

BUF 4300: Global Sourcing & International Trade Policy
Midterm Essay Exam Timed Exam
Dr. Adomaitis
Spring 2024

_____(Giselle Leon)_____

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. Please remember paragraph structure of 5-6 sentences for each answer. Remember grammar, punctuation & spelling count. Cite using APA formatting when using in-text citations and referencing APA format. Over cited papers (over 20% matching) will lose points as this exam is to validate your opinions with citations not to cite several sources to defend an opinion.

Essay #1

- a. How did the defeat of the French at *Dien Bien Phu* alter *U.S. foreign policy* in regards to textiles and apparel trade in Southeast Asia? Defend your answer with ***two (2) different in-text APA citations from Rosen***. How did the both, (1) *Korean War* and (2) the Vietnam War both alter American opinions about the Vietnam? ***Please cite an outside source in addition to Rosen. NO dictionaries or encyclopedias.***

As the fall of Dien Bien Phu, tensions arose throughout the region as many concerns about regional instability were being questioned as the United States settled the foreign economic policy. A clash arose between the protectionist coalition and proponents of trade agreements that highlighted the tension between domestic economic interests (Rose 2002, p. 64, par.2). They believed in reducing tariffs, reciprocal trade, and the imports of cheaper lower-wage goods. The defeat of Dien Bien Phu was a significant milestone, making the United States a domestic debate of foreign trade policies. For years Dan Reed, a leader of the protectionist chair in the House Ways and Means Committee, had opposed Eisenhower's involvement in the reconstruction of Japan. The United States became committed to countering communist nationalists in Indochina, as it became the battle that convinced the French that they were defeated and should leave Vietnam in the Indochina War (Rose 2002, p. 65, par.2). This contributed to the growing fears of the West about the spread of communism in Southeast Asia. The United States was motivated to begin providing economic, military sources, and advisory assistance to the government of South Vietnam to prevent the communist forces from taking control of the entire country. The United

States began understanding the importance of an alliance with Japan, to partner together to stop the spread of communism in Southeast Asia.

The Vietnam war lasted nearly two decades as many American soldiers lost their lives and it altered the opinions of Americans. The American people were lied to throughout the entire war by their former president at the time, Lyndon B. Johnson. The country was not prepared for such a long-lasting war that affected the economic population, as they were not aware of the Vietnamese guerilla war tactics and the landscape and terrain of Vietnam. The president continued lying to the American people that war was coming to end, when the entire time both the North or the South wanted to back down. As images were released through the press, the American people began opening their eyes and realizing that the government was manipulating the country throughout the entire war. It began to affect the recruitment of the American soldiers, and the young and women were no longer volunteering to go to the war.

- b. Was there a true threat of communism in East Asia? Defend your answer with an understanding of both the defeat at the 38rd parallel in the Korean War in the 1950s and the Vietnam War in the 1960s through the 1970s. How did this have an impact of the (1) **Hong Kong, (2) South Korea, and (3) Taiwan?** How did it assist in the globalization of retailing? Defend your answer with *one citation from Rosen and one (1) outside source to support your opinion. (Remember APA in-text citation no dictionaries or encyclopedias).*

There was a true threat of communism in East Asia with the defeat of the French at Dien Bien Phu and the defeat of the 38rd parallel in the Korean war because of the influence of soviet communist movements that were beginning to take place. The Korean war began as the North Korean army invaded the South in a struggle to find power and control through a fatal battle between communist countries and Democratic countries. In order to continue their foreign trade with South Korea, the United States felt it needed to get involved in the war; according to National Endowment For the Humanities, in the 1950s about 90,000 North Korean soldiers stormed south across most of the breadth of the 38th parallel on foot, by train, and even driving Soviet tanks, as they marched to take over any American-supported South Korea. Similar to the Korean war, in 1954 the French army was sent to Dien Bien Phu in efforts to continue influencing communism in Indochina as he was located in Vietnam. The United States supported the French in the war as South Korea had democratic behaviors that caused friction to the North as they were more of a communist party. As the United States intervened, the French and the US failed in alliance as both parties rebelled and the uprising of Indochina.

Essay #2

- a. After reading Chapters 1-4 in Rosen's Globalization of Apparel and Textiles book, it is apparent that most apparel sweatshops came into existence in countries located in the Pacific Rim. Sternquist mentions four (4) stages and Allen from Second Hand Distribution mentions (5) stages in the Growth of Retail or Retail Stages. *When the U.S. was **analyzing the cotton industry**, what retail stage was the U.S. in and Japanese cotton industry in right after WWII?* Explain your answer in detail with the understanding of Sternquist and lecture notes PP #6 as reviewed in detail in class.

The United States and the Japanese cotton industry after WWII were in Stage 3: The Take Off stage as they merged into Stage 4; The Drive to Maturity (Sternquist, 1998). The United States saw the opportunity as the Japanese textiles would benefit the country by investing into the Japanese cotton textile industry. The United States began to invest from the American textile fund reserves as a way to secure the investment and expand into a larger partnership. Through the expansion of technology and raw materials, the United States was able to supply Japan with innovative textile producing machinery and encouraged other foreign nations to begin trading with Japan. The United States became a lead example to the other countries as they partnered and traded with one another, as the U.S. focused on exporting cotton to Japan and then importing the cotton textiles back into the American textile industry. The alliance of global trade expanded the importers, retailers, and manufacturers in each country.

- b. Give **three (3) reasons** why the U.S. chose the cotton industry to rebuild Japan. Give two (2) citations from Rosen to defend your answer. How can technology (Analyze the Industry (Allen/Lecture 2) help sustain the cotton industry? Give at **least two (2)** reasons.

The three reasons why the United States chose the cotton industry to rebuild Japan as the trade of cotton helped manage the spread of communism, the globalization of trade, and the increase of cotton textiles in the country. As an advantage, the U.S. saw the investment into the cotton industry would benefit both countries, as the U.S. was currently experiencing a high supply of cotton but had not found its purpose. The United States sought Japan as an alliance in the expansion and the recreation of a new industry by exporting approximately eighty-eight percent of the cotton that Japan used for the cotton textile production (Rosen, 2002, p. 30, par. 2). As the reconstruction of the government affected the textile and apparel industry, the U.S. wanted to influence democratization in Japanese society in efforts to strengthen their ties with Japan. Before WWII, Japan was the leading producer of silk textiles and had many colonies in Southeast Asia as the US wanted to assist Japan with the rebuilding of the silk exports but as other textiles were being invented such as Nylon which became a huge demand on the market as it began to replace silk textiles as they were cheaper and must faster to develop. As the decrease in silk textiles affected the imports into the United States, they decided to invest into the cotton industry production as Japan lacked machinery and raw materials.

The Vietnam war and the Korean war impacted Hong Kong, South Korea, and Taiwan as these countries became of interest to the United States. Many Southeast Asian countries were affected by the war and did not have enough resources to help the country grow. The United States took the opportunities and came in aid to these countries and began investing in their textiles and their apparel industries as it helped in the reconstruction of their governments (Rosen, 2002, p.47, par. 3). It benefited these countries once they were able to sustain themselves by opening foreign investment in the garment assembly as they began to offer duty free export processing zones to motivate foreign investments and continue the trading globalization. Hong Kong, South Korea, and Taiwan became some of the largest countries by trading exports as low labor cost and created a high-growth economy in the industry of each country (Rosen, 2002, p. 105, par. 3). Free trade allowed South Korea and Taiwan to do the same but not at the expense of the union groups. Low-wage southern labor was an immediate threat to the apparel designers and trade unionists, as opposed to imports from low-wage countries overseas. The expansion in 1963 of the imports of men's long-sleeve dress shirts constituted eight percent of the total number of imported shirts, as the percentage continued to increase by the demand (Rosen, 2002, p. 106, par. 3). By 1972 South Korea could produce and export to the United States men's long-sleeve dress shirts for sale at half the price of the same item manufactured in the United States. The United States saw this advantage in the production and the free trade between South Korea and Taiwan with less financial responsibilities.

Through the development of technology, it has helped sustain the cotton industry creating sensors on the cotton picker that record how much each area of the field has produced. They also created soil sensors that are used to create maps of how fertilizer is required for a healthy growth of the plant. Through the adoption of agriculture, researchers continue to push technology into planting and harvesting equipment and outreach to educate more growers on the use of soil sensors to schedule irrigation based on real-time data. Through this technique, United States growers are able to identify areas for improvement on their farms and the use of downstream companies to get a clearer picture of their supply chain. According the Cotton Leads, the advanced technology has helped growers see the larger aspect of their operation for having a larger impact on the number of outcome-based metrics such as the land use, soil conservation, soil health by measuring the soil carbon status, irrigation water use efficiency, water quality, biodiversity, energy use and greenhouse gas emissions. It has helped them determine how different decisions can impact individual keys in growth and production.

- c. Explain why sweatshops exist in the U.S. which is a country in the G 8 and is considered to have well-developed retailing practices. ***Why do we have sweatshops in New York, Texas, and California? Defend your answer. Be sure to answer in paragraph form.***

Sweatshops still exist in the United States, it is considered part of the G8 as it's become an area with one of the largest number of immigrants in the United States. There is a larger population in the big cities of New York, Texas, and California. The large population of undocumented immigrants has continued to increase, and many immigrants find employment in sweatshops working in horrible conditions in order to provide for their families. Larger companies see this as an opportunity to take advantage of the workers by paying them unfair wages. The free trade agreements promised more market access to all countries involved by lowering or eliminating trade barriers such as taxes or tariffs. The agreements were able to put a line of boundaries to set labor, social, and environmental standards but did not address the rights and protection of the workers. Sweatshops, is an example of a blend of industrial and economic developments throughout the US as it reflects on the economy of the country. According to Study.com, sweatshops produced garments, coffee, or cotton products, during this time it was mostly women and children who worked for about 16 hours per day with low wages and in terrible conditions. The horrifying working conditions pushed for unions to be created to protect employee rights and stop exploitation in all work environments.

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