

Fashion Economics: FM 4339
Quiz #10 The US Textile Industry
Chapter (11 & 12)

Dr. Adomaitis

Naja Barber

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 & spelling count.

- 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)**

Rosen's statements about the development and the progression of US textile mills have been explained many times in the book. Textile mills, manufacturers, and retailers all contributed to an increase in the wealth of the US. As well as creating new work opportunities for people who need jobs. Textile mills helped with the production of textiles and apparel. Also, opened new work opportunities for foreign people. All of these play a role in the industry because they all helped to effectively increase trade production. The negative effects of textile mills are still a major part but, some positives came from all of these.

Textile mills led to an understanding of the reader about what a "sweatshop" is today. Textile mills and manufacturers relocated to the South because of cheap labor and reduced wages. But textile workers in both the North and the South were not being paid fairly and received low wages. In chapter five, Rosen states "workers in the South made \$1.17 an hour, and workers in the North who were in the union made \$1.32" (Rosen, 2002, p. 81 par.3). This further explains how low wages affected workers in the North and South. Which compares to a "sweatshop" because of the dangerous, poor working conditions, and the low wages women workers were receiving. They were paid less than they should have been paid and lower than a base wage. Rosen mentions the Lowell model which was created "to examine the two different time periods of women workers in textile mills located in Lowell, Massachusetts, and women that worked in sweatshops" (Rosen, 2002, p. 240 par.2). This explains although they had similar working conditions with low pay, they both had differences in other ways.

- 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 Diane Sawyer Interview. (2pts)**

In the book, Rosen frequently spoke about political events that influence trade policy. A trade policy that affected the US was the General Agreement and Trade (GATT). It was enforced in 1947, which was after World War 2. This was created to “decrease tariffs and commerce and bring poverty to an end” (Alessi, 2012). Also, trade was increased with other countries. As a result of this, there was a decrease in the possibility of war coming into effect because the US wanted to keep a strong relationship with other countries to keep growing their exports.

If negotiations were made to have apparel produced in Sub-Sahara, African trade would change because it would slow down. Rosen even states “the huge percentage of Africans sick with AIDS is perceived as a disadvantage of growth” (Rosen, 2002, p. 206 par.1). This was due to this deadly disease which would hinder trade in Africa. Based on the Diane Sawyer interview, issues that were occurring at this time were not just the epidemic of Aids but also suffering economically and poverty. Also, at this time the dictator of Ghana, Jerry Rawlings was trying to bring changes to the country’s poverty.

- 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. (2pts)**

China is considered a major part of apparel production because the US is a main trade partner. Due to China’s growth in its production of textiles, and technology, they became a top competitor in the textile industry (Rosen, 2002, p. 207 par.5). China’s technology has always been advanced compared to other countries. They utilized this to their advantage by increasing their trade and improving their transportation. Which shows how they are growing to become a successful superpower country.

The devaluing and inflating of the Yuan benefit China by forwarding its markets overseas and preventing imports. One example of the devaluing of the Yuan was in 2015, this happened because China wanted more power over its commerce. This led to an advantage for China because of an increase in exports and strengthening their foreign reserves (Adinolfi, 2015). This helped improve the export/import of China. An example of China inflating the Yuan was the Great Inflation that took place in the 1930s and 1940s. This negatively affected China due to the rise of communism and suffering economically.

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)

Throughout history, women were not paid fairly nor equally to their male counterparts. An example of this in history was during the Great Depression in the 1930s when women were working as seamstresses and nurses. But they were not being paid as much as men. This was due to the National Recovery Administration making the wages lower for women no matter the job (Sweet, 2021). Another example of women's lower wages exists even today with the gender pay gap. According to Wheelwright, in jobs such as security and medical scientists' women only made 44% and 40% of what men made (Wheelwright, 2022). Which is an enormous difference and unfair especially because a great number of women have a higher level of education than men.

The Lowell Model has shed a light on the challenges women face in a low-wage industry because it exposes the unfair conditions women workers had to suffer from. This model also provides insight into the wages women were making and the long hours they had to work. Rosen states "Thomas Dublin said, "the amount of hours women in Lowell and Lawrence had to work was 73 hours, which was overall 13 hours each day" (Rosen, 2002, p. 240 par.3). The hours were long, especially for the job they were doing. Although, this was the case women were receiving an increased amount of income. According to Rosen, due to these circumstances "women workers in Lowell went on a revolt against their management" (Rosen, 2002, p. 241 par.1). This was because the working environment declining. Compared to women in different countries such as China, and Bangladesh who worked in export processing zones and worked long hours as well but are paid less.

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).

After the tragic events of September 11th, 2001 the global sourcing of apparel was affected drastically. The main reason was that the U.S extracted its agreement with Pakistan. This was due to Operation Enduring Freedom which was presented by President George W. Bush (Glass, 2018) Which was when the U.S invaded Afghanistan. Companies in the U.S felt that sending apparel products would be challenging due to what was going on in Afghanistan. Rosen states “major brands such as Russell Athletic, Eagle Outfitters, Tommy Hilfiger, and the Gap broke off their agreements” (Rosen, 2002, p. 247 par.3). This led to both the U.S and Afghanistan suffering. The decrease in apparel production and loss of money for Afghanistan.

Terrorism had a major effect on consumer consumption and the US economy in many ways. The first reason was because of foreign workers losing their jobs. According to Rosen, “68,500 workers in Pakistan were laid off from their jobs, and as many as 200,000 Mexican workers were laid off” (Rosen, 2002, p. 248 par.1). This was an issue because limited workers slowed down the production of textiles and apparel. At this time people were not shopping as much because of the events that took place. Which caused a decrease in consumer consumption. The U.S economy was heavily impacted because of the recession that happened for a total of eight months. Everything was declining such as the stock market, and unemployment.

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