

**BUF 4300: Global Sourcing & International Trade Policy**

**Final Essay Exam**

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1. Why was the Caribbean Basin Initiative crucial for Reaganomics? Explain the significance of as it relates to Rosen (1) *Manuel Noriega* (2) the *Contra Army* (3) *Sandinistas* and (4) *Fidel Castro*? What was the significance of the *Panama Canal*? Answer each in a well-detailed paragraph of their own. **Use outside sources. Be sure to in-text cite A& E Biographies of both Manuel Noreiga and Fidel Castro.**

What is the significance of Noriega's extradition to Paris, France? How does this relate to the time when he was the dictator of Panama? *How does this relate to one of the somewhat recent political situations in Nepal and the Citizen-led Protest that led to Brihat Nagarik Andolan (BNA)?* Please correctly cite in-text citations in APA and be sure to use outside references. Be here to show an application from your knowledge of this course.

a. The CBI formerly known as the Caribbean Basin Initiative was crucial for the Reaganomics of the United States as it aimed to foster the economic development in the Caribbean Basin region by promoting trade and investment. The act dramatically accelerated the growth of assembly operations in the Caribbean and Central America (Rosen, 2002, p. 134, par. 1). This initiative, particularly the second one in 1986, played a crucial role in boosting industrial activities in these regions. Additionally, the CBI served as a strategic tool to counter the perceived communist threat in the Caribbean and Central America, particularly from Cuba. The CBI was focused on limiting the spread of Soviet-Cuban influences in the Americas, aligning with Reagan's anti-communist strategy (Rosen, 2002, p. 129, par. 1-2). Ultimately, the U.S. textile and apparel industries assumed a pivotal role in the new trade and investment framework established by the CBI, further underscoring its significance within the realm of Reaganomics. By leveraging economic expansion, countering communist influence, and reshaping trade dynamics, the textile and apparel industries played a central role in its implementation and success.

b. The Reagan administration armed CIA-trained Contra fighters like Manuel Noriega, in Nicaragua using funds from illicit arms sales to Iran. Noriega's involvement in illicit activities, particularly drug trafficking, drew international attention and condemnation. Through his regime, it was characterized by authoritarian rule, human rights abuses, and rampant corruption. His collusion with drug cartels, including the notorious Medellin Cartel, and the use of Panama as a hub for money laundering, highlighted his significant impact on the global drug trade and its associated consequences (abcnew.go, 2017). Under his rule, it tainted Panama's reputation as a legitimate player in the international financial system. Noriega's entanglement in the Iran-Contra

scandal further cemented his place in history. His offer to assist U.S. officials in supporting the Contra rebels in Nicaragua, coupled with his involvement in illegal arms sales and other covert operations, underscored his role in international intrigue and geopolitical maneuvering during the Cold War era (abcnews.go, 2017). Overall, Noriega's actions and legacy continue to be studied and debated, reflecting his lasting impact on the history of Panama and the broader international community.

c. Ronald Reagan's crusade against Communism extended across continents, with a special focus on supporting the Contras in Nicaragua against the Cuban-backed Sandinistas. Reagan viewed the Contras as akin to America's Founding Fathers, and his administration, under the Reagan Doctrine, provided covert assistance to anti-Communist insurgencies globally. However, this support faced political challenges, especially after the Democrats gained control of Congress in 1982. The Boland Amendments, passed by Democrats, constrained CIA and Defense Department operations in Nicaragua (PBS.org, n.d.). Despite these restrictions, Reagan remained resolute in aiding the Contras, instructing his National Security Adviser, Robert McFarlane, to do whatever was necessary to support them. The Iran-Contra scandal emerged from Reagan's determination to secure the release of American hostages held in Lebanon (pbs.org). In 1985, despite an embargo on arms sales to Iran, Reagan approved covert arms sales to improve relations and possibly facilitate hostage release (PBS.org, n.d.). This decision, driven partly by Reagan's desire to bring the hostages home, divided his administration. The plan resulted in over 1,500 missiles to Iran, with hostages being released and replaced in what was dubbed a "hostage bazaar." When news of the covert activities broke in 1986, Reagan initially denied them but later retracted his statement (PBS.org, n.d.). Despite Reagan's insistence on good intentions, his credibility suffered, with only a small fraction of Americans believing his denial.

d. The Sandinistas, officially known as the Sandinista National Liberation Front or FSLN, are a political party in Nicaragua. They emerged in the early 1960s with two main goals: to challenge U.S. influence and to establish a society based on socialist principles, inspired by the Cuban Revolution. Their name pays tribute to Augusto Cesar Sandino, a Nicaraguan revolutionary who fought against U.S. interference in the 1920s and 1930s. After enduring numerous setbacks, the Sandinistas achieved a monumental triumph in 1979 by overthrowing the oppressive regime of Anastasio Somoza, which had controlled Nicaragua for over four decades. Their rule endured until 1990, amidst fierce opposition backed by CIA intervention. The Sandinistas were founded by Carlos Fonseca, Silvio Mayorga, and Tomas Borge in 1961. Fonseca, particularly, played a key role in shaping the party's ideology, drawing inspiration from Sandino and Che Guevara. He believed in national liberation from foreign influence, especially the U.S., and in implementing socialism to improve the lives of Nicaraguan workers and peasants (Bodenheimer, 2019). Inspired by the legacies of Sandino and Che Guevara, Fonseca advocated for both national liberation from external influences, particularly the United States,

and the implementation of socialist policies to uplift the working-class rural populations of Nicaragua. As a law student in the 1950s, Fonseca protested against the Somoza dictatorship, taking cues from Fidel Castro's successful rebellion in Cuba. After Castro's victory, Fonseca and other leftist students saw the potential for a similar revolution in Nicaragua, leading to the formation of the FSLN (Bodenheimer, 2019).

e. Fidel Castro's ascent to power was a saga fueled by a fervent rejection of imperialism and a deep-seated desire for Cuban sovereignty. His initial rise is known as an emblematic figure of their respective ideological spectrum, embodying the contrasting visions that shaped the course of the nation of Cuba and reverberated on the global stage. Castro's ascent to power was catalyzed by his vocal opposition to imperialism, particularly the domination of Cuba by the Batista regime and its ties to the United States. His attempt to seize the Moncada Barracks in 1953 thrust him into the limelight, paving the way for his guerilla campaign and eventual triumph in 1959 (ricenpeas.org). As a determined Communist, Castro championed socialism, advocating for universal access to education and healthcare while denouncing imperialism. Despite accusations of authoritarianism and political repression, his regime achieved remarkable strides in social welfare, establishing a robust healthcare system and ensuring widespread access to education, albeit amid economic challenges exacerbated by the US embargo. Castro's Cuba prioritized social welfare and international solidarity, extending healthcare assistance even to foreign visitors, while Reagan's America pursued economic prosperity through free-market principles and military strength (ricenpeas.org). Their leadership style and policy agendas epitomized the ideological fault lines of the Cold War era, leaving enduring legacies that continue to shape political discourse and policy choices to this day.

f. The Panama Canal was constructed to provide a shorter, more efficient route for maritime trade between the Atlantic and Pacific Oceans. Before its completion, the ship had to navigate around the southern tip of South America, a lengthy and treacherous journey known as the Cape Horn route. The canal's construction aimed to create a direct passage through the narrow isthmus of Panama, eliminating the need for ships to travel around the continent. The significantly reduced travel time and cost for vessels transporting goods and people between the two oceans, thereby revolutionizing international trade and transportation. Today, the canal faces new challenges and opportunities as global trade demands evolve (pbs.org, 2014). Recent expansion efforts aim to enhance its capacity to accommodate modern cargo needs, reflecting its continued relevance in the interconnected world of commerce. PBS NewsHour recently engaged regional experts to reflect on the canal's legacy and speculate on its future (pbs.org). The Panama Canal stands as a testament to human innovation and perseverance, offering immense economic and strategic benefits to the global community. By providing a shorter and safer route for maritime trade, it has facilitated increased commerce, reduced shipping costs, and enhanced international connectivity. Ovidio Diaz-Espino articulated the profound impact of the Panama Canal on the United States, portraying it as a pivotal moment in the nation's rise to global

prominence (pbs.org, 2014). Central to this narrative is the canal's strategic significance, offering the U.S. unparalleled control over maritime routes between the Atlantic and Pacific Oceans. The ability to swiftly traverse from coast to coast translated into mastery over crucial trade routes and military logistics, solidifying America's status as a formidable world power.

g. Manuel Noriega, the former Panamanian dictator, was delivered to France in April of 2010 to face allegations of money laundering, following his extradition from the United States. The 76-year-old ex-general arrived in Paris this morning on the Air France flight from Miami, accompanied by French prison officials (abcnews.go, 2010). He was promptly detained as a pending trial, as he appeared frail due to health issues, and was formally presented with an arrest at Paris' main courthouse. French prosecutors allege he laundered \$7 million in drug proceeds from Colombia's Medellin Cartel through luxury property purchases in Paris. Noriega's downfall began when he was ousted as Panama's leader by the U.S. troops in 1989 and was later sentenced to 40 years in prison for drug trafficking (abcnews. go, 2010). Despite a sentence reduction for good behavior, his release was delayed due to the French extradition request, which was finalized after a federal judge in Miami lifted a stay blocking the process.

h. Manuel Noriega's extradition to France stems from his implication in money laundering activities, which expands upon his prior incarceration in the United States for drug trafficking charges. French authorities had previously convicted Noriega in absentia for money laundering, alleging that he laundered \$7 million from the Medellin Cartel through the purchase of opulent properties in Paris (abcnews.go, 2010). Despite Noriega's imprisonment in the U.S., France pursued his extradition to address these charges. Following his conviction by a French court in 1999 and subsequent sentencing to 10 years in absentia, France agreed to afford him a fresh trial upon extradition. Noriega's transfer from the United States to France underscores the global cooperation in prosecuting individuals implicated in cross-border crimes such as money laundering and drug trafficking (abcnews.go, 2010). This extradition illustrates the international community's commitment to holding accountable those involved in illicit financial activities, irrespective of geographic boundaries.

i. The extradition of Manuel Noriega to France and the recent political situations in Nepal, including the Citizen-led protest that led to the Brihat Nagarik Andolan (BNA), might not have direct direction connections, but they both reflect border themes of accountability, governance, and citizen participation in political processes. Noriega's extradition to France and subsequent legal proceedings there represent the accountability of a former authoritarian leader for his actions. It demonstrates the importance of international cooperation in addressing issues of justice and human rights violations (Mulmi, 2022). On the other hand, the political turmoil in Nepal and the emergence of the BNA highlight the citizens' dissatisfaction with their political leadership and governance structures. The BNA, like many citizen-led movements around the world, arose in response to perceived injustices and inequalities within the political system. It

sought to hold leaders accountable, demand structural changes, and promote inclusivity and transparency in governance. While Noriega's extradition and the BNA may seem unrelated on the surface, they both underscore the importance of citizens' engagement in holding their leaders accountable and advocating for a more just and equitable society. In both cases, there is a recognition of the need for systemic change and the empowerment of ordinary citizens to demand and drive that change (Mulmi, 2022). In conclusion, while Manuel Noriega's extradition to France and the political turmoil in Nepal leading to the Brihat Nagarik Andolan may seem disparate, they both underscore the global imperative for accountability, citizen participation, and systemic change in governance.

**2. 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 led 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-Saharan Africa cited by both Rosen and The Diana Sawyer interview? In your own words, what newsworthy events were reported about Venezuela's President Hugo Chavez, Chilean President Pinochet, and Russian President Vladimir Putin that would affect foreign policy in the United States? Use three (3) additional outside sources. Answer each in a separate paragraph.***

a. Throughout the 1990s, trade policy in the United States became deeply entwined with the nation's political landscape, reflecting evolving perspectives and global dynamics. Initially, there was a prevalent belief that the US must take a more assertive stance to safeguard its commercial interests, prompted by concerns about competitiveness. However, as the decade unfolded, the US experienced a resurgence in key industries and macroeconomic indicators, prompting a shift towards a more proactive trade approach (Brainard, 2001). This transition resulted in notable achievements in securing trade agreements with regional and bilateral partners and assuming leadership roles in multilateral trade talks, shaping both economic and diplomatic strategies. Simultaneously, the international economic scene saw the decline of Japan and the ascendancy of the "Washington consensus," positioning the US as a dominant force with newfound opportunities and obligations. Despite these triumphs, internal political polarization emerged as a stumbling block, undermining the coherence of US trade policy and causing gridlock in certain instances, such as the collapse of WTO negotiations in Seattle (Brainard, 2001). This internal divide also provided openings for rival powers like the European Union and Japan to assert themselves in global trade affairs. The intricate interrelatedness among trade policy, domestic politics, economic performance, and international relations during the 1990s underscored the multifaceted nature of trade governance and its profound impact on shaping national agendas and global dynamics.

b. In the book, Rosen mentions that the trade changed as negotiations were made to have the US apparel made in sub-Saharan Africa as the Africa Growth and Opportunity Act (AGOA) and the Comprehensive Trade and Development Policy for Countries of Africa, had significant effects on the US apparel companies by emphasizing the facilitation of textile and apparel export from Africa to the United States under AGOA's specified conditions. With potentially lower labor costs in Africa compared to traditional sourcing regions, US apparel companies could explore cost-saving measures, potentially enhancing their global competitiveness (Rosen, 2002, p. 204, par. 2-3). However, trading with African countries presents challenges such as unstable governments, corruption, and inadequate infrastructure like roads and ports, along with the prevalence of AIDS among the population, which is seen as a barrier to development. The complexities surrounding trade with African nations highlight challenges such as unstable governments, corruption, lack of infrastructure, and health issues like AIDS. These factors create uncertainty regarding whether initiatives like the Trade and Development Act (TDA) will effectively foster apparel production in sub-Saharan Africa (Rosen, 2002, p. 206, par. 1). The connection between the Diane Sawyer interview with Brad Pitt in 2005, he discusses his experience in sub-Saharan Africa as he advocated the efforts to raise awareness about the humanitarian crises in sub-Saharan Africa likely influenced many people to become more engaged and supportive of initiatives in the region. By leveraging his platform and visibility, Pitt reached a wide audience, drawing attention to issues such as poverty, disease, and the plight of orphaned children (B. Pitt, D. Sawyer, personal communication, June 7, 2005). His impassioned pleas for action and call for international support may have inspired individuals to contribute to relief efforts, donate to relevant charities, or even become involved in advocacy themselves. Pitt's involvement in raising awareness about HIV/AIDS in Africa has included participating in public campaigns, speaking engagements, and interviews where he has emphasized the importance of addressing the epidemic and supporting those affected by it.

c. Hugo Chavez's rise to power in Venezuela began with a failed military uprising in 1992, leading to his presidential election victory in 1998. His administration focused on sweeping domestic reforms, such as the implementation of "missions" aimed at tackling poverty and enhancing social welfare, resulting in notable improvements in living standards and literacy rates (Bulmer-Thomas, 2013). Internationally, Chavez pursued an assertive anti-imperialist agenda, forging alliances with countries like Cuba, and spearheading regional integration initiatives. As a significant leader, Chavez influenced a huge improvement in the country of Venezuela as his administration implemented extensive social programs that targeted poverty alleviation, healthcare access, education, and land distribution (Bulmer-Thomas, 2013). As a result, many Venezuelans experienced upliftment from poverty, with notable advancements in literacy and access to basic services. Chavez's policies aimed at challenging corruption and empowering marginalized communities contributed to a more equitable distribution of resources.

d. Augusto Pinochet's reign in Chile, spanning from 1973 to 1990, as he reshaped the nation. Rising to power, via a violent coup, he orchestrated a ruthless military dictatorship characterized by egregious human rights violations, such as extrajudicial killings, torture, and forced disappearances. Pinochet spearheaded sweeping neoliberal economic reforms that were overseen by economists dubbed the "Chicago Boys," which radically altered Chile's economic landscape (nbcnews.com, 2023). While these policies fostered economic growth, they exacerbated social inequality and deepened disparities as the erosion of labor rights and social safety nets. Pinochet's authoritarian regime ruled the political dissent and suppressed opposition voices, creating a climate of fear and repression. The regime's human rights have been abused, including widespread torture, killings, and disappearances, tarnished its legacy and inflicted deep scars on Chilean society (nbcnews.com, 2023). Ultimately, while Pinochet's regime may have generated certain economic advancements, these goals came at a considerable cost to human rights, democratic governance, and social justice in Chile. The long-term impact of his rule continues to be a subject of debate and contention in Chilean society.

e. President Vladimir Putin's actions hold significant sway over United States foreign policy, with potential ramifications across various domains. Military aggression, particularly in neighboring regions, could trigger strong U.S. responses, including sanctions or military intervention. These shifts have altered diplomatic relations between the two nations, influencing engagements, dialogues, and negotiations on a range of issues (Walt, 2024). Russia's role in the global energy market means any shift in its energy policies could influence U.S. energy strategies. The key members of the Western foreign-policy elite believe that Russian President Vladimir Putin's ambitions are limitless and that Ukraine is just the beginning of his expansionist agenda. Various officials and commentators, including U.S. Secretary of Defense Lloyd Austin and Ukrainian President Volodymyr Zelensky, have warned about the possibility of further Russian aggression beyond Ukraine, potentially targeting neighboring countries or venue NATO members (Walt, 2024). However, the author cautions against assuming certainty about Putin's intentions, highlighting the danger of "groupthink" and the lack of concrete knowledge regarding Putin's future actions. While advocating for continued support for Ukraine and strengthening European defense, the author criticizes the tendency to exaggerate threats and dismiss dissenting viewpoints as naive or pro-Russian. Overall, the complexity and uncertainty surrounding Russian foreign policy and the importance of careful analysis and understanding in addressing geographic challenges.

**3. Discuss how (1) job loss, (2) lower wages, (3) pressure for retail profitability, and (4) trade liberalization affect an overall benefit to consumers who purchase apparel goods. (4 paragraphs). Are consumers paying lower prices for apparel? If so, then why is high fashion apparel so expensive? Defend your answer with a citation and be sure to include the significance of tariffs.**

**How has the *profitability paradox* changed the way retailers do business? List and describe at least two ways the industry has prevailed during this time of retail flux (instability) and cite each reason. Explain how recent New York laws are affecting retail profitability, retail rents, and higher consumer prices citing Bidenomics along with other influences using three (3) outside sources to defend your answers.**

a. The fashion industry's exponential growth in recent years has placed a heavy burden on both the environment and the predominantly female workforce involved in its production. Fast fashion, driven by the pursuit of profit, has increasingly relied on cheap labor in countries with lower incomes, a practice known as offshoring (McCosker, 2023). Fueled by the pursuit of profit, fast fashion increasingly relies on cheap labor in low-income countries through offshoring, exacerbating the "feminization of labor." This trend sees a significant rise in women's employment in industrial sectors, often under precarious and exploitative conditions. As production processes become more globalized, garment workers, predominantly women, endure severe exploitation at the hands of major fashion brands, akin to modern-day slavery within an industry largely lacking regulation (McCosker, 2023). This intersection of fast fashion and feminism raises critical ethical concerns about the employment of vast numbers of women in exploitative labor markets.

b. Fast fashion's preference for inexpensive labor in developing nations notably influenced wages within the apparel industry, both globally and domestically, including in the United States. Firstly, the outsourcing of garment production to countries with lower labor standards has exerted downward pressure on wages on a global scale (jgbc.scholasticahq.com, n.d.). This practice, driven by companies seeking minimal production costs, has resulted in stagnant or decreasing wages for garment workers worldwide, a trend that extends to the U.S. Secondly, the relocation of apparel manufacturing facilities abroad has led to job losses domestically, prompting a reduction in wages as workers face diminished bargaining power in a contracting job market. Additionally, the influx of low-cost imported clothing has compelled domestic producers to cut costs to compete, potentially leading to wage reductions or outsourcing to countries with cheaper labor (jgbc.scholasticahq.com, n.d.). These shifts within the apparel industry can also set precedents for wage suppression in other sectors as companies strive to maintain competitiveness by minimizing expenses.

c. Inflation is proving to be a formidable obstacle for the fashion industry, exacerbating existing supply chain challenges and casting a shadow of uncertainty over apparel businesses as they emerge from the constraints imposed by the COVID-19 pandemic. The escalating costs of raw materials, labor, and transportation are squeezing profit margins, presenting a pressing need for innovative solutions (apparelmagic.com, n.d.). However, amidst this adversity lies an opportunity for companies to adapt and thrive. One such solution lies in the adoption of apparel supply chain software, which can revolutionize processes like inventory management, production



planning, and order tracking, enabling businesses to operate more efficiently without compromising on quality. Additionally, establishing flexible cost control systems and leveraging data analysis can empower companies to navigate the complex economic landscape and mitigate the impacts of inflation (apparelmagic.com, n.d.). Through strategic measures and proactive adaptation, the fashion industry can weather the storm of inflation and emerge stronger on the other side.

d. Trade liberalization is essential for understanding its implications and the debates surrounding it. Critics argue that it may lead to job losses as cheaper foreign products flood domestic markets, potentially compromising quality and safe standards (Banton, 2021). They warn against the risk of domestically produced goods being displaced by inferior imports that undergo less rigorous safety and quality assessments. Trade liberalization encourages domestic firms to enhance efficiency and reduce production costs to stay competitive in the global market. This competition can drive innovation and specialization, prompting countries to allocate resources to sectors where they have a competitive advantage (Banton, 2021). For instance, following trade liberalization, the United Kingdom shifted its focus to the service sector, recognizing its comparative advantage over manufacturing.

e. The intricate cost structure behind the production of a seemingly simple garment like a T-shirt. It challenges the notion that a T-shirt could be valued at just a few dollars, given the multitude of expenses involved in its creation, from sourcing fabric to logistics and paying workers. The disparity between the fixed costs of materials and the variable cost of labor is often subject to exploitation (Farra, 2020). Maria Stanley's anecdote further underscores how pressure from retailers to lower prices can result in factory workers being paid unfairly low wages, particularly in fast fashion production. This raises ethical concerns about the treatment of workers in the fashion industry, where the pursuit of cheap clothing can sometimes come at the expense of fair compensation and labor rights (Farra, 2020). Tariffs are a way for governments to not only collect revenue but also protect domestic businesses. Tariffs usually increase the price of imported goods, making domestic goods cheaper in comparison.

f. The profitability paradox has sparked a profound reevaluation of e-commerce strategies among retailers, prompting a shift towards prioritizing sustainable growth and profitability over sheer sales volume. Recognizing that not all growth is equal, retailers now focus on ensuring that each dollar of digital growth contributes positively to their bottom line, rather than merely driving top-line revenue figures (mckensey.com, n.d.). This necessitates a holistic organizational effort, with coordinated actions across departments aimed at optimizing operations, managing costs, and aligning strategies toward profitability. Furthermore, retailers delve into the dynamics of different product categories, understanding their inherent advantages and challenges in e-commerce to tailor strategies accordingly. Continuous improvement and cost reduction efforts, leveraging data analytics and innovative solutions, are central to achieving profitability amidst

the shifting landscape of online retail. The profitability paradox has thus spurred a more nuanced and strategic approach to e-commerce, where the goal is not just growth, but sustainable value creation for the organization (mckinsey.com, n.d.). In navigating the profitability paradox, retailers are poised to transform their e-commerce operations, embracing a more strategic and sustainable approach that prioritizes profitability and long-term value creation in an evolving digital landscape.

g. The retail industry has experienced a seismic shift in the wake of the pandemic, witnessing a surge in e-commerce adoption, a wave of bankruptcies and consolidations, and fundamental changes in consumer behavior. As brick-and-mortar stores grappled with closures and reduced foot traffic, retailers swiftly pivoted to online platforms, accelerating the digital transformation of the industry (Keller, 2021). Health and safety emerged as paramount concerns, prompting retailers to implement stringent protocols and sanitation measures to reassure customers and employees. Supply chain disruptions underscored the fragility of global logistics networks, while technological innovations such as contactless payment systems and virtual shopping experiences became essential for adapting to the new retail landscape (Keller, 2021). Despite the challenges, the pandemic also catalyzed resilience and innovation within the industry, forcing retailers to rethink their business models and prioritize agility, adaptability, and customer-centricity to thrive in a rapidly evolving environment.

h. Amid economic uncertainty and galloping inflation, retail executives are compelled to take decisive action to navigate the challenges and seize growth opportunities. Recognizing the importance of addressing demand challenges and passing on cost increases to consumers, retailers are reallocating funds and taking preventative measures to safeguard against potential downturn impacts (Bain.com, 2023). Experience demonstrates that bold strategic moves during times of extreme uncertainty can differentiate winners from the rest of the pack. Moreover, amidst the current retail flux, the acceleration of e-commerce, macroeconomic shifts, and advancements in artificial intelligence present avenues for growth and innovation (Bain, 2023). The next 18 months are pivotal, as retailers, who embrace these challenges and opportunities stand to succeed over the coming decade.

i. The COVID-19 pandemic wrought unprecedented devastation upon New York City's Retail & Consumer Service cluster, particularly affecting the Retail Trade and Leisure & Hospitality sectors. Before the outbreak, employment in Retail Trade has experienced modest growth trends (comptroller.nyc.gov, n.d.). However, the onset of the pandemic left sharp losses in both sectors, with Retail Trade suffering a locally significant drop of about a third, and Leisure & Hospitality facing even steeper declines, especially within the city. Although there has been some recovery in employment levels, particularly in Leisure & Hospitality, both sectors continue to struggle to regain pre-pandemic levels. The shift in consumer behavior towards electronic shopping, exacerbated the decline in "brick-and-mortar" retail jobs, Despite efforts at recovery,

the challenges persist, the Retail Trade employment plateauing well below pre-pandemic figures, Leisure & Hospitality still trailing behind national recovery rates (comptroller.nyc.gov, n.d.). As New York City navigates the aftermath of the pandemic, the resilience and adaptability of its Retail & Consumer Services cluster will be critical in shaping the city's economic trajectory and revitalizing its vibrant street-level dynamics.

j. Over the past decade, New York City has grappled with a pronounced uptick in retail vacancy rates despite its ongoing urban expansion. This phenomenon, particularly noticeable in outer boroughs and expansive retail complexes like malls, mirrors a dynamic retail evolution propelled by the dominance of online shopping giants such as Amazon (comptroller.nyc.gov, n.d.). The surge in online sales has led to a transformation in the retail mix, with a decline in traditional goods sellers and a rise in service providers like restaurants, bars, and personal service establishments. Concurrently, retail rents have soared citywide, with some neighborhoods experiencing exponential increases, while others have seen declines. Rising rents, alongside doubling property taxes paid by retail tenants, have imposed significant financial burdens, contributing to the uptick in retail vacancies (comptroller.nyc.gov, n.d.). Regression analyses further highlight the correlation between the increase in online sales and higher vacancy rates, underscoring the complex interplay of factors reshaping New York City's retail landscape.

Amid the aftermath of the COVID-19 pandemic, New York City grapples with persistent inflation, intensifying worries regarding the city's high cost of living, a concern shared among members of the Fordham community. Despite three years elapsed since the pandemic's onset, inflation rates continue to climb, with the national rate hitting 6.4% in February 2023 and New York City witnessing a 6.0% surge in prices from January 2022 to January 2023 (Fatahi, 2023). Giacomo Santangelo, an economics professor at Fordham, pinpoints various factors fueling this trend, such as labor market complexities, wage pressures, supply chain disruptions, and the repercussions of Federal Reserve policies aimed at pandemic recovery. Despite the Federal Reserve's usual 2% inflation target, the rate skyrocketed to 9.1% in June 2022, marking its highest level in decades. The inflationary pressure notably impacts food prices, with staples like eggs more than doubling in cost over two years. For students like Maria Komiyama, the affordability of essential goods becomes a pressing concern, leading her to favor purchasing groceries over subscribing to Fordham's meal plans, which vary in cost and features (Fatahi, 2023). These challenges underscore the broader ramifications of inflation on day-to-day expenses and underscore the necessity for strategies to alleviate its impact on individuals and institutions alike. These challenges highlight the urgent need for proactive measures to address inflation's pervasive impact on both individuals and institutions, ensuring economic stability and affordability in the face of ongoing uncertainties.

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