

**Fashion Economics: FM 4339**  
**Quiz #10 The US Textile Industry**  
**Chapter (11 & 12)**

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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. Throughout *Making Sweatshops*, Rosen discusses the development and progression of US textiles mills, manufacturing, along with retail. What is the significance of each of these: (1) textile mills, (2) the manufacturer, and (3) the retailer as part of the retailing pipeline? Choose textile mill, manufacturer or retailer and discuss how it has led to the reader's understanding of what a "Sweatshop" is today. Defend your answer with citation from the book along with another credible author on this topic. (2pts)

Textile mills were factories that manufactured textiles and played an important role in the development of US manufacturing. Manufacturers employ raw materials supplied by mills to manufacture completed products, which are then sold to customers by merchants. Retailers are the final link in the retailing pipeline, marketing and pricing items.

The most closely connected with sweatshops nowadays is the manufacturer. Sweatshops are factories where workers are subjected to hazardous working conditions, low salaries, and excessive hours. Many of these facilities are in developing countries with lax labor laws and few worker protections. Sweatshops in the United States are more than just businesses that provide unattractive labor for long hours and little pay. They are businesses that pay wages that are in violation of federally mandated minimum wage standards as well as other employment standards outlined in the Fair Labor Standards Act. (Rosen,2002,CH10,P227) The fast fashion sector has long been a part of a system that pays workers less than minimum wage in order to maximize profits. This economic strategy, which concentrates on selling mountains of garments at unsustainable prices, has resulted in decreasing profits for those who manufacture them directly. (Nguyen,2022)

- b. Rosen discusses “Free Trade,” the end of quotas and tariff reductions. As noted several times in the book, trade policy for apparel has often been lead by political agendas. State (cite) a time in history when trade policy was in fact, affected by a country’s political agenda. How would trade change if negotiations were made to have US apparel made in sub-Sahara Africa. Give examples of issues that effect sub- Africa from the Diana Sawyer Interview. (2pts)

During the Cold War, the United States and the Soviet Union were engaged in trade wars. Both countries put embargoes on each other to achieve political advantage, and during this time trade policy was influenced by a country's political agenda. According to JFKLibrary, “the two superpowers continually antagonized each other through political maneuvering, military coalitions, espionage, propaganda, arms buildups, economic aid, and proxy wars between other nations” (JFKLibrary,2023) Negotiations to manufacture US clothes in Sub-Saharan Africa could possibly result in good improvements to the region's economy, such as improved job and income prospects. However, there are a number of issues that could jeopardize Sub-Saharan Africa's ability to participate effectively in such a trade arrangement. Negotiations to having US clothes manufactured in Sub-Saharan Africa would revolutionize commerce by making it a more integrated market. “Means better integrating U.S. trade policy toward Africa with broader strategic political and economic engagement to make it more coherent, and more successful” (Treiber,2021).

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

- c. Why is China considered a major player in apparel production? How does artificially devaluing and inflating the Yuan help China? Give two examples, one where devaluing the Yuan and one where inflating the Yuan has created an advantage for China and has hurt the export/import country. Use a citation from Rosen along with a credible outside source to defend your answer. (2pts)

When China devalues the Yuan, they can lower the prices of their exports, making it cheaper for consumers to buy Chinese products at extremely low prices, giving them a competitive advantage. As a result, goods imported into China become more expensive. China continues to intentionally manipulate its currency in order to keep its economy afloat. China is now one of the world's largest and most efficient textile producers; it is

the world's largest cotton producer and has the world's largest man-made fiber and fabric industry. (Rosen,2002,CH11,P210) Chinese companies compete with regional rivals to supply the world with everything from raw steel to refrigerators, and a weaker yuan will reduce the cost of Chinese exports, potentially increasing overseas sales, which have been one of the main drivers of growth during the country's remarkable rise over the last three decades. (Inman,2015)

d. Women have been part of the apparel work force throughout its development that has transitioned into a global entity. Give two (2) examples in history when women's wages were not of equal value to those work wages of another industry or her male counterpart. Please cite each reference. Describe how the Lowell Model has shed light on the difficulties of being a woman in a low-wage industry. (2pts)

During the Industrial Revolution, women in the working class earned lower wages than men and frequently began working as children. Women in this period had to be housekeepers as well, so they may have worked all day and night to maintain their daily routine.(Berg,1991)

Another occasion in which women were paid less than men was when salaries were segregated based on gender. Men were paid enough to maintain a family since they were viewed as the principal breadwinners, whilst women were paid enough to cover their own living needs, much alone supporting their families. This was because it was assumed that women merely worked to support their family's finances. (Rosen,2002,CH11,P249)

The Lowell Model was a system of textile mills established in Lowell, Massachusetts during the early 1800s. The mills primarily employed young, unmarried women from rural New England, providing them with company-owned boarding houses and access to various amenities and cultural activities. Despite these favorable working conditions, however, the Lowell mills were known for their low wages and long hours. Additionally, the experience of the Lowell mill girls highlighted the challenges and hardships that women faced in low-wage industries, including sexual harassment, inadequate living conditions, and limited opportunities for advancement. The Lowell Model has shed light on the gendered nature of low-wage work and the historical undervaluing and exploitation of women's labor. According to Rosen "These women earn, for example, 15 cents for each pair of Kathie Lee pants they sew, a sum that equals 9/10 (.9) percent of the retail price of the garment, which sells for \$16.96" (Rosen,2002,CH11,P242)

- d. Discuss how the events of September 11, 2001 have effected international sourcing of apparel. Give at least two (2) examples. How has terrorism effected consumer consumption along with the US economy? (2pts).

The events of 9/11 have had an impact on international garment sourcing since it has pushed the US to terminate participation and involvement in commerce in some nations. This event sparked widespread hostility in Europe, the United States, and Middle Eastern countries. One example would be that Pakistan manufacturers had their contracts removed because it was reported by the retail press that major US apparel companies had canceled their contracts with Pakistani apparel producers. This decision was made because Pakistan had become a military hotspot, with increased violence and instability. According to Rosen, “Yet by October, the retail press was reporting that major U.S. apparel companies had withdrawn their contracts with Pakistan’s apparel producers. According to one report, “Major importers of apparel from Pakistan, which now finds itself a military hotspot, have withdrawn their contracts from Pakistan” Another example would be that the fear of terrorism has affected the entire world from middle eastern countries. According to Rosen “ Fear of terrorism has resulted in slowed consumption, which in turn has led to large layoffs of apparel workers in export-processing industries throughout the world. Since September 2001, apparel assembly jobs have been lost in Bangladesh.” (Rosen,2002,CH11,P248)

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