

Fashion Economics: FM 4339
Quiz #2: The Introduction
Dr. Adomaitis

Carlos Contreras

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 no, then why not? (2pts).

Past international theories of explaining international trade do not facilitate an understanding of trade policies today. This is because “professional economists rediscovered and redefined an eighteenth- century trade paradigm and, with modifications, rejected the Keynesian model” (Rosen, 2002, p. 16, par. 1). The new approach is based on the original classical economic model, but it is more competitive and antiregulatory (Rosen, 2002, p. 16, par. 1). That is why it does not match up with the standards of today.

- b. What is GATT? Explain in your own words. How has or would it ensure world peace? Has it worked? (2 pts).

From 1947 until 1994, the General Agreement on Tariffs and Trade (GATT) governed worldwide trade. It was intended to avert a repeat of the "war of all against all" that trade protection was perceived to have caused (Rosen, 2002, p. 14, par. 2). The goal of GATT was to motivate nation-states to govern their foreign business through negotiations and international efforts. It is said that it would “ensure” world peace because “countries linked economically by trade and investment would be linked politically. Global economic security would provide the motor to maintain world peace” (Rosen, 2002, p. 14, par. 2). It has worked to some degree because we are still here after all, but it was not the final solution as conflicts between nations still take place.

- 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? Defend your answer. (2 pts).

It is true that global trade does not always enrich developing countries and leaves them impoverished. This is because of “the rules embodied in the accords have made it possible for companies to invest in textiles and apparel and move across the globe, employing the abundant low-wage labor of women in a growing number of developing countries” (Rosen, 2002, p. 22, par. 1). This type of trade has made many criticize the World Bank and International Monetary Fund for allowing it to happen because, as said before, it all leads to the impoverishment of developing nations.

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

- d. Historically, why is the apparel industry considered a “woman’s field”? Is this conception of being a “woman’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? (2 pts)

The apparel industry is considered a “woman’s field” because “historical research suggests that, in primitive societies, where scarcity was the norm, women were responsible for spinning, weaving, and sewing— the making of cloth and clothing” (Rosen, 2002, p. 23, par. 2). The conception of this being a “woman’s field of labor” is unfortunately still true today because “one in six individuals who are employed work in the fashion industry, and 80 percent of garment workers are female” (Oakes, 2020). Rosen states that the apparel industry sees women as second-class citizens, but that is not a fair classification of women. Industries like steel and auto assembly are difficult and labor intensive, but so is sewing and it should not be looked down upon just because women are in charge.

- e. What is significant about export zoning? Defend your answer. (2 pts).

Export-processing zones (EPZs) are supposed to promote the economic aspirations of people in developing countries, but they do not offer hope in generating a stable form of economic growth, nor does this form of production provide decent work for the women who work in these zones (Rosen, 2002, p. 26, par. 0). EPZs have been significant job creators, but at what cost? It is seen as more of a quick fix than a permanent solution.

References

Oakes, C. (2020, July 17). *Fashion is a women's issue*. Fair Trade Certified. Retrieved February 13, 2022, from <https://www.fairtradecertified.org/news/fashion-is-a-womens-issue>

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