

Unfree shipping: the racialisation of logistics labour

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ABSTRACT

The logistics revolution has transformed the ways that goods are produced and transported around the world, producing numerous deleterious outcomes for workers, including the deterioration of wages and labour standards, attacks on unions, and the increase of precarious contingent labour conditions. A related, yet underexplored, process related to the logistics revolution has been the role of racialisation in further amplifying the deterioration of working conditions across the global supply chain. In this context, this article explores how the racialisation of labour impacts logistics workers in the greater Los Angeles metropolitan region. Drawing on case studies of low-wage, non-union Latinx workers in the warehouse and port trucking industries of Southern California, I argue that racialisation has accelerated the negative labour impacts related to the logistics revolution across these sectors.

KEY WORDS

racialisation of labour, logistics, unions, low-wage work, labour subcontracting, supply chains, warehousing, trucking, ports, migrant and immigrant workers

Introduction

Amazon, the world's largest online retailer, is both the fastest growing corporation in the USA and the first public company to have reached a US\$1 trillion market cap. A key component behind Amazon's increasing power in the global economy is its mastery of the logistical supply chain. The rise of Amazon, and other major retailers such as Walmart (the largest private company in the world) is indicative of a broader shift in global capitalism; namely, the 'logistics revolution', or the transformation in the way goods are produced and transported around the world, which has increased retail power in today's global 'just-in-time' economy (Bonacich & Wilson, 2008). This shift, coupled with neoliberal economic policies and austerity measures, has produced deleterious consequences for working-class people across numerous

industries, including the global logistics and warehouse industries (Alimahomed-Wilson & Ness, 2018).

The logistics revolution has propelled a shift in the global economy from the traditional mass production model to the current neoliberal flexible specialisation production system. A key innovation in the movement of goods and trade throughout the global shipping industry was the development of containerisation, which allowed for intermodal transportation of goods (i.e. the movement of goods between ship, rail and truck without ever having to unload or reload the cargo) (Alimahomed-Wilson & Potiker, 2017). Driven by a neoliberal supply chain management paradigm which promotes the efficient movement of goods (capital) through anti-worker policies and attacks on unions, the logistics revolution has contributed to an overall weakening of working-class power in the global economy. In addition, the normalisation of precarity, including within previously unionised logistics sectors, coupled with growing rates of contingent labour relations and casualisation, underemployment and misclassified employment statuses have become common throughout the global logistics industry. A related, yet underexplored, process connected to the logistics revolution has been the role of racialisation in further amplifying the deterioration of labour conditions. In this context, this article explores the ways that racialisation intensifies the labour exploitation process for logistics workers in the greater Los Angeles metropolitan region's supply chain. Drawing on case studies of low-wage, non-union Latinx¹ workers in the warehouse and port trucking sectors in Southern California, it analyses how racialisation has accelerated the negative labour conditions generally associated with the logistics revolution across these sectors.

Logistics and the transformation of Southern California's supply chain

In 2018, California surpassed the United Kingdom to become the fifth largest economy in the world.² Without a doubt, the logistics-driven economic transformation of the greater Los Angeles metropolitan region, which includes the largest port complex in the USA, has played a key role in California's economic growth (Bonacich & Wilson, 2008). While the changes associated with the logistics revolution transformed the economic landscape throughout much of the world, including the USA, Southern California serves as the preeminent US region where these changes have taken hold most firmly. Southern California's logistics industry, which employs over 600,000 logistics workers, generates approximately US\$224.6 billion dollars of economic output annually, and on any given day, 1.6 million tons of goods travel throughout the region across various modes of transportation (Los Angeles Economic Development Corporation, 2017).

1 'Latinx' (a gender neutral or non-binary alternative to 'Latino/a') refers to people of Latin American origin or descent. The majority of Latinx workers analysed in this case study are of Mexican origin or descent; in the Southern California port trucking sector in particular, workers of El Salvadoran origin or descent comprise a significant proportion in this sector.

2 <http://fortune.com/2018/05/05/california-fifth-biggest-economy-passes-united-kingdom/>. Accessed 2 November 2018.

The world's largest transnational corporate retailers, including Walmart and Amazon, are also heavily invested in Southern California's logistics and transportation infrastructure. Today, Amazon is the largest private employer in the Inland Empire region (which combines Riverside and San Bernardino counties) – one of the world's largest warehousing hubs. By 2019, Amazon will directly employ 20,000 employees in the region along with an additional 50,000 indirect employees in the state.³ Amazon, along with its corporate e-commerce and retail competitors, relies on the exploitation of tens of thousands of low-wage, non-union, predominately Latinx warehouse and logistics workers. These workers comprise the vast majority of economically precarious workers in Southern California's logistics supply chain. In fact, nearly 80% of all workers in the Inland Empire's warehousing industry are Latinx, of whom about half are immigrants (Struna et al., 2012). Additionally, approximately 90% of port drayage (short-haul) drivers in the Los Angeles harbour area are Latinx. Without a doubt, Latinx workers, including a large number of immigrants, represent the primary blue-collar labour force in Southern California's logistics industry. It is not a mere coincidence that Latinx workers became the driving blue-collar logistics labour force given California's pre-existing racialised economic conditions that served to both structure and accelerate the negative labour outcomes related to the logistics revolution. This research draws on two case studies of Latinx workers in Southern California's warehouse and port trucking sectors in order to analyse the numerous ways racialisation shapes labour and working conditions in the logistics industry. The logistics revolution's transformation of the Southern California economy has relied upon the racialisation of labour which has contributed to the lowering of both wages and working conditions in these sectors, while simultaneously leading to higher rates of capital accumulation for large retailers.

The racialisation of labour

Omi and Winant (1994) define racialisation as the process whereby socially constructed racial attributes and meanings are projected onto a previously racially unclassified relationship, group of people or social practice. The racialisation process depends on the social, temporal and political forces shaping its formation. Racialisation is also multifaceted and can affect different racialised groups in varying ways and degrees, depending on a group's ascribed status position. Therefore, racialisation is a historically specific economic, political and social process, whereby a group of people is cordoned off for special, exclusionary treatment, typically based upon a combination of physical appearance, or ancestry. Racialised groups may also be defined as collectively underserving, or as threats to the dominant status group. That is, racialisation is a form of othering, its distinctiveness being its potential for harsher, and even permanent mistreatment (Gans, 2017). Finally, racialisation is linked to the denial of full

³ <https://www.businesswire.com/news/home/20181102005324/en/Amazon-Announces-14th-Inland-Empire-Fulfillment-Center>. Accessed 2 November 2018.

citizenship rights to racialised groups, coupled with other forms of unequal or discriminatory treatment, such as xenophobia.

While the motivations behind racialisation are complex and varied, labour is a key site where racialisation processes occur. In 'The Racialization of Global Labor,' Bonacich, Alimahomed and Wilson (2008) analyse the impact of the racialisation of labour by exploring the ways racialisation structures the working conditions and wages for hyper-exploited racialised workers in the Global South. They argue that the racialisation of labour plays a key role in globalisation by denying racialised workers basic citizenship and other commonly accepted rights. Racialised workers, they contend, can be subjected to excessively exploitative labour regimes and processes, often with little public outcry. Moreover, the racialisation of labour is typically linked to forms of unfree labour (Almaguer, 1994; Glenn, 2002). Indeed, corporations can benefit, whether directly or indirectly, from the racialisation of labour since higher profit margins can be extracted from low-wage racialised workers, who have limited recourse for defending themselves due to a lack of access to citizenship (including workers') rights. According to Glenn (2003), employers 'take advantage of existing inequalities by using groups (people of colour, immigrants, refugees, women, the poor, lower skilled workers, felons, and the less educated) that could be hired more cheaply' (80). Ironically, racialised workers are often blamed for the erosion of wages or working conditions.

Contingent employment arrangements are on the rise for all working-class people, but particularly for racialised workers. Racialised workforces, whether in the overseas production of low-cost goods for retailers, or those toiling in warehouses, are increasingly employed via arm's length relationships with parent companies, either through temporary staffing agencies or labour subcontractors. Contingent employment gives corporations the ability to avoid social, moral or financial responsibility for the oppressive conditions their contract labourers work under. Moreover, contract labour arrangements allow capital increased flexibility while simultaneously undermining union organising efforts. The increase in contingent employment relations becomes further magnified in racialised labour markets, such as in Southern California's port trucking and warehouse sectors.

A wide array of approaches has been adopted in racialisation research (Han, 2010; Murji & Solomos, 2005; Powell, 2012). Regarding the cause and effects of racialisation, Gans's (2017) survey of racialisation research identifies two competing approaches: first, racialisation as a cause of negative treatment; and second, negative treatment as an effect of racialisation. Gans identifies the perception of threat, real or imagined, by the dominant group as the primary cause of racialisation. Perceived threats include fear or threats to individual or group safety, along with the dominant group's collective worries about downward mobility, particularly those resulting from fears about racialised newcomers 'taking' their jobs for lower pay (346). Studies measuring the effects of racialisation typically rely on analyses of (mis)treatment. For the purposes of this research, I contend that the racialisation of labour was certainly *not* created by the logistics revolution, but rather, that racialisation as a process contributed to the further erosion of wages and working conditions for Latinx workers in Southern California's

warehouse industry and port trucking sectors. The general outcomes associated with the logistics revolution, namely, the increase in contingency and attacks on unions (Bonacich & Wilson, 2008) became further intensified in California's racialised economy. As a result, the hyper-exploitation of Latinx workers became embedded within the logistics labour system due to pre-existing racialised economic, political and social conditions, particularly those linked to immigration.

Sáenz and Douglas (2015) argue that immigration is a site of racialisation. They analyse the shift in the USA from 'ethnic immigrants' to 'racialised immigrants' over the past 50 years, the time period when non-European immigrants have become the primary groups of immigrants into the country. 'Racialisation is also a process', Gans (2017) argues, 'which generally begins with the arrival of new immigrants, voluntary or involuntary, who are perceived as different and undeserving' (342). In recent years, the racialisation of immigration has also re-emerged in US politics. For instance, President Donald Trump's 2016 presidential campaign reinforced a racialised dichotomy between 'good immigrants' (i.e. desirable white immigrants of European descent, such as Norwegians) and 'bad immigrants' (i.e. undesirable brown immigrants of Latin American descent, such as Mexicans). In this case, the racialisation of immigrant labour, particularly Latinx immigrants, cannot be detached from the broader racial meanings and connotations present. Other studies have examined the racialisation of labour as it relates to domestic work (Hondagneu-Sotelo, 2001), labour strikes (Bonacich & Wilson, 2008) and day labour work (Murga, 2012). Murga's (2012) research on the racialisation of day labour work demonstrates how day labouring takes place in racialised spaces and contexts. Murga also situates the ways race impacts not only the day-to-day work experiences of Latinx day labourers, but also how a worker's racialised immigration status can increase rates of unchecked exploitation. This analysis can be extended both to Inland Southern California's warehouse sector and to the Los Angeles harbour trucking sector, since both of these labour markets were structured within a similar racialised economic context.

Racialised immigrants also experience increased hostility and resentment (compared to their non-racialised immigrant counterparts) and are often scapegoated for social and economic problems (Sáenz & Douglas, 2015). The exploitation of foreign-born migrant and immigrant workers (non-citizenry), who collectively experience othering from members of dominant, native-born workers (citizenry), is related to the racialisation of labour processes. The racialisation of immigrant labour therefore becomes naturalised when infused with other forms of social, cultural and/or ethnic othering practices and policies, which reinforces xenophobia and/or nativism. Ultimately, racialisation contributes to the further splintering of workers along racialised lines (see Alimahomed-Wilson, 2016).

Below, I present two brief case studies examining the ways the racialisation process has functioned in Southern California's logistics industry. Beginning with the Inland Southern California's warehouse industry, located about an hour's drive from Los Angeles, and followed by the Los Angeles port drayage trucking sector, these case studies explore how the racialisation of labour can accelerate the impact of the logistics revolution by driving down wages and working conditions for racialised workers. I chose to analyse these sectors in particular because they represent two of the primary

logistics sectors in the Los Angeles supply chain that have high rates of the following outcomes associated with the logistics revolution: low wages, contingency and weakened unions and/or a majority non-union labour force (Bonacich & Wilson, 2008). The case studies draw upon a combination of primary and secondary data. Some of the interview data stems from my own qualitative research, which was originally collected in collaboration with Edna Bonacich, for our co-authored book, *Getting the Goods: Ports, Labor, and the Logistics Revolution* (2008). In addition, I also draw upon secondary data, particularly from labour reports and social scientific studies from leading scholars and labour organisations.⁴ These brief case studies are not meant to be exhaustive in scope. Rather, they should be viewed as preliminary ‘industry portraits’ that provide the necessary socio-political context related to factors such as wages, working conditions and demographics, in order to analyse the overall impacts of racialisation. I then utilise this information to assess how racialisation has impacted and structured labour conditions across these sectors.

The racialisation of warehouse labour in the inland empire

The Southern California region, with a population over 20 million people, is not only defined by a large regional consumer market but it is also located adjacent to the two largest ports in the USA. These factors helped accelerate the logistics-related transformation of the region. In fact, logistics jobs in trucking and warehousing represent the fastest growing job market in the Southern California region. Imported goods from Asia are moved across the vast Los Angeles region, starting from the ports, toward a massive rail and highway infrastructure network connecting the harbour area of Los Angeles County, to Orange County, and eastward to the Inland Empire warehouse region. The remaining goods that are not consumed by the regional consumer market (which amounts to about half) are transported to other major markets across the Southwest, or onward to Chicago’s greater metropolitan area via the nation’s rail, air and highway transportation networks.

Warehousing fulfils a central function in global supply chains. Goods must be unpacked, sorted, stored, repacked and sent out to their correct destinations in an efficient manner in order for the system to function. However, in the just-in-time era, warehousing involves far more than these basic functions (Bonacich & Wilson, 2008). It also entails value-added processes, such as simple assembly, checking for errors and correcting them, and making the goods store-ready. Therefore, warehouses and distribution centres serve as key components in logistics systems where the state of inventory is assessed, and from which replenishment orders are placed. Warehouse labour is often a fast-paced, dirty, physically demanding job that requires skills but typically lacks high wages or prestige. Modern warehouses are often located in places

4 I am particularly grateful for the excellent scholarship and reports produced on Southern California’s warehouse and port trucking industries, especially the work from the following experts: Edna Bonacich, Juan De Lara, Sheheryar Kaoosji, Ellen Reese and Jason Struna; and from the following organisations: The Los Angeles Alliance for a New Economy (LAANE), The National Employment Law Project, Warehouse Workers Resource Center and Warehouse Workers United.

where there is a shortage of alternative jobs, or where unions are weak, or non-existent. Warehouse work is treated as an unfortunate inevitability for workers with relatively low levels of education, particularly those who are further marginalised by racial, ethnic and immigrant backgrounds (Struna, 2015).

Over the past few decades, both capital and supply chains have become more concentrated. The key nodes in logistics systems today are mostly located on the outskirts of major urban metropolitan areas and depend on large concentrations of labour, most of it low-paid (Moody, 2017). Therefore, the logistics-driven transformation of Southern California was not solely an outcome of the region's transportation infrastructure, or its large consumer market, but also flourished due to the area's significant racialised workforce. Labour scholar, Kim Moody, contends 'these [new warehouse] clusters are based around large metropolitan areas and all draw on what you might call the "reserve army of labour" – mostly workers of colour who came into these warehouses in the last ten to fifteen years' (Alimahomed-Wilson, Fox-Hodess & Moody, 2018). Similarly, De Lara (2018) notes that global commodity chains transformed Southern California just as Latinxs and immigrants were turning California into a majority non-white state. Indeed, the transformation of the Inland Empire into one of the world's largest warehousing hubs coincided with broader demographic shifts in California. Thus, the impact of the logistics revolution in Southern California cannot be divorced from the broader socio-political context of Latin American immigration and the arrival of a new and significant racialised labour pool of low-wage workers. The Inland Empire exhibits all of these characteristics. In an effort to recoup some of the manufacturing jobs that were lost in the 1980s and 1990s due to neoliberal economic restructuring and outsourcing across the USA, Southern California, like many other regions across the country, turned to logistics (De Lara, 2013). Local politicians and cities aligned their interests with rail companies and major shippers such as Amazon, Walmart, Target, Kohl's, Home Depot and other corporations by building an extensive logistics network starting from the ports of Los Angeles and Long Beach and onward across the region's freeways, rail lines, airports and warehouses (De Lara, 2013). Over the next few decades, economic projections indicate that there will be a further increase in the quantity of goods circulating throughout the Southern California supply chain. This means that we can expect that many more massive warehouses will be built in the region, although they will probably continue to be pushed even further inland (eastward). An important exception to this trend has been the growth of 'last touch', or 'last mile' warehousing, a shift generally associated with the growth of e-commerce. Last touch warehousing represents the reintroduction of (smaller) warehouses back into urban areas, which makes product-to-doorstep consumption more efficient, as supply chains become increasingly extended closer to a consumer's place of residence.

As noted earlier, racialisation can magnify other aspects of the labour exploitation process, including the further deterioration of working conditions, increased susceptibility to wage theft, higher job turnover rates, poverty wages and the normalisation of precarious labour conditions, which, in the case of warehousing jobs, are correlated with contingent third-party employment arrangements. According to Cho et al. (2012), 'Case studies of logistics facilities confirm the relationship between

contracting, subcontracting and a high representation of Latino workers'. Contingency, especially in racialised labour markets, therefore not only increases the flexibility and control of capital but also simultaneously undermines unionisation efforts. Thousands of blue-collar warehouse jobs scattered across the region are defined by such conditions. De Lara's (2013) report, 'Warehouse Work: Path to the Middle Class or Road to Economic Insecurity?', found that when controlling for job type across the warehousing sector in the Inland Empire, the industry's claim that the average blue-collar warehouse worker earns roughly US\$45,000 a year is a myth. The *actual* median income for all warehouse jobs is US\$22,000 a year. Approximately, one-third of these warehouse workers are Latinx women, who on average are the lowest paid of any group of warehouse workers. Latinx women earn approximately US\$4,000 less than their male counterparts. This points to the intersection of the racialisation of labour with gendered divisions of labour in the warehousing sector. As Bonacich, Alimahomed and Wilson (2008:342) note, 'Racialised labour systems are gendered, creating a complex intersection of race-class-gender divisions among workers. All women face a gendered division of labour, but women of colour face especially onerous pay and poor working conditions.' Allison, Herrera, Struna and Reese's (2018) study of earnings inequality among Inland Southern California's warehouse workers found that Latinx immigrant women are disproportionately employed in the low-wage packing warehousing jobs. They describe this intersectional exploitation process as a 'matrix of domination', whereby gender and citizenship status significantly impact the annual incomes of warehouse workers, with Latinx immigrant women earning far less than other warehouse workers. Thus, Southern California's warehouse industry is largely defined by the poverty-level wages paid to its mostly Latinx workforce, with contingent Latinx women representing the lowest earners of any group.

Aside from logistics, California's temporary employment industry grew by 35% from 2010 to 2015, making it one of the state's fastest growing industries (Kirkham, 2015). According to Cho et al. (2012), the rapid acceleration of domestic outsourcing across the logistics industry, defined by the practice of subcontracting out warehousing, transportation and goods delivery to third-party firms, has lowered the quality of jobs in Southern California, disproportionately harming Latinx workers. 'Not coincidentally, the same industries that implement contracting-out and employ vulnerable workers, many of whom are Latino, frequently also have the highest rates of workplace violations of core labour standards' (Cho et al., 2012:16). It is important to note that reports on 'industry wage averages' typically fail to consider the fact that the majority of warehouse workers are temporary workers, including seasonal workers, and are therefore not the direct employees of large shippers like Amazon and Walmart (De Lara, 2013). In Southern California, Latinx warehouse workers are most likely to be employed via temporary staffing agencies. Contingent, temporary workers are also the lowest paid workers in the industry.

Over 60% of the Inland Empire's warehouse jobs are employed via temporary staffing agencies. This means there are approximately 30,000 temporary workers present in the Inland Empire's warehouse industry (see De Lara, 2013). On average, contingent warehouse workers, including seasonal temporary workers, earn about US\$10,067 per year, which amounts to less than half of their non-contingent

counterparts' annual earnings (De Lara, 2013). A reason for this imbalance is the limited number of hours available for temporary workers (both weekly and seasonally). Contingent warehouse workers face alarming rates of underemployment, which allows employers to avoid paying health benefits, further contributing to the overall economic precarity for workers in the industry. The rise of contingent labour is also associated with greater reliance on undocumented workers (Cho et al., 2012). Thus, contingent labour practices disproportionately impact racialised workers. The 'use of undocumented warehouse workers facilitates wage repression and mistreatment of workers in this industry' (Cho et al., 2012:2). Indeed, undocumented warehouse workers face alarming rates of workplace violations, including illegal retaliation by management when they complain about unsafe working conditions or participate in union organising efforts (Cho et al., 2012). De Lara (2013) sums up the impact of underemployment for temporary workers:

Approximately 70% of all temp workers in warehouse occupations reported working less than 40 weeks (roughly less than 10 months) out of the year. When they did find work, close to 40% of temporary workers in warehouse occupations reported working less than 30 hours per week. The combination of low wage occupations and underemployment results in wages that fall far below the industry average (De Lara, 2013:4).

The racialisation of labour not only contributes to wage repression and higher rates of precarious contingent employment, including underemployment, but the process also accelerates an overall deterioration of working conditions. Historically, racialised workers have been over-represented in the dirtiest, most hazardous, dangerous and backbreaking jobs, which can also lead to an inordinate exposure to environmental hazards. Bullard (1990) documents the ways racialised workers are disproportionately exposed to workplace environmental hazards, an outcome of 'environmental job blackmail'. Indeed, in terms of unequal exposure to toxic air pollution, the goods movement sector disproportionately harms working-class Latinx communities which are clustered around many of the warehouses in the region.

The working conditions for thousands of predominately Latinx warehouse workers also replicate many of these general trends. According to the (2011) report, 'Shattered Dreams and Broken Bodies: A Brief Review of the Inland Empire Warehouse Industry', which surveyed 101 current and former warehouse workers, it is common for warehouse workers to face dangerous working conditions (Warehouse Workers United and Deogracia Cornelio, 2011). First, warehouse workers are regularly exposed to toxic and hazardous chemicals in the workplace. According to the report, approximately half of the workers surveyed reported that they were exposed to chemicals, and nearly 40% reported either getting hurt or feeling ill due to chemical exposure (Warehouse Workers United and Deogracia Cornelio, 2011:2). Second, pollution emitted from exhaust fumes emanating from diesel trucks and forklifts is ever present on the loading bays, exposing workers to hazardous air particulates that cause headaches, nosebleeds and other health maladies.

Additionally, workers reported adverse reactions to accumulated dust that often covers shipping boxes as they enter the warehouses. The dust can consist of rubber from forklift tyres, a variety of substances released during the unloading of

international shipping containers, and/or a myriad of particles that accumulate while boxes are stored on racks for months at a time. Such dust makes working difficult (Warehouse Workers United and Deogracia Cornelio, 2011:3).

In addition to exposure to caustic chemicals, many warehouse workers in the Inland Empire must deal with extreme heat, particularly challenging for workers who unload heavy boxes from trucks or pallets, sometimes containing boxes upwards of 200 pounds (90.7 kilos) inside the shipping containers. The average temperature for the month of August in San Bernardino County, where many of the warehouses are located, is 96 degrees Fahrenheit (35.5 Celsius). Inside the shipping containers, the temperatures are even higher. Extreme temperatures, coupled with irregular access to drinking water and bathroom facilities, long hours and physically demanding working conditions, regularly produce injuries, fatigue, illnesses and exhaustion for countless warehouse workers, most of whom lack health care insurance.

Finally, workers report high incidents of ergonomic injuries from overexertion and a host of injuries associated with repetitive stress, resulting from the frantic pace of warehouse work (Warehouse Workers United and Deogracia Cornelio, 2011). Over one-third of the warehouse workers surveyed reported ergonomic injuries, which were caused either by performing repetitive tasks, or in a single incident, where a worker was hurt due to lifting a heavy object. The management-by-stress model, present in Amazon's warehouses around the world, also creates alarming levels of mental anguish (see Amazon Workers and Supporters, 2018). Workers toil under constant pressure, which is exacerbated by the use of performance quotas and speed-ups (Warehouse Workers United and Deogracia Cornelio, 2011).

Warehouse workers' resistance

Although the Southern California warehouse industry is demarcated by the racialisation of labour, workers continue to fight back against many of the deplorable conditions present in the warehouses. For these workers, there have been numerous important victories, as well as some defeats. Reese and Struna (2018) analyse the exploitive labour conditions present in the warehouse industry in Inland Southern California while also highlighting warehouse workers' efforts in fighting back, including the Warehouse Workers United campaign (WWU). Since 2008, warehouse workers in the Inland Empire have organised and fought to improve their working conditions, involving a series of workers' strikes and other collective actions, culminating in a 50-mile (80.5 kilometre) march by Walmart's contracted warehouse workers. This worker action, called the 'Wal-March', accompanied a series of legal complaints filed by workers against Walmart and its third-party contractors and logistics providers (Reese & Struna, 2018). WWU's efforts won millions of dollars of back wages for warehouse workers who experienced labour law violations and contributed to the passage of a new state law to better regulate the industry. Together with other members of the 'Making Change at Walmart' campaign, WWU members also obtained an agreement with Walmart to improve its safety standards and to better monitor the labour conditions of its contractors. Warehouse workers' organising efforts remain ongoing and represent a key workers' struggle in the global supply chain (Reese & Struna, 2018).

The rapid growth of the Inland Empire's warehouse industry is the outcome of a complex combination of economic, social and political forces. The changes in global production and distribution systems, resulting from the logistics revolution, created the structural conditions that have helped to transform Southern California's Inland Empire region into one of the world's largest warehouse hubs. However, the process of racialisation provided an additional context that ultimately intensified contingent employment relations and the exploitation process. The following section examines how the racialisation process contributed to the further erosion of wages and working conditions in the Los Angeles harbour port trucking sector following the deregulation of the trucking industry.

Deregulation of the Los Angeles port trucking sector

Port drayage is a logistics-related subsector of the trucking industry. Drayage is a term used in the logistics and shipping industry to describe the process of transporting goods, typically, in the form of containerised shipping containers, short distances from the port to a rail yard. For decades, the trucking industry in the USA, including the port drayage sector, was regulated by the federal government. However, the Motor Carrier Act of 1980 ended government regulation, producing a significant impact on unionisation rates in the US trucking industry. The Motor Carrier Act of 1980 led to a reduction in the Interstate Commerce Commission's (ICC) regulation of the industry, resulting in an increase in the number of trucking firms, which had more than doubled by 1987. Restrictions on entry into the industry were also lightened and discount rates were permitted. While the non-union TL (truck load) sector grew rapidly, the unionised LTL (less than truck load) sector declined. The driver workforce also grew from 1.1 million truckers in 1978 to 1.9 million in 1996, although there was an overall decline in union membership. Deregulation also led to the withdrawal of labour agreements, including the National Master Freight Agreements (NMFA), which had previously supported national bargaining (Belzer, 2000). Talley (2004) found that the number of truck drivers grew from an average of 919,000 during the government regulation era, to approximately 3,911,000 following deregulation. The wages of truck drivers plummeted following deregulation. On average, weekly real wages dropped from US\$579.21 to US\$502.86, and hourly wages dropped from US\$12.07 to US\$10.66. Prior to deregulation, port trucking was a unionised sector largely represented by the International Brotherhood of Teamsters (IBT). IBT Local 692 represented all drivers in the Los Angeles harbour area and union drivers made approximately US\$12.50 per hour on top of other fringe benefits. During this time, port truckers earned a decent wage, but by 1985, the Teamsters had 'lost the harbour' (Bonacich & Wilson, 2008).

Local carriers were also undermined as a result of these changes, since after it had been enacted the major shippers could refuse to accommodate requests for pay increases, which had been the standard protocol during the regulatory era. As competition between local carriers increased, wages fell even further. This led to the undercutting of wages by new local trucking firms and an increase in contingent labour defined by the misclassification of port truckers as 'owner operators'. Therefore, deregulation fundamentally changed the dynamics of the industry. For the Los Angeles harbour region, in particular, deregulation provided the institutional context that

allowed the racialisation process to take hold across the port trucking sector. Today, port (drayage) trucking jobs throughout the Southern California harbour area typify racialised labour conditions that have been described as ‘sweatshops on wheels’ (see Belzer, 2000) as port truckers are now considered contingent workers (Bonacich & Wilson, 2008). Instead of having steady employment, their work has been outsourced.

According to a study by Sears (2018), independent contractor drivers work an average of 59 hours per week, which produces an average annual income of US\$28,783 (Sears, 2018:42). Although they appear to be independent small businesses who arrange for work with a drayage company as independent contractors, the reality is that these drivers are actually misclassified employees of drayage companies. Since they get paid in a single lump sum for the job, and have to take care of all of the costs of the job themselves, drayage companies no longer have to pay these added costs. Monaco and Grobar (2004), who conducted a study of port truckers in Southern California, describe the job situation of the drivers as follows:

Though most are owner operators, they do not typically operate within their own authority – they contract with harbour drayage companies. Given that these drayage companies typically do not have any employee drivers, they seem to serve as brokers, linking drivers and loads. Port drayage drivers are dispatched by the firms and proceed to the terminal where the load is to be picked up or dropped off. Though some terminals at the Port of Long Beach have appointment systems it is typical that these are not used (or only used for the first trip of the day). The driver waits for the proper load inside the terminal and is provided this load on a chassis that is typically owned or arranged by the ocean carrier. The driver then leaves the port and delivers the load (typically to a local destination). (quoted in Bonacich & Wilson, 2008:312)

Within 5 years of the passing of the Motor Carrier Act of 1980, the new system of contingent independent contractor drivers, the majority of whom were immigrants from El Salvador and Mexico, had become normalised, with drayage drivers quickly becoming among the lowest paid workers in the region (Kaoosji, 2018). Therefore, within Los Angeles’ racialised economic context, the overall impact of deregulation was intensified due to the process of racialisation.

Sheheryar Kaoosji (2018), co-executive director of the Warehouse Worker Resource Center, sums up how the process of using contingent, misclassified drivers coalesced with broader demographic changes in the Southern California harbour workforce:

As Southern California changed with the influx of Latinos in the 1980s, the workforce also changed. Central American men, in particular, flooded into the sector and created a culture able to simultaneously contain, on one pole, individualism and entrepreneurship, and at the same time fierce and radical solidarity exhibited through regular wildcat strikes. These occurred despite the fact that as independent contractors, any form of collective action by drivers was legally actionable collusion. (Kaoosji, 2018:218)

The combination of neoliberal attacks on the unionised trucking sector, via deregulation, coupled with a significant wave of Latinx immigration, thus provided the

structural conditions contributing to a rapid process of racialisation of port trucking labour in the Los Angeles harbour area.

The racialisation of labour in the port trucking industry

In the years preceding deregulation, Southern California's drayage drivers were not racialised workers. In fact, most port truckers were unionised, native-born, white male workers. These unionised workers made decent wages and worked under tolerable working conditions. As noted earlier, presently over 90% of the Los Angeles harbour area's 16,000 port truckers – or 'troqueros' as they are more commonly referred to – are from Central America, mostly from El Salvador (Bonacich & Wilson, 2008). Drivers of Mexican descent comprise the next largest ethnic group of Latinx drivers, making up approximately 10% of the total workforce (Bonacich & Wilson, 2008). The majority of port truckers are not undocumented workers, in large part due to licensing requirements; most are either citizens or have green cards. Despite this, drivers experience labour conditions that combine poor wages and working conditions. The deterioration of working conditions in the port drayage sector has been further amplified by the misclassified employment statuses of these drivers, which has also further undermined collective action efforts and fuelled a race to the bottom. Following deregulation in the early 1980s, a wave of Central American immigrants entered the labour force. By 1983, about 10% of the workforce was Central American (see Bonacich & Wilson, 2008). Ernesto Nevarez, a long-time port trucker organiser in the LA harbour area, describes the process of how the sector transformed after deregulation from a white majority unionised workforce to today's non-union majority Latinx workforce:

... in 1983–84 you have the Central American conflicts. In 1983, 5–10 percent of the work force [in LA's drayage industry] was Central American ... The immigrants worked their asses off and brought down the standards. They didn't mind a 36-hour tour of work. The expansion of landbridge [cross-country intermodal freight shipment, typically via rail] at this time led to the exodus of the first and second generation, and the rise of the Central Americans. A padrino would bring you in. These were the 'caciques'. (Bonacich & Wilson, 2008:212)

'Cacique' is a term that Latinx drivers use to describe the absolute worst employers who exhibit tyrannical employment practices in the harbour area. Over a period of a few years, the workforce became racialised, and most of the white native-born drivers left the industry. The drayage companies shifted to employing more owner-operators (or independent contractors), further displacing union drivers. This led to a proliferation of smaller firms, resulting in increased competition. The basis of pay shifted from hourly to a piece-rate, per load arrangement (see Milkman & Wong, 2001). Moreover, the process of racialisation also undermined multiracial class solidarity in the goods movement sector. In 1985, the Teamsters called for a port trucking strike on the US West Coast, but it was unsuccessful. At that time, many of the Central American drivers, particularly those who were undocumented, were suspicious of the union due to issues related to green card requirements. Nevarez recalls, 'The Teamsters thought they were still living in the 1970s, when people wouldn't cross a picket line. They blamed the Latinos' (Bonacich & Wilson, 2008:312). By 1984, the industry was approximately half Latinx and half

white. Many of the white drivers blamed Latinx drivers for undercutting their jobs and the erosion of the industry. By 1985, most of the white drivers had left the port trucking sector entirely and the Latinx presence doubled between 1984 and 1986. Today, port drayage drivers remain misclassified in terms of their employment status, which has furthered eroded wages and working conditions in the harbour. The misclassification of drivers also means that they now have to work longer hours, and shoulder increased expenses, such as fuel costs and other expenses related to maintaining their rigs. Previously, these costs were paid for by trucking companies. However, these conditions have also spawned waves of resistance by the drivers (see Kaoosji, 2018).

Port truckers' resistance in the ports of Southern California

There is a strong tradition of Latinx-led labour militancy in the Los Angeles harbour area. Port drivers have organised numerous wildcat strikes in the struggle for fair wages and against mistreatment and poor working conditions, conditions that are directly related to their misclassified employment status. In recent years, there has been a joint effort by the Teamsters and the Los Angeles Alliance for a New Economy (LAANE) to challenge the misclassification of port truckers. Kaoosji (2018) documents that in 2011–12, the Teamsters set out to organise one of the biggest employee-based companies at the Port of Los Angeles, Toll Global, thereby establishing the first union contract in decades. Following this, in order to address the vast majority of drivers who remained misclassified as independent owner-operators, the Teamsters and LAANE formally challenged the independent contractor employment model's legality. This resulted in gaining a determination of drivers as employees at the California Labour Commissioner's Office in 2012–13. By 2017, thousands of port truckers had been involved with claims of misclassification through the California Labour Commissioner, most of which resulted in determinations of employee status. This led to payouts of thousands of dollars in back wages and illegal deductions owed to drivers (see Kaoosji, 2018). Today, Southern California's port trucking industry remains an ongoing site of struggle.⁵ In October 2018, over 300 port truckers went on strike in front of warehouses serving the ports, protesting the misclassification of drivers as owner-operators.

In summation, the deregulation of the port trucking sector produced numerous challenges for organised labour ultimately leading to the elimination of union driver jobs in the harbour. As competition between private trucking firms increased, a large pool of low-paid, Latinx immigrants entered the labour market, contributing to a racialisation of the workforce. Thus, the broader racialised economic factors present in Los Angeles at the time propelled the rapid acceleration of forces associated with the logistics revolution, such as increased contingency and the weakening of unions.

Conclusion

As one of the world's largest logistics sectors, Southern California's supply chain has been restructured by global capital. Despite California's massive economy and a recent

5 <https://www.latimes.com/business/la-fi-port-truckers-strike-20181001-story.html>.

record low in the state's unemployment rate (4.9% in November, 2017),⁶ the state has the highest poverty rate in the USA, with nearly 8 million Californians (nearly 20% of the state's population) living in poverty.⁷ Latinxs comprise the majority (59%) of California's working poor.⁸ Therefore, in order to fully understand the impact of the economic transformation of labour throughout the region's logistics sector, it is crucial to contextualise how racialisation amplifies the conditions that harm workers. The case studies explored in this article provide insights into the role of racialisation in accelerating the oppressive economic conditions connected to the logistics revolution. In each case, racialisation has played a defining role in providing a large pool of low-wage workers, along with an unchecked erosion of working conditions, across Southern California's logistics supply chain. Racialisation magnifies rates of contingency and overall economic precarity, particularly for racialised Latinx workers in the port trucking and warehouse sectors. The racialisation of labour has therefore played a key role in the growth of Inland Southern California's warehouse industry, by subsidising the rapid growth of the logistics industry and further enhancing the structural position of capital. Moreover, the racialisation of labour has further undermined the ability of racialised workers to achieve decent wages and working conditions and weakened class solidarity between dominant groups of workers and racialised workers. As evidenced in the port trucking sector of Southern California, the harbour trucking industry was also transformed, via deregulation, in the 1980s, which provided the economic context for the racialisation of the workforce to flourish. In just a few years following deregulation, the harbour trucking industry was transformed from a previously unionised, majority white trucking sector to a non-union, majority Latinx industry.

While the case studies examined in this article are not generalisable, and must be contextualised within the specific racialised economic conditions inherent in Southern California, similar conditions are likely present in other logistics sectors in other parts of the world. Indeed, the scapegoating of immigrant/migrant workers remains an unfortunate reality in numerous countries and regions. In the United Kingdom's warehousing sector, in particular, foreign born migrant/immigrant workers, particularly those from Romania and Poland, are disproportionately employed in low-wage warehouse jobs. These workers not only face language barriers, but occupy high rates of subcontracted labour positions making them especially vulnerable to precarious living standards in the warehousing industry.⁹ Similarly, scores of low-paid, non-unionised Eastern European truck drivers are working in the United Kingdom.¹⁰ These cases may warrant future research on the role of the racialisation of logistics

6 <https://www.usnews.com/news/best-states/california/articles/2017-12-22/california-unemployment-rate-falls-to-46-percent>. Accessed 2 November 2018.

7 <https://www.sandiegouniontribune.com/opinion/the-conversation/sd-california-poverty-rate-20180913-htmlstory.html>. Accessed 2 November 2018.

8 <https://www.ppic.org/publication/the-working-poor-in-california/>

9 <https://www.cbsnews.com/news/inside-an-amazon-warehouse-treating-human-beings-as-robots/>. Accessed 2 November 2018.

10 <https://www.theguardian.com/commentisfree/2016/aug/02/industrial-failure-uk-lorry-trade-truck-driver-squalor-low-pay-no-unions>. Accessed 2 November 2018.

labour in accelerating some of the deleterious economic consequences associated with the logistics revolution in countries such as Canada, the UK, Italy (Benvegnù & Cuppini, 2018), France, Spain and other countries, particularly where there are growing numbers of migrant and immigrant workers employed in low-wage logistics jobs.

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