

# Kathie Lee Scandal, Deadly Fire Highlight 'Schmatta' Story: TV

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New York's Garment District is being buried in a cheap Chinese suit.

"[Schmatta: Rags to Riches to Rags](#)," a documentary airing tonight on [HBO](#) at 9 p.m. New York time, traces the rise and fall of an industry that was once New York City's biggest employer. Most of those jobs have now gone overseas, many of them to China.

Today, the schmatta (Yiddish for "rag") trade is very ragged indeed.

The 90-minute film is fairly lively, considering it's basically a long obit for the industry, whose fate is told in this statistic: In 1965, 95 percent of American clothing was made in the U.S. Now, only 5 percent is made here.

The show begins with a look at the district's early days as a mostly Italian and Jewish business.

Lisa Nussbaum tells the story of distant cousin Sadie Nussbaum, who shared a Lower East Side apartment with 11 people. Conditions were "horrendous," she says: no heat or running water, plus long tedious days at very low wages.

Director Marc Levin illustrates the era with a still photo of children playing beside a horse lying dead in the street. This isn't the only corpse we see.

## Triangle Fire

Sadie was among 146 people, mostly young women, killed in the 1911 [Triangle Shirtwaist Factory](#) fire. A photo of victims' bodies lined up for identification is heart-rending and finds a modern counterpart near the end of the film.

Publicity about the crowded, dirty conditions at the Triangle factory outraged New Yorkers. Some 100,000 marched in the funeral procession while 400,000 more lined the streets. The fire helped launch the modern American labor movement, whose early leaders would eventually wield great power in New York and Washington.

In its heyday the district was vibrant and raucous, its sidewalks full of fast-moving dress racks and its offices full of cigar-smokers and hot-tempered bosses.

"I was a screamer," admits Irving Rousso, who owned sportswear giant Russ Togs.

## Free Trade

Other featured insiders include [Fern Mallis](#), creator of New York's Fashion Week; designers [Isaac Mizrahi](#) and [Anna Sui](#); Julius Stern, first president of [Donna Karan](#) Inc.; and [Sigrid Olsen](#), whose

company was bought in 1999 by [Liz Claiborne](#) Inc., which shut it down in 2008 and laid off all its workers, including Olsen.

Olsen's got plenty of company, including Joe Raico, a fabric cutter and union official who opted for a buyout after 43 years in the business.

The industry's decline is blamed on automation, deregulation and free-trade agreements championed by Republicans and Democrats. We see [Bill Clinton](#) hailing the North American Free Trade Agreement as a boon to the global economy. One U.S. worker shown in the program has a different take: "How do I compete with someone who makes five dollars a week?"

If workers were getting the shaft, designers such as [Calvin Klein](#), [Ralph Lauren](#) and Halston became gods, according to Stan Herman, a five-decade fixture in the industry.

### **Gifford Scandal**

Levin gives the beautiful people plenty of face time but never turns his back on the people who actually make the clothes. He revisits the [Kathie Lee Gifford](#) scandal, in which [Charles Kernaghan](#) of the [National Labor Committee](#) accused her of using sweatshop labor to produce her clothing line in Central America.

"How dare you," Gifford sputters during a televised rant, though she changed her tune after sweatshop conditions were publicized. This segment features footage of exhausted children asleep at their sewing machines and a chicken, presumably a future entree, that's even skinnier than a Ralph Lauren model.

The film ends with a look at a 2000 fire at a Bangladesh garment factory that killed more than 50 workers, an eerie replay of the Triangle disaster.

Kernaghan predicts other casualties as outsourcing expands: "Wait till the 30 to 40 million white-collar jobs start going offshore."

*([Dave Shiflett](#) is a critic for Bloomberg News. The opinions expressed are his own.)*

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