

Fashion Economics: FM 4339
Quiz # 2: The Introduction
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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. Remember grammar, punctuation & spelling count.

- a) Do past international theories of explaining international trade (classic theorists) facilitate an understanding of trade policies today? If yes, then why? If not, then why not?**

The past international trade theories do not necessarily facilitate a proper understanding of trade policies today because of the historical context in which trade policies were initiated. The liberalization of trade has put up a framework that's ideas have a powerful hold on the way Americans view trade policies. According to Rosen " Today, scholars and activists concerned about the consequences of policies based on this approach are beginning to question not only its theoretical validity but also its usefulness in guiding the global exchange of goods and services" (Rosen, 2002, P.13, Par.3). Additionally the United States administration also had set "Containment" in order to try and limit the spread of communism during the cold war. This meant that they wanted to establish "reciprocal" trading relationships with Japan and south Asian countries.

- b) What is GATT? Explain in your own words. How has or would it ensure world peace? Has it worked?**

GATT is The General Agreement on Tariffs and Trade (GATT), which regulated global commerce from the years 1947 to 1994. This was created in order to prevent the recurrence of the "war of all against all" that trade protection was seen to have created. This was designed to mobilize nation-states through trade and international cooperation. This was intended to create world peace due to the fact that it wanted to regulate world trade with industrialized nations.

- c) Rosen explains on page 20 paragraph (1) and on page 22 paragraph (1) that global trade does not always enrich developing countries but rather leaves them impoverished. Is this true? Is global trade beneficial to developing countries?**

I would agree with this statement because of the fact that developing countries are producing manufactured goods at a low wage cost while more developed countries have the capital to produce manufactured goods. Without the capital and technology in these countries, they will never be able to compete with more advanced countries. According to Rosen “ Textiles and apparel should be produced in low-wage countries and exchanged for higher-value-added manufactured goods from developed countries, making both countries better off economically.

- d) Historically, why is the apparel industry considered a “ woman’s field”? Is this conception of being a “women’s field of labor” true today? How does Rosen describe women as they are thought of in the apparel industry? Is this a fair classification of women?**

Historically the apparel industry has been considered a “woman’s field” but nowadays this industry isn’t mainly women-dominated. In today’s society, many men have incorporated themselves into the fashion industry. Whether it be designers, manufacturers, corporate heads, or even factory workers. Rosen describes women as being mistreated and emphasizes the social struggle of women in the apparel industry. According to Rosen “ In primitive societies where scarcity was the norm, women were responsible for spinning, weaving, and sewing — the making of cloth and clothing. In the Middle Ages, as cloth production became a craft and a trade, women were assigned to less skilled tasks. The emergence of the ready-made mass-produced clothing industry later in the nineteenth century made women the labor force of choice in apparel production too”. (Rosen, 2002, P.23, Par.2). It is clear that back then women were the backbone of the apparel industry but they were treated as merely a tool to gain profit. They were placed in poor working conditions for very little pay yet their efforts were extremely significant in terms of production.

- e) What is significant about export zoning?**

The significance of export zoning according to Rosen is that “ a significant part of the world’s apparel is assembled for sale in industrial countries – is typically carried out in industrial zones where the costs of infrastructure are borne by, and tax relief is provided by, the host governments”. (Rosen, 2002, P.25, Par.4). This displays how the world’s

apparel is typically carried out in these industrial zones but although this may be the case, the state in which these workers are being treated is extremely unfair. In these zones, worker abuse has become the norm. This is important because of the fact that this certainly will not promote longevity in the apparel industry but rather would slowly diminish it.