

**Fashion Economics: FM 4339**  
**Quiz #10 The US Textile Industry**  
**Chapter (11 & 12)**  
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- 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 remain an essential part of the retailing pipeline. They have allowed for the creation of new and innovative fabrics, which have transformed the fashion industry. These mills have also helped to create more efficient production processes, resulting in a reduction in the time and cost required to produce textiles to meet the growing demands of consumers. As a result, consumers today have access to a wider range of clothing options than ever before (agibbons@stikp.com, 2022). While the fast fashion industry has been criticized for its negative impact on the environment and workers' rights, it is important to note that textile mills themselves are not responsible for these issues. Rather, it is the companies that operate within the industry that must take responsibility for their actions. Nonetheless, the textile mills themselves have played a significant role in the growth of the fashion industry.

Manufacturers are responsible for overseeing every aspect of the production process, from sourcing raw materials to hiring labor and creating finished products. They work tirelessly to ensure that their products meet the highest standards of quality and efficiency, using advanced technologies and innovative techniques to streamline their operations and reduce waste.

Once these products are ready, it is up to retailers to get them into the hands of consumers. Retailers create an overall environment within their stores designed to make customers feel comfortable and welcome while also showcasing the latest and greatest products from manufacturers. They carefully curate their selections, choosing products that are in demand and will appeal to their target market. But retailers do more than just stock their shelves with products. They also create a space where customers can go to find clothing that suits their individual needs and preferences. By offering a range of sizes, styles, and colors, retailers make it easy for shoppers to find exactly what they are looking for.

Textile mills and sweatshops have highlighted the negative perception of the industry, which is largely associated with the underpaid workers, This has led to the demand for higher wages, which resulted in the shift of the industry towards the south, away from New York. The Federal tax law played a significant role in this context, as it allowed textile companies to deduct the losses of an acquired company against the purchasing firm's profits for at least two years, (Rosen, 2002, p.78). This resulted in the perpetuation of poor working conditions, as the industry remained focused on profit-making, rather than ensuring the safety and fair treatment of its employees. This situation did not allow the retail industry to change, as it was also affected by the tax law and the textile industry's monopoly. The government's intervention was supposed to ensure that the employees were treated fairly and the working conditions were improved, but it only served to benefit the textile industry, which continued to operate without any significant changes.

- 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-Sarah Africa from the Diana Sawyer Interview. (2pts)

Throughout history, political agendas have often influenced trade policies. One notable example is the Reagan administration's promotion of free trade, which resulted in reduced export quotas and tariffs, (Rosen, 2002, pg.119). However, recent developments suggest that the global trade landscape is shifting. African garment factories are emerging as a new competitor to Asian garment factories. This may require the US to consider importing garments from sub-Saharan Africa instead of Asia, potentially leading to a decrease in clothing exports from Asia to the US.

Nevertheless, there are several factors that need to be taken into account before the US can consider manufacturing clothing in sub-Saharan Africa. One such factor is the physical condition of workers in Africa. Unfortunately, a large number of people in Africa are affected by AIDS, a contagious and incurable disease (Rosen, 2002, pg.206, line 4). Some of the symptoms associated with AIDS, such as recurrent fatigue could make it challenging for individuals to work in high-pressure environments. This underscores the need for proper healthcare and safety measures to be put in place in African garment factories before any significant manufacturing operations can take place.

Sweatshops, where workers are paid low wages and work in poor conditions, have been a significant concern in the industry. Therefore, it is crucial to ensure that workers in sub-Saharan Africa are treated fairly and provided with safe working conditions. While the emergence of African garment factories as a new competitor to Asian garment factories may lead to changes in US trade policies, it is vital to address the challenges

associated with manufacturing clothing in sub-Saharan Africa. Proper healthcare, safety measures, and fair treatment of workers must be ensured before any significant manufacturing operations can take place.

- 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.

China has emerged as a dominant force in the apparel production industry due to its extensive and sophisticated textile manufacturing capabilities. China is one of the largest producers of cotton, silk, and man-made fiber textiles globally, which has led to the country's reputation as a major textile powerhouse (Rosen, 2002, p. 210). The country's vast resources and highly efficient production processes have enabled it to become one of the leading exporters of textile and apparel products to the United States, making it a key player in the global market. With its rapidly growing economy and increasing investment in technology and innovation.

- 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)

It is a well-known fact that there exists a significant wage disparity between men and women in the workforce. One example of this phenomenon is the wage comparison between the apparel industry and autoworkers industries. Historically, women have dominated the apparel industry while men have dominated the autoworkers industry. Despite both being labor-intensive fields, male autoworkers earn significantly higher wages than their female counterparts in the apparel industry, (Rosen, 2002, p. 225). In fact, on average, autoworkers' annual manufacturing wages are 149 percent higher than apparel industry workers.

The traditional belief that men were the primary breadwinners of the family resulted in them being paid higher wages that could sustain a family. Women, on the other hand, were expected to work only to supplement their family's income, and as such, they were paid salaries that were significantly lower than their male counterparts. This

disparity in wages not only affected women's financial independence but also had a significant impact on their ability to provide for themselves and their families, (Rosen, 2002, p. 249). This has discouraged many women from pursuing higher-paying jobs as companies were more willing to offer these positions to men. Consequently, women were left with limited opportunities for career growth and advancement. This wage gap persisted for many years, making it increasingly difficult for women to achieve financial stability and independence.

The Lowell Model was a system of employment that emerged in the textile industry during the 19th century, and it has become a prime example of the difficulties women face in low-wage industries. This model has been replicated by many manufacturing companies around the world, leading to the violation of women's rights. Under this system, young girls and women were employed in community-based factories, where they were forced to move away from their homes and into dormitories provided by the companies that hired them. These living spaces were often cramped and unsanitary, and women were subjected to various moral hardships, (Pershey, 1990). The Lowell Model was based on the idea of employing young, unmarried women who would work for a few years before getting married and leaving the workforce. The companies that employed these women provided them with room and board, as well as a small wage. However, the working conditions were often harsh, and the women were required to work long hours in dangerous environments. In addition, they were subjected to strict rules and regulations that governed their behavior both inside and outside of the workplace. Despite the many challenges they faced, the women who worked under the Lowell Model were able to build a sense of community and solidarity with one another. They formed literary societies, took part in religious activities, and even organized strikes to demand better working conditions.

e. 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 September 11, 2001 had a profound impact on the apparel industry's global sourcing practices. The aftermath of the tragic event forced the United States to halt its participation and involvement in trade with several countries, leading to a series of hostilities that affected the apparel industry worldwide. One of the countries most affected by this shift in trade was Pakistan. Prior to the event, the United States had agreed to lower tariffs and quotas to help Pakistan's apparel industry. However, following the event, many U.S. apparel companies pulled out of their contracts with Pakistani producers due to security concerns and the increased scrutiny of Pakistan's political and economic stability, (Rosen, 2002, p. 247). The impact of September 11 on the apparel industry was not limited to Pakistan. The United States military presence in Afghanistan led to conflicts and hostilities between Afghanistan and Pakistan, which further impacted

the global apparel industry. The tensions between these countries caused a ripple effect, with other countries becoming more cautious about their trade relations with the region. The long-term effects of September 11 on the apparel industry are still being felt today. The event serves as a reminder of the importance of maintaining peaceful relationships between countries to promote economic growth and stability. Companies must be vigilant and adapt to changes in the global political and economic landscape to ensure the continued success of their businesses.

## Resources

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