Kengari and textile as well'.

Arvind employs temporary workers despite having to pay for workers' individual lodging, transport and three meals a day. As Krishna[27] states,

> [Arvind] are afraid of the union and don't hire local workers and because

> the temporary workers are under constant supervision, we cannot access them. They're also much more fearful [...] they're in a different land and don't speak the language, with no community, and owe their food, bed, and transport to the company.

Jayram[28] adds, 'they withhold salaries earned by temporary workers until the end, so they are terrified that they'll lose that money by joining the union'.

Yet, despite its shortcomings, the campaign at Arvind had a number of successes including Arvind agreeing to pay overtime and, as Pratibha[29] from Garment and Textile Workers' Union stated, 'Arvind responded immediately to the Karnataka state minimum wage increase in 2014, unlike all other major companies, and we believe that is because of the campaign in Ramnagara'. Another victory is that the union gained in its direct power vis-a`-vis management. Jayram[30] stated,

> The campaign against the union exposed the management's tactics to everyone. They assaulted us, bribed the police, and dismissed us, which only emboldened workers' resolve. We're stronger because of Arvind's campaign against us.

Aggregated spaces of value-capture and value-creation

Arvind's growth can be attributed to number of factors. It expanded from a cotton mill to become one of the largest retailers in India. Yet, many of Bangalore's large apparel production companies have yet to witness the kind of vertical integration found in Arvind, such as Bombay Reyon which failed to upgrade and has now nearly shuttered their doors completely a victim of Gereffi's 'buyer-driven' dilemma.

A few factors can explain this. Denim production is highly specialized and more capital-intensive, while the basic material, namely cotton, remains unchanged. Thus, there is a greater capacity for technological and economic upgrading. Further, there is an enhanced ability to overpower potential competitors, and, over time, to achieve a vertical expansion across the value chain. Arvind's initial success was due to its strategic investment decisions such as indigenous denim production and its expanding outside of urban spaces with its RufNTuf brand that combated rural skepticism of readymade clothing by creating low-cost bare bones precut 'ready-to-stitch' jeans, while effectively transferring part of the labour process to the consumer. This functioned as an 'extra-market' mechanism to lower labour costs by relying on the unwaged work undertaken predominantly by women in the home.

Arvind's growth expanded quickly following the end of the Multi-Fiber Agreement. Similar to Tokatli and K1z1lgu¨n's (2004) case study of the growth of a denim manufacturer in Turkey after European quotas were relaxed in the mid-1990s, the end of the Multi-Fiber Agreement directly contributed to the growth of Arvind. In the case of Turkey, Tokatli claims that preferential treatment to European and U.S. markets explained internal upgrading but not the expansion to higher-value phases in the value chain. However, what we see from the case of Arvind is that these two processes are complimentary. Through internal upgrading Arvind increased sectoral barriers to entry. As a large capital-holding firm, Arvind further 'locks-in' its market share, expand into more value-added activities of product development, branding, marketing, and retail, absorbing them into the full package network.

Through vertical integration and technological upgrading, firms like Arvind increase their proportion of profits by reducing the cost of production and increasing capacity. The capacity of these firms to move upstream in more value-added links in the global clothing commodity chain cemented their market power. Gereffi (2002) states that much of the power of global 'buyers' is in their ability to 'act as strategic brokers in linking overseas factories and traders'; yet what we see from companies like Arvind is the fusing of consumption, via marketing and branding, and production, via production and logistics, under one roof, weakening the strategic power of these traditional 'brokers'.

While acknowledging that a distribution site is different from a production site, the struggle at the Arvind's Ramnagara warehouse allows us to examine the first stages of this shifting dynamic between producers and buyers, workers and their employers. One of the clearest examples of this change is the signing of long-term exclusive licensing contracts between major brands and Arvind, which apply across South Asia and the Middle East. A number of PVH-owned clothing brands that were distributed through the Ramnagara site had signed long-term contracts shortly before or during the labour unrest at the Ramnagara. Such long-term agreements had been pushed by Arvind and portend a departure from short-term purchasing orders, which are still a hallmark of assembly-only suppliers. The weakness of assembly-only suppliers is their dependence on buyers, but long-term contracts have the effect of 'locking-in' retailers and brands to large firms like Arvind and, in part, melding together disintegrated chains.

Arvind's expansion from textiles meant that it began at a higher valued phase than assembly-only production. It is not cost-effective to ship natural fibres in raw form, which gives textile industries in supplier countries a built-in advantage. The specifications of international buyers for these specialized products advantaged large-scale indigenous producers by intensifying supplier-end technological upgrading, organizational agglomeration, and supply chain integration. The strategy at Arvind is to focus on delivery to five or six large-scale customers in order to align delivery capacity to their sourcing calendar and ease uncertainty of demand. By providing end-to-end 'full package' services for a few large-scale brands, Arvind became an irreplaceable partner to key players in the international clothing market. The resulting production networks are a durable system of social capital that is a precious competitive asset for global buyers.

As shown throughout, economies of scale brought on by upgrading and social downgrading undercuts competitors, allowing the firm to expand into the various phases in the production process, leading to the emergence of full packages, which bring down the costs of production for buyers. This results in higher volume orders for Arvind and, a greater competitive disadvantage for competitors, more downsizing and closures for competitors, and an accelerated rate of expansion horizontally for Arvind. The final outcome is a combined force of greater value capture at the supplier end of the commodity chain and fewer competitive options for buyers. In essence, Gap needs Arvind almost as much as Arvind needs Gap, a reality that will be further cemented if current trends continue.

Part of the ‘full package’ includes Arvind’s retail chains that run across the country selling international brands as well as its own. Arvind and other such firms operate as gatekeepers to these emerging consumer markets, guaranteeing an immense shift in power vis-a-vis buyers. An example is the case of U.S. retailer Gap. Gap actively sought out the Indian market after heavy losses in the U.S. Expansion into the subcontinent became essential for Gap as a strategy to absorb and turn the tide on its own crisis of profitability. Despite the Indian government allowing a 100% foreign direct investment since 2012, Gap chose to join with their long-time manufacturing partner Arvind to become a vital partner in its entry into India’s burgeoning consumer market, both online and offline. But retail reaches beyond India for Arvind with licensing and manufacturing for PVH across Asia and the Middle East, as well as being an official retailer of PVH in India. Thus, you can classify some large capital holding garment suppliers in India, who were once comprador in nature, as now in the league of global multinational capital.

Most evidently the shifting dynamic between buyer and producer is found by those involved in the struggle in Ramnagara itself. It became clear early on to those involved that the Arvind case revealed prescient clues to other cases that would open shortly after. Pratibha,[31] organizer at Garment and Textile Workers’ Union, states while reflecting on the campaign,

> We did everything right. We put pressure on the brands, like PVH, we got an auditor in, we had a sympathetic brand representative, but the company was still able to reorganize the task of the warehouse to diminish our power without diminishing their standing with brands.

Specialization is not the only variable in buyer–producer symbiosis but represents a key path towards monopoly power. For example, Shahi Exports is one of the largest export-oriented garment manufacturers in India; however, they are not specialized. Shahi produces a large proportion of clothes for H&M, Gap, and other major brands in its 56 factories in India alone, yet have repeatedly violated basic labour rights in the face of frequent warnings from international monitoring organizations. As one auditor[32] at a prominent monitoring organization told me,

> Shahi knows we have been monitoring them since 2002, but they continue to openly violate basic workers' rights. H&M has been made known of Shahi's violations and have gone completely silent. It's because H&M knows that it will be too expensive to find another producer the size of Shahi. Shahi knows this and that's why they don't care.

A new space for workers' power?

Many workers at Arvind maintain that the management was desperate to close the warehouse due to the union, but a combination of factors prevented them from doing so. This included: the long-term lease, the trade union campaign, potential legal violations, a possible international backlash led by United Students Against Sweatshops and the International Union League for Brand Responsibility, and, most importantly, the ability for Arvind to internally reorganize and transform a inward-outward pressing warehouse for international buyers into a returns warehouse where goods are delivered to domestic in-house retailers. Thus, reducing the structural power of workers located at a strategic 'chokepoint' in the supply chain, averting economic liability of worker unrest is considerably reduced.[33]

Unlike domestic capital of South Asia of the past Arvind is flexible, restructuring domestic and international functions to reduce risk. This dual labour markets strategy applies at multiple levels. Firstly, Arvind provides its 'core' employees, such as managers, designers or others at high-value phases, with a wide breadth of employee benefits whereas 'peripheral' workers, those employed through shell contractor companies at the low-value phases of production, remain subcontracted, heavily exploited, with few avenues for redress. Secondly, Arvind's phases of production for international brands are in-house while its production for domestic retail and of its own brands are outsourced. This suggests that Arvind could become the 'driver' of its own buyer-driven chain involving regional suppliers (in places such as Bangladesh). They may deploy a similar strategy of transnational brands delinking production to reduce risk brought on by the instability of seasonality and fluctuating consumption patterns. Finally, as was accomplished during the struggle at the Arvind in-house warehouse in Ramnagara, a pressing warehouse was converted into a returns warehouse externalizing its labour from 'core' to 'non-core' functions. This insulates Arvind from potential pressure by major brands that might otherwise be compelled to place pressure on Arvind over labour violations, averting potential losses caused by work stoppages or strikes at a major artery in its distribution network. Thus, the flexibility of dual labour markets allow Arvind multiple methods by which to intensify downward pressure on subcontracted workers, reduce liability by cleaving production from consumption, while minimizing the efficacy of workplace actions.

What the case of growing supplier-end firms like Arvind shows is that large capital holding companies are able to expend more capital to bring on expensive temporary workers and have a growing number of alternative facilities to undermine workers' actions at a single warehouse. Arvind was able to invest in a number of substitute warehouses across the state and replace the work at Ramnagara. This capacity would be inconceivable a few decades ago or with smaller capital holding firms. The workers' struggle at the Arvind warehouse represents a classic example in which greater market power and value capture for Arvind translates into a greater ability for capital to overwhelm and undermine labour at a specific facility. By maintaining a spatially aggregated production network, with numerous facilities distributed in same area, Arvind can seamlessly turn the production process around from one facility to another, whether it is a full-grown production plant or a warehouse.

Despite reorganization and losing members, the trade union at the Ramnagara warehouse remained intact. However, the result is contradictory. A budding 'full package' environment can result in greater bargaining power from the point of production. As Lund-Thomsen and Lindgreen (2018: 87) have pointed out

> if suppliers earn lower unit rates over time, workers also tend to receive lower wages. If suppliers must reduce lead times, workers will have to engage in overtime work. Thus, the optimum point for suppliers and workers is inherently linked.

As workers at Arvind indicated, company profits and high-profile deals can be used to bolster demands for a greater share of the value for workers. Information that was previously hidden became accessible to workers because of Arvind growing and high-profile status. Arvind's sizeable value capture augmented workers' demands and strengthened the union sharpening the antagonism between workers and their direct employer.[34]

Alongside Arvind's growth across the supply chain, workers create their own mirrored 'labour networks' of Arvind and affiliated workers. For example, workers received information on Arvind's plans from a worker who had retained a contact at his old job within the Arvind logistics network. This information was critical in preventing the relocation. Moreover, Arvind workers attempted to expand the membership of the union to include nearby Arvind textile and garment facilities to unify demands against a single employer whereas previously smaller firms littered the landscape creating impermeable barriers to unity.

Finally, the campaigns on US campuses as well as the targeting of retail shops assisted an expansion in the labour network to include allied activists, urban unions, and Arvind retail workers. The Arvind campaigns highlight a growth in the purchasing power in the Global South, the resulting boom in retail, and a shift in the power of workers to confront their employer at the point of sale. By targeting retail shops in Mysore and Bangalore both at Arvind-owned shops and their major brand buyers during the campaign, workers were able to attack both point of production and point of consumption to put pressure on their direct employers. Thus, the bridging of spaces of production and consumption while benefiting suppliers is also changing the relationship between global buyers and, now, global producers through a burgeoning retail market. But clearly this is also helping alter the relationship between workers and their bosses by adding multiple points of leverage. The growth of consumer power in the Global South is a relatively new phenomenon and is potentially another tool for workers within a new generation of ‘anti-sweatshop’ campaigns.

Arvind’s growing client list also means a greater ability to survive the loss of a single contract even from a large branded company. The relationship between buyer and supplier continues to be asymmetrical in favour of buyers, but companies like Arvind are no longer entirely dependent on a single global brand. Arvind can increasingly withstand the loss of a single major client. Whereas with smaller assembly-only, single-factory suppliers, a single brand can become the ultimate decision-maker, and the breaking of a large purchasing contract has often resulted in the closure of the factory. Moreover, large firms like Arvind hold enough capital of their own to withstand the loss of a single contract. It is true that emergent firms like Arvind have not generated surpluses in the form of finance capital, rather capital that is accumulated is immediately invested. Yet, the liquidity and leveraging of assets affords large suppliers a degree of freedom not accessible to assembly-only suppliers.

These changing dynamics have informed Garment and Textile Workers’ Unions strategies. From its foundation in 2005, Garment and Textile Workers’ Unions strategy has gone from a reactive ‘hot shop’ form, followed by community organizing strategy; and in 2012, it began to target brands’ outsourced production by affiliating with the International Union League for Brand Responsibility. Following the struggle at Arvind, Garment and Textile Workers’ Union added another layer to its strategy to account for the changing nature of supplier-end capital. The symbiosis of buyer and supplier meant that workers could now leverage a greater degree of power against full package suppliers across the supply chain buttressed by a corporate campaign for traditional western brands. As a staff organizer[35] from Garment and Textile Workers’ Union stated,

> Three years ago our strategy was organizing the community through our women’s organization and convert community members into factory-level committees, from there we propped our union up. After that we moved towards targeting a single brand, organizing the outsourced company, and getting our allies in the west to put consumer pressure through brand campaigns....as we see in Ramnagara, the land itself is the value because they don’t have valuable machinery there, making labor organizing at a single

> facility a recipe for failure.... Its not like ten years ago, now even if we get a brand to tell a manufacturer to remediate a situation the manufacturer will refuse. I was in a meeting where it happened just like that. Now, we're starting to look at a strategy of organizing companies like Shahi or Arvind. With such large companies present in the sector you can no longer organize around a single factory or rely only on Western allies and expect it would sustain itself.

Conclusion

Arvind is not an isolated case. The strategy of consumer-oriented campaigns reflected the once unilateral power of global brands situated almost exclusively in the Global North. This global distanciation between spaces of value creation and capture compelled activists to place pressure on garment transnational corporations through consumer activism, codes of conduct, and auditing regimes. Despite efforts to put pressure 'from above' and a few isolated victories, the forces of profit and competition in this buyer-driven sector were far greater than the risk posed from bad public relations. Indeed, as Jeff Hermanson,[36] Director of Global Strategies at Workers' United-SEIU, observed 'there's a connection between the investment one makes with CSR and the image that one has – there's a direct connection – it's a more important connection than how they actually produce a shirt'.

However, the power dynamic in the global garment industry is shifting to a more mutually dependent symbiotic relationship between global brands and big multinational production companies, with the original Taiwanese, Korean, Hong Kong and Singaporean companies now being joined by Indian, Sri Lankan, Bangladeshi and Mainland Chinese companies. There are of course significant differences between how these different fractures of capital function. The case of Arvind demonstrates how one type of big production company developed into a power unto itself, is able to deal with the brands as not quite an equal but symbiotic, as 'strategic partners'. Ongoing struggles at companies such as the Azim Group in Bangladesh, where the owner is a politically connected and a powerful member of the national elite, is able to use violence with impunity against trade unionists, and stand up to transnational brands despite a number of brands cutting their relationship with the company, indicates a growing power of garment firms across the subcontinent.

Of the 400 denim manufacturers worldwide, around 40 manufacturers account for less than 30% of the world output, whereas the largest retailers share more than 30% of the markets amongst themselves (Sampler and Sarkar, 2010). This incongruity shows that 'buyers' are still more powerful within the denim commodity chain; however, output is not the only variable involved. Arvind's market power is linked not to its production capacity alone, but rather to its integrated value chain and access to the Indian consumer market, which provides substantial economies of scale, cost cutting as well as shorter cycle and turnaround times for buyers.

As global brands continue to outsource more of the production process, companies like Arvind continue to insource and expand into the export-oriented value chain. Arvind's one-stop shop offers global buyers cost-effective procurement of raw materials, shorter lead, inventory and transport times, and other cost benefits tied to an integrated supply chain. Despite buyers outsourcing to reduce their international production footprint, the signing of long-term full package agreements has the effect of locking-in brand name companies with higher-value suppliers and reconfiguring the buyer–producer relationship. This results in further upgrading potential, falling Degree of Monopsony Power, and the erecting of greater barriers to entry ensuring, in the long term, that a handful of specialized supplier firms ascend as capitals with high degrees of monopolistic power, who may eventually allow full package firms to determine investment, price, output and employment while being increasingly vital gatekeepers to Global South consumers.

As we see from the International Ladies' Garment Workers' Union, due to the low value, highly monopsonistic supply chains, workers in the garment sector relied on placing pressure at both the retail/brand ends and from the shopfloor. When the points of production and consumption were both in the same region – workers themselves could picket both sites. However, under early globalization the realities of rising Degree of Monopsony Power resulted in falling bargaining power for suppliers and workers. The now global distanciation forced workers to rely on Global North allies, which relied even further on top down over bottom up strategies. However, the changes in the garment GVC are placing spatial limits on global brands/retailers, blurring this top down/bottom up dichotomy as it had done with the International Ladies' Garment Workers' Union. Simply put, the Degree of Monopsony Power in the global garment sector was simply too high to render effective any of the Codes/ Audit regimes. As we see from the case of Arvind, the changing composition of the garment GVC, falling Degree of Monopsony Power, and the growing oligopoly power of suppliers, has meant that newly agitating trade unions and workplace actions are now made more effective through established codes of conduct and audits.

In sum, there is no pristine divide between buyer and supplier driven GVCs in all cases, and more symbiotic relationships between buyers and suppliers can emerge; and such emergence can provide new grounds for labour activism, though results maybe quite mixed for workers. The changing relationship from asymmetrical buyer-driven value chain to a mutually dependent buyer–producer symbiosis illustrated throughout this case study is best demonstrated by an anecdote from an auditor of an independent labour organization who had inspected the Ramnagara firings in 2012,[37] 'It's clear that a "brand pressure" campaign simply wouldn't work here', adding, 'with companies like Arvind, from our experience, brands just don't have as much leverage anymore because Arvind now effectively controls all of PVH's production and sales in the entire region'. During the Arvind investigation, it became clear that PVH was not in an optimum position to negotiate with Arvind, and as the independent monitor later indicated, ‘PVH cannot lose Arvind’s business, since the kind of services that Arvind offers are only replaceable at a heavy financial cost to PVH [. . .] PVH needs Arvind and Arvind needs PVH’.

Large buyers are increasingly agreeing to longer-term, larger-volume relationships with a progressively smaller number of full-package producers, resulting in fewer alternative options for buyers – increasing the degree of spatial inflexibility. This changing power relations within the value chain is reflected in workers’ bargaining power and strategies. The decline of assembly-only oriented garment capitals is part of a process, as Karl Marx (1867: 435) wrote, ‘the larger capitals beat the smaller. . .It always ends in the ruin of many smaller capitalists, whose capitals partly pass into the hands of their conquerors, partly vanish’. Out of the concentration of the ‘conquering’ few, full package firms may emerge as firms with a high degree of monopoly power in the sector.

Ultimately, the case reveals two distinct phenomena in the garment GVC and industrial relations. First, an increase in the scale and market diversification of specialized Southern suppliers (i.e. the emergence of the mega supplier) shifts the power balance between them and the Northern buyers, weakening the bargaining power of Northern buyers (‘brands’). As we see from the case, these changes bring both obstacles and opportunities for workers. The various codes and conduct or auditing regimes were essential to assist the workers’ campaign – but that is the limit of their utility. However, the implications of this dynamic on workers’ rights depend, in part, on where the Northern buyer stood on the issue of labour rights. On the one hand, buyers’ relentlessly search for firms with labour costs that are low and undergird the global race to the bottom. On the other hand, Northern brands are highly scrutinized by NGOs, consumer groups, and anti-sweatshop activists in their own countries, and as a consequence can be relatively better (compared to Southern suppliers) at labour protection. Diminishing Northern buyers’ bargaining power could negatively impact for workers’ rights at least in the short term.[38] Thus, on the one hand, the strategy deployed for two decades that relies on the dual pressure on Northern NGOs and anti-sweatshop activists becomes less effective. But on the other, the mega-supplier itself can now be more actively scrutinized through a ‘direct’ spotlight from the inside – from the shop floor – with workers shifting strategy by more directly targeting their employers and bringing local and international media and allies for secondary pressure.

Second, the case of Arvind epitomizes the increase in the ‘value-added’ in the Global South, which results from the emergence of full package firms active in R&D, design and marketing. This is attributable to, in large part, the development of the Indian economy and the growth of its domestic market. Importantly, the growth of full package firms facilitates the process of labour market dualization in the Southern part of the GVC. As the case clearly indicates the dynamic of core and peripheral workers within the firm begins to develop within the South as well. Though beyond the scope of this paper, this remains an important area of inquiry.

Beginning with the post-colonial Nehruvian state, into the post-reform period, India's garment sector consisted primarily of a domestic comprador capital. India's garment firms acted as go-betweens for transnational capital, who were required to 'partner' with an indigenous firm to operating in the country, a rapidly changing dynamic in recent years. Ramnagara represents a case-in-point; these changes in the sector are both obstacles and opportunities for workers. If these trends continue, garment workers, sector trade unions, and anti-sweatshop allies will need to reassess strategies and redirect their energies, to target large 'full package' firms across the supply chain and demand a greater share of production as Garment and Textile Workers' Union has done.

Notes

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2. Fold's (2002) 'bi-polar' supply chains are fundamentally asymmetrical since large cocoa buyers 'control' competition through source distribution while specialization within clothing production results in increased interdependent 'symbiosis' between buyers and producers.

3. 'Value' is a contested concept (see Starosta 2010).

4. For a Marxist critiques of international law, imperialism and race see Knox (2016)

5. Gereffi's (2002) theory is based on the assumption that 'lead firms' in producer-driven chains typically belong to international oligopolies (e.g. Ford, Boeing, Caterpiller, Mitsubishi, etc.). Buyer-driven commodity chains (that supply brands like Nike or retailers like Gap), by contrast, are characterized by highly competitive, 'globally decentralized factory systems with low barriers to entry in production'.

6. Buyer-supplier symbiosis resembles the mutually dependent 'relational' GVC described in Gereffi et al. (2005).

7. Although beyond the scope of this paper there is now new research on the global dimensions of employment relations (see Bair and Ramsay, 2003; Knorringa and Pegler, 2006; Lakhani et al., 2013; Riisgaard and Hammer, 2011) Much of this literature has emphasized how distinct global

governance regimes are reflected in distinct employment relations frameworks.

8. Arvind incorporated a dual distribution system creating its own separate distribution channels of what became known as Arvind's Original Denim, a brand in itself. This eliminated middlemen between manufacturer and producer, representing Arvind's first step beyond textile mills.

9. The state's relation to petty commodity producers has been increasingly ambivalent and contradictory, authorizing policies that destroy them such as evictions and the displacement that results from the promotion of capital-biased technology, and promote them such as welfare, self-help groups, micro-finance, etc. (Harriss-White, 2009).

10. In 2015, the Aditya Birla Group vertically consolidated its many brands under one roof to create India's largest apparel company (Tiwari, 2015).

11. Brands include: Flying Machine (jeans), RufNTuf (jeans), Newport (jeans), and Excalibur (shirts).

12. A contract company run by Arvind HR Manager Harsha technically employed the 150 warehouse workers. Despite the India Contract Labor Act of 1970 that prohibits contract employees from being tasked with 'core' activities, the practice of shell contract companies is endemic. The workers were predominantly from Ramnagara, around 50 were women, and a majority were low caste dalits or categorized as Other Backward Classes.

13. Interview, 11 October 2014.

14. I did not have the language skills to interview interstate workers.

15. Interview, 5 February 2013.

16. Interview, 12 October 2014.

17. Interview, 14 December 2013.

18. Interview, 6 February 2013.

19. Interview, 6 February 2013.

20. Interview, 11 October 2014.

21. Interview, 14 December 2013.

22. A worker, Jayram (Interview, 11 October 2014), described the return warehouse tasks: 'If someone outside India returns a shirt produced by

Arvind that now comes to our warehouse and we wash, iron, and repackage it. It's then delivered to Arvind's own discount retailer, such as MegaMart, and is sold usually at a 50% discount or "buy 1 get 1 for free" deal. Older clothes that don't sell are also repackaged at the returns warehouse'.

23. Interview, 29 September 2014.

24. Interview, 13 November 2014.

25. Interview, 15 October 2014.

26. Interview, 11 October 2014.

27. Interview, 4 December 2014.

28. Interview, 6 February 2013.

29. Interview, 15 October 2014.

30. Interview, 11 October 2014.

31. Interview, 2 November 2014.

32. Interview, 21 November 2014.

33. It has been argued that the battle against capital has now shifted away from struggles at the point of production to sabotage of the 'technical infrastructure of the metropolis', in other words, to circulation, distribution, transport and consumption (The Invisible Committee, 2009). But as we will see in the case of Arvind warehouse, although it represents an interface between production and consumption, unlike the immovable power of a port, a critical 'chokepoint' in the supply chain, a large shed in a dusty little town can be easily replaced or reorganized to render powerless in the chain.

34. For more on labour's structural power and powerlessness at key points along commodity chains, see Wright (2000), Anderson (2009, 2013), and Cumbers (2015).

35. Interview, 20 October 2014.

36. Interview, 26 September 2016.

37. Interview, 19 October 2014.

38. See Mosley and Uno (2007), Greenhill et al. (2009), and most recently Adolph et al. (2017) on Shanghai effect.

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