

**BUF 4300: Global Sourcing & International Trade**  
**Midterm Essay Exam Timed Exam**  
**Dr. Adomaitis**

\_\_\_\_\_ (name)

**Rosen, E. I. (2002). *The Globalization of the U.S. Apparel Industry: Making Sweatshops*. University of California Press.**

**Please answer to the best of your knowledge the following essay question. Use detail where appropriate. Please remember paragraph structure for each answer. Remember grammar, punctuation & spelling count. Cite using APA formatting when using citations. Over cited papers will lose points as this exam is to validate your opinions with citations not to cite several sources to defend an opinion. I want to know your opinion based on the reading, discussions and articles. (75pts each). Please add references of outside sources including Rosen. Matching should be less than 20% using you own words and re-writing quiz answers showing a clear understanding of the Rosen text and all quizzes review in class in details. Questions must be left on the answer sheet.**

Essay #1

- a. **How did the defeat of the French at *Dien Bien Phu* alter U.S. foreign policy in regards to textiles and apparel trade in Southeast Asia? Defend your answer with *two citations from Rosen*. How did the both, (1) *Korean War* and (2) the *Vietnam War* both alter American opinions about the Vietnam?**
- b. ***Please cite an outside source in addition to Rosen.***

The defeat of the French at Dien Bien Phu was significant in the fact that it had altered U.S. foreign policy in conjunction with the apparel and textile trade in Southeast Asia. This occurred because of the fact that it marked the end of France's colonial rule in Vietnam which meant that communism was continuing to leave its footprint on nations throughout Southeast Asia. According to Rosen "As fears about the spread of communism in East Asia grew, the conflict between textile protectionists and trade liberalization in Congress came to a head" (Rosen, 2002, Pg.63, Par.4). Rosen also quoted the defeat as another "falling domino" originally Dan Reed had opposed Eisenhower's plans to negotiate tariff concessions for Japanese textiles as well as opposing the Trade Agreements Act but ultimately as Rosen states "After he vigorously opposed the bill, the fear of communism influenced him to reverse his position. He then asked the House to support rather than to oppose" ( Rosen, 2002, Pg. 65, Par.1). This had led to the U.S. wanting to get the Japanese on their side.

Both the Korean War and the Vietnam War altered American opinions about Vietnam by instilling an anti-communist mindset in the minds of many Americans. The Korean War according to history.state.gov was "unpopular domestically and was difficult to fight, two sides were bogged down on the 38th parallel and conflict had seemed reminiscent of trench warfare in

World War I ( History.state.gov, n.d.). For the Vietnam War, the goal again was to stop communism but many U.S. citizens, opposed the war because of the number of casualties and the drafting processes.

- a. **Was there a true threat of communism in East Asia? Defend your answer with an understanding of both the defeat at the 38<sup>rd</sup> parallel in the Korean War in the 1950s and the Vietnam War in the 1960s and 1970s. How did this have an impact of the (1) Hong Kong, (2) South Korea, and (3) Taiwan? How did it assist in the globalization of retailing? Defend your answer with *one citation from Rosen and one (1) outside source to support your opinion. (Remember APA in-text citation).***

In my opinion there certainly was a threat of communism in East Asia. The defeat at the 38th parallel in the Korean War served as a turning point in terms of how much of a threat communism was viewed. The 38th parallel separated the communist North and liberal South Korea during the Korean War. According to eisenhowerlibrary.gov “ On June 27th, 1953, seven months after Eisenhower’s inauguration an armistice was signed that ended all organized combat operations and left the Korean peninsula divided as much as it had been” ( Eisenhowerlibrabry.gov, n.d.). Additionally according to Rosen “ When the Korean War turned the Cold War hot, Truman and Eisenhower upheld the defense in the far east by bearing the expenses of military leadership. Between 1945 and 1958 the United States provided economic and military aid to South Korea that, as the United Nations estimated, was around 2.6 billion” ( Rosen, 2002, Pg.44, Par.1). In terms of the Vietnam War it was fought between North communist Vietnam and the United States backed South Vietnam. The threat of communism was certainly imminent as the Northern Vietnamese ended up seizing control over South Vietnam in 1975.

This has an impact on the regions of Hong Kong and Taiwan in regard to the influence that the United States had on their respective nations. According to Rosen “between the years 1953 and 1956 the United States had funded Taiwan’s economic development and military expenditures to the tune of almost 300 million a year” ( Rosen, 2002, Pg 44, Par.3). In addition to this Hong Kong had benefited from free textile markets across the United Kingdom but as Rosen states how “ The Lankshire Trade Agreement, with which Great Britain restricted trade from all its sterling area trading partners which made Hong Kong’s textile importers turn to the U.S.

## Essay #2

- a. **After reading Chapters 1-4 in Rosen’s Globalization of Apparel and Textiles book, it is apparent that most apparel sweatshops came into existence in countries located in the Pacific Rim. Sternquist mentions four (4) stages and Allen from Second Hand Distribution mentions (5) stages in the Growth of Retail or Retail Stages. When the U.S. was analyzing the cotton industry, what retail stage was the U.S. in and Japanese**

***cotton industry in right after WWII? Explain your answer in detail with the understanding of Sternquist and lecture notes PP #6 as reviewed in detail in class.***

After World War II The United States began to analyze the cotton industry along with the Japanese belief that the retail growth stage that the United States was in during that time was stage 4 “ The Drive to Maturity” this is displayed when a country’s “Economy takes on international involvement and shows that it has the technological and entrepreneurial skill to produce anything but not everything it chooses to produce” ( Sternquist, 2007). In this instance, the United States was seeking to go international by exporting cotton textiles to Japan. After WWII the Japanese economy was completely shattered and the US had to help rebuild Japan.

- a. **Give three (3) reasons why the U.S. chose the cotton industry to rebuild Japan. Give two (2) citations from Rosen to defend you answer. How can technology (Analyze the Industry (Allen/Lecture 2) help sustain the cotton industry? Give at least two (2) reasons.**

One reason why the U.S. chose the cotton industry to help rebuild Japan was that they wanted to” oversee the restructuring of the Japanese political system, the democratization of its civil society and its structural reconstruction” (Rosen 2002, Pg 27. Par.1). Another reason why they chose this industry is that they wanted to help Japan produce exportable textiles that would gradually build a foreign exchange that would pay for much-needed imports during that time. Textile exports played a major role in Japanese industrialization in the late nineteenth and early twentieth centuries. Considering textiles were Japan’s most important industrial products it was important for the U.S. to capitalize on that in their efforts to keep Japan as an ally in the fight against communism.

- a. **Explain why sweatshops exist in the U.S. which is a country in the G 8 and is considered to have well-developed retailing practices. *Why do we have sweatshops in New York, Texas, and California? Defend your answer. Be sure to answer is paragraph form.***

Sweatshops exist in the U.S. because of the fact that it is another way that businesses can take advantage of cutting costs of manufacturing and production. Many businesses can take advantage of workers who are undocumented and give them very

little pay with poor working conditions because ultimately they won't show much resistance in fear of the potential risk of deportation. Although the United States is a part of the eight most developed countries in the world there is still this sense of greed that is imbedded within the culture of the U.S. States such as California, New York, and Texas have a high Central American Immigrant population and unfortunately, a large number of these groups are being taken advantage of when it comes to their working conditions.