

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

**Dr. Adomaitis**

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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 & spelling count.

**a. Throughout Making Sweatshops, Rosen discusses the development and progression of US textile 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 a 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 a citation from the book along with another creditable author on this topic. (2pts)**

Ellen Rosen mentions textile mills, manufacturers, and retailers as a significant part of the retailing pipeline. They were opportunities for skilled people to find jobs and have income. As Ellen states, textile industries were key industries that participated in rebuilding the economy after the war (Rosen, 2002, p.28, par.4). Reading Making Sweashows means understanding the conditions behind many workplaces, which showcases the ideas and weaknesses behind the textile mills, the manufacturers, and retailers.

As hard as it is to believe, it's true that many mass famous brands are using sweatshops today. There are still reports coming about the worst cases of "modern slavery." This happened in Asian countries such as the Philippines, Indonesia, Bangladesh, and Sri Lanka (Assoune, 2021). Many customers' favorite brands, such as Adidas, Asos, and Forever 21, use sweatshops today to make products more cheaply and have fewer expenses spent on production.

**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 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? Give examples of issues that affect sub-Saharan Africa from the Diana Sawyer Interview. (2pts)**

Ellen Rosen has mentioned free trade in her book numerous times in different aspects. She stated that free trade is something with an actual value and the potential to increase national wealth. For some, it had a great possibility of bringing well economic warfare and individual freedom to countries around the globe (Rosen, 2002, p.231, par.2). Even though free trade has always been a subject of debate and controversy, Ellen Rosen still positively mentioned free trade in the book as the best tool for proving national welfare. The growth of free trade has its consequence. For example, Western Hemisphere didn’t prosper from free trade, but on the other hand, Latin America opened new successful markets.

As the author mentions in her book, in the 1990s, free trade agreements significantly increased in Latin American countries. This was when trade policy was affected by a country’s political agenda. During this period, the United States signed a new trade agreement with several countries, including Argentina, Bolivia, and Uruguay, the purpose behind this action was to make equal benefits from free trade for other countries. After this, some Latin American countries set up three free trade alliances between themselves (Rosen, 2002, p.173, par.1). During this period, the United States opened new markets for imports of garments from Ecuador, Venezuela, Colombia, and Bolivia.

As Rosen mentions in Chapter 12, some sub-Saharan African countries were not included in the free trade regime because of their poverty level. The trade that would consider making the United States apparel in sub-Saharan Africa would not be proceeding because there were not enough resources and a lack of infrastructure in some sub-Saharan African countries. As Jerry Rawlings mentioned in one of his interviews, Africa found itself in an inextricable situation (Rawlings, 2012). He saw the issue in political progress that had to be made in Africa. As a solution, he offered his people a referendum that would give them a new constitution that would allow a multi-party system.

**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 among the most developing countries. As Ellen Rosen mentioned, America's textile and apparel producers, who constantly have to purchase the fabrics, focused on the competition

from the People's Republic of China. Ellen also stated that China started to bring an apparel industry that was close to the global competitive standards from the very beginning. The United States textile and apparel producers saw strong competitors from Chinese textile makers. (Rosen, 2002, p.207, par.4). According to the new study, when China entered the World Trade Organization in 2005, it predicted that this move would triple the United Statute's imports of Chinese apparel.

According to the article published by Michael J Boyle on June 30 on Investopedia's official website, on August 11, 2015, there were one of the significant activities dropped. The People's Bank of China (PBOC) announced the three consecutive devaluations of the Yuan, which knocked off more than 3% of its original value. The article says, for many, this was an unexpected move, and some thought that the idea behind it was to increase exports to support the economy that was not doing well at that time. However, Michael J Boyle also mentioned that there was another essential motive for devaluation, which was China's great desire to enter the International Monetary Fund's (IMF) SDR basket currencies (Boyle, 2021). There could have also been several reasons for the actions made, but the article discusses one of the reasonable motives.

While there is an aggravated situation and crisis that drives up raw materials and their prices in Ukraine, China's Yuan got relatively more robust, says the article published by He Huifeng and Luna Sun. China has one of the most significant trading partnerships with Russia and Ukraine. Bob Yao, the co-founder of a digital printing company, said that the invasion of Russia in Ukraine has even increased the number of customers in some regions (Huifeng & Sun, 2022). Other people in different countries have also felt the sanctions that were made against Russia.

**d. Women have been part of the apparel workforce 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)**

Women had to fight for their rights and voice. They have not been recognized as skilled and talented human beings for so long. However, they became part of the apparel workforce throughout its development phase. However, the wages that women were getting were significantly less than men's wages. The article published by Helena Eltel, called "Trends by Race and Family Structure 1920-1990," deeply discusses the social construction and women's wages during that period. The author states that in the 20th century, it was considered a social norm for women to stay home and take care of family, so women were getting the minimum

wages when, on the other side, men were considered family supporters who could earn more than standard wages (Eitel, 2016). Therefore, women's wages were assumed by society, and there were huge differences between the gender, which significantly affected the workplace.

Another article published by Greg Daugherty on Investopedia's official website talks about the gender wage gap in today's society, which once became part of history. Despite massive progress in gender equality, the gender wage gap still exists. The article mentions that The U.S Census Bureau stated that women, who had been working full-time jobs in 1960, earned approximately 60 cents for every dollar by men. The article publishes the graph from 2019 that showcases the latest data on the annual earnings of female and male workers who work full-time jobs. According to the graph, women earn approximately 10,000 less than their male counterparts (Daugherty, 2022). The world is in constant progress, and there are still many more steps to be taken. The gap should completely disappear as time goes by because the gender wage gap is nothing but unfair.

The Lowell Model served as a grid and put parallels between the experiences women had to go through while working in the apparel industry in Lowell, Massachusetts, and between today's textile workers. As Ellen Rosen mentions in the book, so-called "farm girls" worked at textile factories. Those young girls had to work under socially unacceptable conditions. They were working 73 hours a week with 30 minutes of break (Rosen, 2002, p.240, par.2). This was going beyond the violation of human rights.

**e. Discuss how the events of September 11, 2001, have affected international sourcing of apparel. Give at least two (2) examples. How has terrorism affected consumer consumption along with the US economy? (2pts).**

After September 11 tragedy, people in the United States went through the most challenging times. The fear of terrorism reduced consumption dynamics, which, according to Ellen Rosen, resulted in layoffs of apparel workers. This was not a tragedy for the US, but it significantly harmed the other parts of the world. According to the book, the articles that were published in one of the most famous newspapers and journals said that 68,000 workers in Pakistan lost their jobs, and approximately 200,000 people lost their jobs at maquiladoras in Mexico (Rosen, 2002, p.248, par.1). People were in constant fear, many industries went down, and they could never get up. This attack significantly declined consumer shopping in the United States.

According to the article published by Andrea Cheng, September 11 terrorist attack splintered the fashion and apparel industry (Cheng, 2021). The world was surrounded by fear and grief. Fashion shows were canceled, and the world went quiet.

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