

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

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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 no, then why not? (2pts).

Yes, there is still truth to the international trade theories. “This framework was based off eighteenth-century neoclassical economic theories of free markets and free trade, has now been revised and modified to generate support for market liberalizing initiatives on an international basis” (Rosen, 2002, Pg. 13, Par. 3). In society today, people in education and activist are concerned about repercussions of policies based on this approach. It’s theoretical logic and also the use of global exchange of goods and services.

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

GATT stands for the General Agreement on Tariffs and Trade, it controlled international commerce from 1947 – 1994. “It was created to stop the reoccurrence of the “war of all against all” the trade protection was seen to have created” (Rosen, 2002, Pg. 14, Par. 2). In the past, it was considered reciprocal trade and was established to control trade through negotiations and global cooperation. Its multilateral negotiations were based on the principle that required all nations be treated equally. Trade agreements were negotiated between two nations while the same trade regulations would apply to all countries considered. This made it possible for exchange of goods among all nations. Countries that were connected by trade and investment would be connected politically.

- 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).

I agree with Rosen; global trade doesn't always benefit developing countries. "In many cases, the new forms of global exchange in textiles and apparel do not enrich all parties involved in this trade, and they may not lead to a generalized prosperity that benefits all participants or at least not equally" (Rosen, 2002, Pg. 20, Par. 2). Job loss has rapidly increased in countries like the U.S. due to globalization of the apparel industry which led to wages being reduced. The conditions of the sweatshops were awful for the workers who stayed employed in the U.S. Sweatshops and jobs overseas were also affected while trying to establish increased profitability and growth.

**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 was considered a women's only field mainly because of gender roles put in place by society. Women were seamstress and were responsible for weaving and sewing to make clothing. "In the Middle Ages, as cloth production became a craft and trade, women were assigned less skilled tasks" (Rosen, 2002, Pg. 23, Par. 2). There was segregation against women in low-wage industries, women's small hands, lesser intelligence made it harder for them to tackle more complex work skills. It wasn't until the 1980's that women's lack of skill was assumed by societal beliefs that their skills were not as pronounced as their male counterparts.

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

The exporting processing zones were phasing out quotas, tariff reductions and market openings. "...the expansion of apparel production in the export-processing zones of the world will promote the economic aspirations of people in developing countries" (Rosen, 2002, Pg. 25, Par. 4). There was an issued report about the International Labour Organization, majority of the apparel production in developing countries is done. The ILO did not offer hope and a possibility that export processing apparel, is more likely to generate stable economic growth.

