

**Fashion Economics: FM 4339**  
**Quiz #3: The Introduction**  
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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, and spelling count.

- a. Why did the United States assist Japan in rebuilding their country after WWII in 1945? What was the role of the Supreme Commander of the Allied Forces (SCAP) in Japanese reconstruction? (2pts).

The United States assisted Japan in rebuilding their country after WWII because this allowed the United States to keep an eye on Japan's reconstruction in political systems and industrial. The role of the Supreme Commander of the Allied Forces in Japan's reconstruction was to keep order in the country's population and resources to renew production within the country and be able to assist in finding markets for resources produced. The SCAP's main focus was to reconstruct Japan's textile industry. "The objective was to help Japan produce textiles for export that would generate foreign exchange to pay for what were then desperately needed imports", (Rosen, E.I. 2002). Taking advantage of Japan's fall, the SCAP helped increase and maintain Japan's industrial and textile production.

- b. How did Japan become an exporter of cotton textiles? Why was there a conflict about textile production in Japan? Defend your answer with citations from the book. (2 pts).

Japan became an exporter of cotton textiles after a loss of the raw material in China. "China was in the midst of its long civil war and was no longer selling raw cotton", (Rosen, E.I. 2002). Before Japan only imported from China which they were trading partners. Cotton had been the ideal option for production in Japan post-war. Japan had been known for their silk and nylon production but because of the decrease in exports they had relied on cotton.

The difficulty then arose when "finding new supplies of raw cotton", (Rosen, E.I. 2002). This then altered the exporting and production of goods in textiles. The United States had tried to influence other Asian nations to trade goods at a low price with Japan. However, post-war these countries had to forcefully create trade with Japan which then

put their countries on the line of poverty. The United States then had to “finance the sale of its supplies of raw cotton to Japan”, (Rosen, E.I, 2002), in order for Japan to export.

- c. What did communism have to do with U.S. trade policy with Japan? China? (2pts)

SCAP had its priority set to assist in rebuilding the Japanese textile industry. However, “ in the immediate postwar years, most American planning for the reconstruction.. focused on Europe.. the Marshall Plan”,(Rosen, E.I, 2002). The main focus had changed which then left Japan on its own to regrow its nation and political agenda. However, Japan had still kept their political and economic industry stable and rule under the United States. “ As communists gained strength in China and left-wing insurgencies began to appear in the region, America saw a new threat to its control of the Asian-pacific Rim”, (Rosen, E.I. 2002).

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

- d. Give two (2) reasons why the US had difficulty with finding trading partners for Japan’s textile exports.

Difficulty in finding partners for Japan’s textile exports arose when the currency of dollars was difficult to link with other countries. “ One aspect of the problem was the difficulty of linking these exports to the U.S dollar.. only countries with dollars, could buy Japanese textiles”, (Rosen, E.I. 2002). This then forced the U.S to purchase goods from Japan in order to keep their trade going.

Colonies in Asia were not able to purchase goods from Japan because they did not have the currency to do so. Japan had been making the most income coming in to approximately \$200 while others were at \$100, these countries were not able to afford the production. “ Many of these countries also had access to U.S foreign aid, allowing them to proceed with their industrialization”, (Rosen, E.I. 2002). Due to the decrease in market sales, Japan had to revert back into the U.S and Europe for exporting goods.

## Resources

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