

BUF 4300: Global Sourcing & International Trade Policy
Final Essay Exam
Spring 2024
Dr. Adomaitis
Jesenia Bravo

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

Please answer the following essay questions to the best of your knowledge illustrating critical thinking skills. Use detail where appropriate. Be tight and concise in your essay answers. *Answer each question in a separate paragraph of at least 5-6 sentences and rephrasing Rosen and previous quizzes.* Be sure to in-text cite and reference correctly in APA within the sentence (look at Purdue Owl/ APA). Organize your thoughts. No dictionaries or encyclopedias to be used for outside sources.

Remember grammar, punctuation & spelling count as 65% of your final examination grade. Application to current events are graded higher than answers straight from Rosen. Each essay is worth 100 points. Add all references in APA and in-text citations. Matching must be less than 20%. Use Purdue Owl Online Writing Lab. Good Luck!

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 extradition to Paris, France? How does this relate back to the time when he was the dictator of Panama? *How does this relate to the one of the somewhat recent political situations in Nepal and 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 she to show application from your knowledge of this course.

After World War II, America implemented a plan of trade liberalization across the globe, using the strategy to both create a free trade economic system while also battling the threat of communism. In fulfilling this plan of free trade globally, the Caribbean Basin Initiative targeted specifically the Caribbean, Central America and later, Mexico to spread the American influence and carry on this plan (Rosen, 2002, p. 129, par 1). The Caribbean Basin Initiative was crucial in expanding Reaganomics agenda that promoted economic development of trading partners and nearby regions while also influencing counter communist influence jointly. Introduced by President Reagan and his administration in 1983, the initiative sought to use the CBI to stimulate growth and create hubs for investments as well as trading partners in the Caribbean Basin while pushing forward deregulation and free trade ideas. The CBI influenced various nations in this region, spreading American influence and ideologies, fostering economic growth and stabilities while also fighting the communist expansion threats (Runde, 2021). The CBI

was integral in the Reaganomics agenda to implement the free trade initiative within the Western hemisphere in similar fashions to the ones carried out in Hong Kong, Taiwan and other NIC countries from the Far East while also combating the threat of communism.

In Panama, the CBI was used to spread the American influence and U.S. interests in the strategic region. The important figure involved with the U.S. and their initiatives into this country is Manuel Noriega, the dictator of Panama. Initially, Noriega was supported by the U.S. interests by supporting anti-communist efforts while also giving access to the Panama Canal, a key access point for trade routes. Initially as the A&E documentary stated, Noriega enjoyed support from the U.S due to his anti-communist movement in the country, promoting stability and U.S. partnership with cooperation. However, Noriega's regime was embroiled and notorious for its involvement with drug trafficking as well as human rights abuses (Bodenheimer, 2019). As his criminal and scandalous actions became evident, the Reagan administration was faced with a dilemma as their "partner" was undermining the goals of the CBI with his treacherous actions. "Noriega was a major player in a country of critical regional importance to the U.S. because of its location on the Panama Canal, a key strategic and economic waterway between the Atlantic and Pacific oceans on the narrow isthmus linking the Americas" (Hooper, 2010). The goals of political and economic stability were threatened along with his ties to drug traffickers that ultimately called for the U.S. to address the matter and promote change for the betterment of the people while maintaining control of the important region. After his overthrowing in 1989, the CBI and Reaganomics strategies had to take into account authoritarian regimes like the dictatorship of Noriega and the potential consequences that pursuing economic interests can have on entire nations by deceitful leaders.

In Nicaragua, the Caribbean Basin Initiative affected and influenced the nation with actions that projected Reaganomics ideologies. The Sandinistas, a socialist revolutionary group in Nicaragua came into power in 1979, posing a significant threat for U.S. influence and interest in the region (Shaw & Staff, 2018). With ties to the Soviet Union and socialist visions, the Sandinistas posed risks for the spread of communism and the influence it could have on other neighboring countries. With the CBI and Reaganomics focused on fighting this communist threat while also providing economic support and growth for underdeveloped nations, the Sandinistas threat was quickly challenged by the U.S. with its political and trade agendas. The CBI provided economic assistance, economic growth with jobs to neighboring countries such as Honduras and Costa Rica to battle the spread of communism and instead push the American influence into this region. The United States through the CBI and Reaganomics funded armies amongst other various efforts to undermine the Sandinistas and leftist governments and the spread of communism in Central America.

The Contras, a counter revolutionary military army was tasked and supported by the U.S. to undermine this threat of U.S. interest in the region. The Contra Army based out of neighboring Honduras and Costa Rica was crucial in undermining and destroying the Sandinistas movement and political government (Wheeler, 1984). Funded and aided by Reagan and his agenda, the army played a crucial role in being a proxy of American

influence and support to battle socialism and the threat of communism with the Soviet Union ties the Sandinistas had. Producing a drastic political agenda by the U.S. government to directly involve itself in the political governments and leaderships of countries particularly in the Caribbean Basin region. The U.S. influenced nations to align their political views with those of the Americas, which then would benefit them with economic aid and growth if they supported the ideologies and challenged oppositional, communist influences. This use of the contra army showed the U.S. agenda to use economic trade policies, political influences and even military intervention during the Reaganomics era.

The CBI encouraged trade and investments through deregulation and free markets especially in the Caribbean Basin region. Stimulating economic growths while creating jobs and developing nations jointly aimed at spreading American influence while intensely also combating the communist threat. Fidel Castro, a Cuban revolutionary leader was a major point of the Cold War and the U.S. efforts in the region to contain communism, a symbol of anti-American sentiment. As the A&E documentary, *El Comandante*, highlighted, through his communist regime in Cuba, Fidel Castro created a close relationship and ally with rival Soviet Union, creating a great source of concern for the U.S. and its Reaganomics plans. During this Cold War era, the administration decided to best use the CBI and its policies to alienate Cuba and limit Fidel Castro's influence and reach to neighboring countries such as the Dominican Republic. As Rosen stated, President Reagan saw the communist threat in the Caribbean and Central America as a real threat when stepping into office, a stepchild of the Castro Regime in Cuba (Rosen, 2002, p. 129, par 2). The CBI served as a main tool to put economic pressures on Castro and his regime in Cuba, promoting economic stability and development in neighboring Caribbean countries while diplomatically isolating Cuba to further its own hardship. The CBI limited the influence that dictator Castro and the Soviet Union had in spreading communism while also creating better relationships with trading partners in the Caribbean region, serving as the alternative to Castro's authoritarian regime and difficulties. The CBI played a crucial role in Reagan's efforts to confront and contain communism while also promoting American influence with economic growth and developments for many nations within the region.

The Panama Canal has strategic importance for its significant location and its impact on the free trade global markets. The Panama Canal is a vital pathway that connects the Atlantic Ocean with the Pacific Ocean, creating a strategic channel that is used tremendously for trades, allowing for movement of goods to be exported and imported between the oceans, East and West by many countries. In 1977, the Panama Canal Treaty negotiated by President Jimmy Carter transferred control of the canal after having ownership since it was built by the U.S. in 1914 (Ledewitz, 2023). The treaty turned over control to Panama in 1999 but cooled tensions and gave the U.S. longevity access to the canal and its influence in the region. The CBI furthered strengthen U.S. influenced and ties in the region, specifically with Panama by promoting economic aid, development and political stability for the nation allowing for the U.S. to protect its interests in crucial canal. By reinforcing the U.S. influence in the region, the security and functioning of the

canal can be ensured by the U.S. to further promote and aid its free trade global agenda and Reaganomic visions.

Manuel Noriega's extradition to Paris exemplifies the importance of upholding laws, ethical and moral responsibilities, especially by holding leaders accountable for their actions even after they have left office. As the A&E biography highlighted, his involvement in illicit activities and connection with drug traffickers as well as the human rights abuses during his leadership tenure in Panama were never forgotten. The extradition ensured that justice is always served to fight against corruption and immoral actions without putting anyone above the law. His authoritarian reign in Panama was a time of instability and lots of corruption in the nation starting with its leader (Wires, 2010). The extradition to France marked an exemplar instance of holding corrupt leaders accountable, charging him with convictions of money laundering charges while contesting his regime marked by violence, corruption and a terrible authoritarian time for Panama.

This extradition served as the ideal proof of upholding righteousness, involving international cooperation to ensure that justice is served, and crimes aren't forgotten and won't be tolerated. This extradition and need for justice and accountability resonates with recent political situations such as the Brihat Nagarik Andolan (BNA) in Nepal. The citizen led protest movement is condemning the Nepalese monarchy of corruption, human rights abuse and public discontent (Mulmi, 2022). Similar to the Noriega regime, the people of Nepal wanted the monarch to be held accountable for their unmoral, authoritarian regime and the actions they have done, to abolish the monarch and have them serve justice for their corruption. The public protests and civil disobedience ultimately led to the abolition of the monarch, challenging the authoritarian leadership and holding leaders accountable for their actions, similar to how Noriega was extradited, and justice was served. The importance of upholding the law and valuing human rights must be observed even with dictatorship and authoritarian leaderships while accountability and justice will always be served even for those at the top.

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 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.*

Trade policies have frequently been influenced by the country's political agenda throughout history. Trade policies, in particular with apparel and textile trading as expressed in "Making Sweatshops" by Ellen Rosen was a strategic tool used to carry out political agendas that altered relationships based on political needs. Reagan promoted economic liberalism both nationality and internationality through "trickle-down

economics” (Rosen, 2002, p. 121, par 1). During the Cold War and the fight against communism, the Soviet Union and Red China, trade policies between trading partners and the United States were drastically influenced by the political landscapes and agendas of the time. Strategic actions are taken to maneuver political agendas, especially during war time, this is true of the Cold War and the influence it had on trade policies of the time between the U.S, allies and adversaries. In trying to fight the communist threat and spread of its influence from Red China and the Soviet Union, trade policies were changed to implement trade embargoes, sanctions, tariffs and other economic pressures to promote the U.S. influence with its trading partners and oppositions. Embargo established against China had previously worked as a strategy against communist aggression and spread in Far East Asia, while also influencing economic developments and American influence in the region (Rosen, 2002, p. 46). By forcing trading partners such as Japan to restrict imports and exports from the likes of China and communist parties like North Korea, the U.S. political agenda was used to change trade negotiations and influence relationships between trading parties and fight the communist regimes while promoting U.S. interests. Trade barriers and changes of regulations were used to influence the global trading system and to carry out political agendas that the U.S. government best saw as the answer to fight communism and spread its free trade agendas.

In trying to negotiate to have U.S. apparel made in sub-Saharan Africa, the trade environments would require significant changes. Using insights from the Diane Sawyer and Brad Pitt interview and “Making Sweatshops” by Ellen Rosen, both positive and negative outcomes can be derived to the changes that trade dynamics would have with moving U.S. apparel production to sub-Saharan Africa. By shifting apparel production into sub-Saharan Africa, both the U.S. and Africa would have benefits as well as consequences to each nation. As Rosen states, optimistic views of trade and investment agendas are perceived as win-win scenarios but often different players from the new trade are affected differently, with some losing while others win (Rosen, 2002, p. 220, par 2). The first benefit would be to the U.S. producers and investors that would benefit from lower production costs and low labor wage environments that would result better competitiveness in global markets. The lower costs can be experienced by consumers who also would benefit from lower product costs as well as producers and companies who generate better profit margins. Africa can benefit from the benefits gained from having the U.S. move production into its country, bringing investment and infrastructure that can bolster the nation. Sub-Saharan Africa can also stimulate its economy with increase trade and investments as well as job creations that can better the poverty and overall economic stability of the country.

As the Diane Sawyer interview gives insight on however, consequences as well as many challenges will also exist from this transition of production into Sub-Saharan Africa that's very underdeveloped. The poverty, diseases and terrible conditions of Africa would gain from investments and fostering of production facilities to help the people and the economy progress from such terrible living conditions. “Until Recently, Africa participated in the global clothing trade primarily as an export market for used clothing” (Rosen, 2002, p. 205, par 4). More can be done to help this impoverished nation develop however, especially by the U.S. being one of the richest that can advance this nation and

help it for the better. As Brad Pitt spoke on it's a human crisis, an existential need of assistance that Africa needs an Americans being the world leader must help, possibly with the same apparel and textile production agenda that helped many other nations develop. The main issue would be very similar to the sweatshops and *maquiladoras* that Rosen also highlights, where the low wage environment and unfair labor rights would cultivate exploitation of lower-class individuals. The interview highlighted the sub-human living conditions that are present and the need for advancements of the economy and overall country for the betterment of their people. As with the offshoring production moves into other underdeveloped nations demonstrated, producers take advantage of the less regulated working environments and exploit workers for better profits. The current infrastructure environment would also need investments to build factories, transportation routes, enhanced power and energy sources and create good working conditions for workers. If responsible oversight organizations as well as responsible business ethics from investors and U.S. producers can be better than previous offshoring moves, the trade arrangement into sub-Saharan Africa can be beneficial to both parties. This trade agreement would give access to new business markets and give economic gains especially to Africa as long as humans and the environment is ethically monitored to balance out the trade gains with benefits for all parties.

President Hugo Chavez of Venezuela was known for being a polarizing figure known for his Anti-American speech and his socialistic views. His constant vocal opposition to the United States and its influence in Latin America impacted foreign policy for his country as well as the political relationships and anti-American regimes he associated with. To combat American influence on his country and to push his socialistic, nationalistic pride, Chavez alliances with the likes of Fidel Castro of Cuba and Iranian regimes challenged American interests and created tensions between the nations. Chavez nationalized key natural sources like the oil of the country that raised concerns for the U.S. about their intentions and security of its energy resources as well as of the economic stability in the area (Grainger, 2013). His constant U.S. hate speech and anti-American political views influenced relationships negatively between the countries, creating a divide between the socialistic views of Chavez and the American interest in Latin America with the likes of CBI.

Chilean President Augusto Pinochet is another controversial leader, known for his authoritarian rule and human rights abuses during his regime. Pinochet's tenure was notorious for widespread human rights abuse and political deteriorations that impacted foreign policies with the likes of the U.S. A notable event involving Pinochet was his arrest in London in 1998 on charges of human rights violations committed during his dictatorship (Yates, 2022). Like Noriega, Pinochet's arrest held a former leader of an authoritarian regime accountable for the human rights cruelties and abuse of power from their past atrocities. Like Noriega as well, the U.S. support for Pinochet and his governance of Chile raised questions about the efforts to help develop Latin American nations with repressive military authoritarian leadership and those who violated humans' rights (Packenham, 2007). It challenged the commitments for American influences like democracy and human rights advocations, promoting democratic leadership after Pinochet's reign to create a better country for its people.

Similarly, current Russian President Vladimir Putin has been involved in various newsworthy events that have altered U.S. foreign policy. With the present-day Ukraine-Russia War along with his aggressive actions in Crimea, Ukraine, and Syria, Putin is a modern-day leader who is controversial and has influenced foreign policy with many nations. Putin's annexation of Crimea in 2014 and military intervention in Eastern Ukraine have triggered sanctions from the U.S, heightening tensions between Russia and the U.S. along with other allying NATO nations (Short, 2023). Putin's support for the Assad regime in Syria, including helping dictator Bashar Al-Assad regain power through military intervention to prop up their government have complicated U.S. efforts to address the Syrian conflict and contain terrorism in the region (Polyakova, 2018). These current events along with the present Ukraine/Russia war have led to a constant revaluations of U.S. foreign policy priorities, including efforts to contain Russian influence, contain Russian military intentions, and maintain global stability to prevent World War III.

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.

Consumers purchasing goods can be affected and altered by a complex dynamic of several factors highlighted by Ellen Rosen in "Making Sweatshops". Job loss, lower wages, pressure for retail profitability, and trade liberalization can have complex effects on consumers and the goods they purchase like apparel. The first aspect, job loss, can have a significant impact on apparel manufacturers and consumers alike. Job loss in domestic manufacturing due to outsourcing and offshoring of operations to countries with lower labor costs significantly affects consumers. While outsourcing and offshoring have benefits that may lead to cheaper production, lower costs and lower prices for consumers, it often comes at the expense of workers domestically. For consumers as Rosen states, production from offshoring into created increasing competitive markets that consumers benefited from lower price goods (Rosen, 2002, p. 172, par 1). For businesses however, they benefit greatly from the reduced operating costs and advantageous of lower labor costs and unregulated markets to gain greater profits that can lead to lower pricing for consumers. As Rosen states, "free trade" means low wage imports, that have generated better prices for consumers but also developed substandard working conditions at home with sweatshops and abroad (Rosen, 2002, p. 220, par 1). With the addition of automation and the coming wave of AI, job losses will be even greater, and they can have detrimental effects on economies, leading to unemployment, ultimately impacting how much consumers spend regardless of pricing and affecting economic growth.

Lower wages, like the job losses, will benefit consumers and product affordability but it will have negative consequences for workers and their livelihood. As Rosen states, lower labor costs in developing countries means higher profits for U.S. transnational producers while deteriorating wage growth (Rosen, 2002, p. 225, par 2). A consequence of

automation, AI and aiming to remain competitive in markets globally, lower wages have adverse effects for workers but can benefit consumers with lower priced goods. In regions where labor regulations aren't enforced and low labor wages persists, workers are ultimately exploited with bad working conditions, long hours and low wages to create products that generate the most profits. While producers will generate more profits from these offshoring and outsourcing operations, the pricing advantageous are not always passed onto consumers, thus exposing these workers to unjust working environments for greedy owners. Generally, lower wages mean that production costs are lower for producers who should offset these gains by offering consumers better final product pricing to gain competitive advantageous. However, pressures to remain competitive and gain profitability can exploit these low wage environments to prioritize cost cutting initiatives and profits over ethical labor working rights and workers wellbeing.

With the removal of restrictive trade quotas, reduction of tariffs and opening of new trade markets, the apparel and retailing industry have benefited from trade liberalization. Removing trade barriers such as tariffs and quotas allows for consumers to benefit from lower priced goods that no longer are barred or have increased added value pricing added to their final price. The Trade liberalization agenda has opened new markets, created new production hubs that have ultimately been characterized by producing lower priced goods for consumers. With the liberalization typically being introduced into underdeveloped nations, foreign nations are advantages for having lower wage labor as well as less regulated working markets that allow for producers to have lower production costs. As Rosen stated, "countries where wages have fallen the most are also the countries that have the worst record of abusing workers' rights" (Rosen, 2002, p. 167, par 3). With reduction of quotas and tariffs on these imported goods, consumers benefit from competitive global markets that puts pressures on the markets to offer the best pricing to attract customers. While consumers benefit, workers can be exploited in these foreign nations while workers domestically will also face challenges due to the lower priced goods that can't be competed with.

Pressure for retail profitability, like the profitability paradox also affects consumers and the prices they pay for goods. While trade liberalization may lead to increased market efficiencies with supply and demand as well as increased market access for businesses, it can also generate intensified global competition that contributes to job displacement domestically. As Rosen states, retailers found it was always not feasible, even with creative marketing strategies, to cut operating expenses and expand sales enough to compete for reduced margins because they could not raise prices on consumers and remain competitive (Rosen, 2002, p. 182, par 4). While trying to battle this paradox and seek profitability in this ultra-competitive industry, consumers benefit as they are treated to products priced as competitive as can be. In trying to gain consumers, some companies value volume or profit margins, thus seeking to sell more goods at lower margins that consumers benefit from. Retailers face intense competition in this industry, leading to cost cutting initiatives such as using sweatshops to best generate profits and gain consumers with great pricing. The bargain consumers receive are not always the results of saving on tariffs, as producers, retailers and importers are the main beneficiaries increasing profit margins (Rosen, 2002, p. 233, par 1). It comes at the expense of the

workers, the quality of products and environmental sustainability that consumers must decide between, better affordability or ethical and environmental impacts of their product choices.

Despite these complex dynamics that makes the availability of lower-priced apparel goods more attainable, high-fashion apparel remains expensive due to reasons. These cost cutting actions definitely have created an industry that offers lower priced goods for consumers in this competitive market. Although the “tax” that was imposed on Americans has been reduced from removing quotas, tariffs and implementing free trade have produced cheaper priced goods, high quality and priced goods are still desired by consumers (Rosen, 2002, p. 231, par 1). High fashion brands however provide exclusivity, high quality craftsmanship, and brand prestige for consumers who value these qualities. The prestige and distinctive brand along with the perceived value it gives to consumers command higher prices in the market than those of low quality and low-priced goods. High fashion apparel is often produced using premium materials and meticulous techniques that also factor into the higher prices when finished. Branding and brand value are also very important in these niche markets, factors that high fashion brands know and invest heavily into marketing creating consumer appeal and lifestyle aspirations that also demand high prices that consumers are willing to pay to be associated with.

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.

The profitability paradox refers to the challenge faced by retailers and businesses in balancing the need to generate profits with the constant pressure to offer competitive prices to consumers. As Rosen states, “operating costs as a percentage of sales reach a point of diminishing returns” (Rosen, 2002, p. 189, par 1). In best trying to respond to this challenge, retailers have adopted strategies to meet consumer demands and offer competitive pricing while maintain and achieving profitability to still survive in competitive markets. Businesses and retailers must remain adaptive and constantly monitor consumer preferences as well as competitors to gauge the markets and remain competitive in everchanging environments. With increased pressures of operating costs rising, due to factors such as minimum wage increases amongst others, retailers can no longer just simply offset this cost onto consumers to keep their profits as they will be over pricing competitive challengers that will bargain and take their consumers. No longer do traditional short-term profitability strategies such as discounting and promoting sales benefit businesses who are already dealing with profits shrinking. Businesses must navigate this profitability paradox with sound, smart strategies that sustain and endure their business in these competitive market environments.

Despite the instability of the retail industry, businesses have shown resilience and adaptability in several ways to remain profitable while offering consumers what they demand. One strategy is to focus on high quality products, unique products and strong branding efforts. Consumers value distinction and branding, offering unique and high-quality apparel goods that justify their higher price points can offset the profitability paradox. Businesses can offer products that are priced higher than competitive markets and still generate consumers attention and business by providing high valued goods as well as being strategic with branding efforts to create value. Prioritizing brand loyalty and enhancing the customer experience goes a long way in highlighting a customer centric approach to gain their business (Patterson, 2022). Overproduction has costs businesses, prioritizing being more efficient and better managing the supply chain will help with lean retailing (Rosen, 2002, p. 197, par 2). Optimizing supply chain efficiencies, using data analytics and modern technology to reduce costs, enhance inventory management and improve margins will also help in keeping the pricing as competitive as possible for businesses that can't offer high-end pricing

Secondly, retailers have embraced modernized omnichannel strategies to meet the evolving needs and preferences of modern consumers. By integrating online and offline channels seamlessly, retailers can provide consumers with an interconnected shopping experience especially digitally (Kivimaa, 2024). Offering convenience, flexibility, and personalized communications in this digital world is required, using social media apps and modern advertising avenues to best connect and resonate with consumers. "At the heart of the profitability paradox is the inability of retailers to raise price" (Rosen, 2002, p. 196, par 5). This omnichannel approach enables retailers to reach consumers through multiple avenues, motivating engagement and loyalty while not comprising on lowering prices methods. Optimizing operational efficiencies, improving sales performance and reducing costs will help in surviving this paradox and thriving in the competitive retail markets.

In New York, especially when accounting for the recent inflation increase, recent New York laws influenced by Bidenomics such as the minimum wage increases, uber drivers wage increase, rents increase have all had an implication for retail profitability as well as consumer prices. The raises of minimum wage increase and increased labor costs that have decreased profits for operators. These higher costs, while eating into profits will also lead to higher consumer prices to offset these higher expenses (Czerwonka, 2024). With rents and rising property costs, retailers in New York are also susceptible to higher costs further straining their bottom lines and further eating into profits. These continuous actions that have eaten into profits can ultimately lead to potential store closing, higher consumer pricing and even reduced offerings for consumers to choose from. While these economic policies have good intentions, they also eat into profits and require adjustment by businesses to offset these higher operating costs that can have negative effects for workers and consumers. Even policies such as paid leave mandates put pressures on businesses that are struggling to generate profits with less consumer traffic feasibly. When you add on the recent inflation, prices are even higher and further strain profit margins thus creating challenging scenarios and challenging times for competitive business to survive.

References

- Biography Manuel Noriega: Rise and Fall of Panama's Strongman (TV Episode 1998) | Documentary, biography, history.* (1998, November 25). IMDb. <https://www.imdb.com/title/tt0400112/>
- Bodenheimer, R. (2019, August 28). *Biography of Manuel Noriega, Panamanian dictator.* ThoughtCo. <https://www.thoughtco.com/manuel-noriega-4766576>
- Czerwonka, E. (2024, April 1). *Pros and cons of raising the minimum wage.* Buddy Punch. <https://buddypunch.com/blog/pros-and-cons-of-raising-the-minimum-wage/>
- Grainger, S. (2013, March 5). *Hugo Chavez: A divided and divisive legacy?* BBC News. <https://www.bbc.com/news/world-latin-america-16610581>
- Hooper, S. (2010, July 7). *The rise and fall of Noriega, Central America's strongman - CNN.com.* <https://www.cnn.com/2010/WORLD/americas/07/07/panama.manuel.noriega.profile/index.html>
- Kivimaa, H. (2024, April 29). *Omnichannel retail: Seamless shopping experience.* Katana. <https://katanamrp.com/blog/omnichannel-retail/#:~:text=An%20omnichannel%20approach%20ensures%20that,increased%20customer%20satisfaction%20and%20loyalty.>
- Ledewitz, B. (2023, March 9). *The Panama Canal Treaties were Carter's biggest foreign policy win | Bruce Ledewitz.* Pennsylvania Capital-Star. <https://penncapital-star.com/commentary/the-panama-canal-treaties-were-carters-biggest-foreign-policy-win-bruce-ledewitz/>
- Mulmi, A. R. (2022, January 27). *Can Nepal's latest Citizen-Led Street protests shake things up?* Carnegie Endowment for International Peace. <https://carnegieendowment.org/research/2022/01/can-nepals-latest-citizen-led-street-protests-shake-things-up?lang=en>
- Packham, R. (2007, January 30). *What Pinochet did for Chile.* Hoover Institution. <https://www.hoover.org/research/what-pinochet-did-chile>
- Patterson, C. (2022, October 12). *What is customer experience and why does it matter?* MarTech. <https://martech.org/what-is-customer-experience-and-why-does-it-matter/>
- Primetime Live: Brad Pitt's Journey to Africa (TV Movie 2005) | Documentary.* (n.d.). IMDb. <https://www.imdb.com/title/tt1346700/>

- Polyakova, A. (2018, February 28). Russia is a great power once again. *The Atlantic*. <https://www.theatlantic.com/international/archive/2018/02/russia-syria-putin-assad-trump-isis-ghouta/554270/>
- Rosen, E. I. (2002). *Making sweatshops: The Globalization of the U.S. apparel industry*. University of California Press.
- Runde, D. F., Sandin, L., & Doring, A. (2022). *Reimagining the U.S. strategy in the Caribbean*. <https://www.csis.org/analysis/reimagining-us-strategy-caribbean>
- Shaw, D., & Staff, L. (2018, July 24). *The revolutionary legacy of the Sandinistas*. Liberation News. <https://www.liberationnews.org/revolutionary-legacy-sandinistas/>
- Short, P. (2023, February 23). A plausible endgame to the war in Ukraine. *TIME*. <https://time.com/6257800/ukraine-war-end/>
- Steve Military Videos. (2024, March 4). *Fidel Castro - El Comandante (Full) (46m16s)* [Video]. YouTube. <https://www.youtube.com/watch?v=ZtcyZKtBAQM>
- Wheeler, J. (1984, June 1). Fighting the Soviet imperialists: The Contras in Nicaragua. *Reason.com*. <https://reason.com/1984/06/01/fighting-the-soviet-imperialis-3/>
- Wires, N. (2010, April 27). *Panama's former leader Noriega arrives in France*. France 24. <https://www.france24.com/en/20100427-us-extradites-panama-noriega-arrives-france-money-laundering>