

Fashion Economics: FM 4339
Quiz #7: The US Textile Industry
Chapter 8

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

- a. Where was the “second act” of trade liberalization played out? What countries did it include (Look at a map)? How did Reaganomics include these countries in foreign affairs? What was their relationship? (2 pts)

According to Ellen Rosen, Latin America, it was where the “second act” took place. Several countries were included in the “second act,” and those countries were: Central America, some selected countries in the Caribbean, and then later, Mexico joined the group (Rosen, 2002, p.129, par.1).

As mentioned in the book, When president Reagan entered the White House he easily noticed new communist warnings that were coming from Central America and the Caribbean. One of the successful moves that Reaganomics did to include the second act countries in foreign affairs was by creating the Caribbean Basin Initiative (CBI) also known as Caribbean Basin Economic Recovery Act. Creating this act was successful because as an investment program it majorly helped to promote political stability and better economic development (Rosen, 2002, p.129, par.2). It was the beginning of new investments and trade opportunities.

Rosen mentions in her book that the United States has been highly involved in the economic, political, and military affairs of the Caribbean and the Central American Nations, which explains that the relationship between them was pretty stable. It seemed that the United States was there to help them when they were going through the hard times.

- b. What was occurring in Central America? How could history be repeating itself? How do you think the U.S. would respond to the crisis in Central America? (2pts)

The situation in Central America was quite difficult. War, corruption, and economic hardship all came together. People were stuck between deciding what was the best and worst because they had to face the most unfair practices in their country. Ellen mentions in her book that the United States provided approximately \$16.8 billion to help Central America and the Caribbean with military aid and economic development aid (Rosen, 2002, p.132, par.1).

History repeats itself, especially if we compare this case to whatever is going on between Ukraine and Russia. Great Britain will provide an additional military aid package to Ukraine, including anti-aircraft and anti-tank missiles. Poland is also participating as a neighbor country to help Ukraine send military equipment. In my opinion, history has a strong power of constantly repeating and the importance of one country supporting another is enormous.

- c. Please research and bring to class two examples of military, political, or economic affairs that occurred in the Caribbean or Central America between 1953 and 1985. Make sure your examples are from credible sources. Why did I ask you to research events in this region? How does it pertain to the chapter entitled, "The Reagan Revolution"? (2pts)

There were two different countries chosen for the answer and those countries are Chile (Latin America) and Cuba (Caribbean). The corruption and military, political and economic affairs took place in both countries at some point in a specific period. They went through war and depression, which turned the country's history into a completely different path. These sources include information about each country's affairs, corruption, and economic hardships and how they managed to play with consequences.

A Great Depression was going on in Chile in 1929, which caused the most significant damage to the country, and as a League of Nations declared, it was the worst affected country who have dealt with the horrible consequences of the war.

Between 1963-and 1973, the United States was highly involved in Chile's political affairs. The report called "Covert Action In Chile between 1963-1973," published by the United States Congress is majorly concerned and discusses American activities and involvement in Chile were significant and extensive (Congress, 1975). The policy of the United States was aimed to follow the patterns of the United States' diplomatic and economic interests. As mentioned in the article, Covert American activity was one of the most significant factors in almost every primary election in Chile between 1963-and 1973. There were examples where Americas' involvement was massive. For instance, According to the report, in 1964, The Central Intelligence Agency (CIA) spent approximately three million dollars to impact the outcome of the presidential elections, and the United States funded a considerable number of Christian Democratic candidate campaigns (Congress, 1975). The presidential election in Chile as a political affair proved that the desire of the United States to get involved in various activities was continuous and extensive.

Cuba, a country in Latin America, was a victim of political corruption and affairs in 1950. The United States' involvement was also significant in Cuban affairs. Accordion to the Association for the study of the Cuban Economy (ASCE), American investment brought vast devastation and played a very negative role in the Cuban economy. The reason was profit remittances that exceeded new capital inflows. There is also a second narrative according to which the 1950s was defined as a decade of economic immobilism and failure to diversify (Baklanoff, 2009).

Chapter 8 mainly discusses Latin American and Caribbean countries and how significant the United States' involvement in each country was. I think the reason for research events in these regions was to better understand the topic itself and its importance.

- d. Define CBI? What was their economic status? What was the purpose of developing programs that would support new business opportunities in the Caribbean? (2pts)

According to Ellen Rosen, Caribbean Basin Initiative is also known as the Caribbean Basin Economic Recovery Act, was a new trade agenda and had its purpose, which was considering investment relationships with the United States and also to constantly check the spread of Soviet-Cuban influence America (Rosen, 2002, p.132, par.3).

In chapter 8, the author states that with the establishment of the CBI, President Reagan's administration assembled the United States agencies and gave them the task of promoting new possible business opportunities in the Caribbean countries. It was one of the best ways to help the development of international agricultural trade and help open the doors to new businesses (Rosen, 2002, p.134, par.2). This step from the United States was quite intense because otherwise, Caribbean countries would face economic and political hardship.

References

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