

Fashion Economics: FM 4339  
Quiz #2: The Introduction  
Dr. Adomaitis

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

**a. Do past international theories of explaining international trade (classic theorists) facilitate an understanding of trade policies today? If yes, then why? If no, then why not? (2pts).**

I would say that past international theories of explaining international trade encourage awareness of trade policies today. As the textbook says, around twenty years ago or so, the authorities of U.S. textile transnationals have significantly reinforced neoliberalism and its strategy to do its task. Therefore, international trade was affected, making it possible for global businesses to expand their power over, as I've mentioned above, international trade. The international trade rule has been under control by American power, and it's been a substantial part of America's international and domestic policies. In addition to that, the guidelines that control today's international trade were encouraged to promote American influence and leadership in the postwar world. It touches on a critical discussion about the incorporation of the global economy.

**b. What is GATT? Explain in your own words. How has or would it ensure world peace? Has it worked? (2 pts).**

The General Agreement on Tariffs and Trade (GATT) was accomplished shortly after WWII, in 1947, and significantly reduced tariffs among all member states. GATT was something that many Allied countries saw as essential to maintaining peace in the postwar world. GATT contributed to the creation of possible negotiations between different countries, which ones one of the best ways to peace. As Rosen mentioned multilateral negotiations in her book, the main principle of the agreements was for all the nations to be treated in the same way and a high level of equality. Rosen states that free markets and trades were some of the most substantial reinforcements in economic demand (Rosen, 2002, p.14, par.2 ). In a way, every member of the GATT negotiation could achieve negotiations and be treated equally, bringing peace to the world. Unfortunately, GATT failed and was replaced by the World Trade Organization (WTO).

**c. Rosen explains on page 20 paragraph (1) and on page 22 paragraph (1) that global trade does not always enrich developing countries but rather leaves them impoverished. Is this true? Is global trade beneficial to developing countries? Defend your answer. (2 pts).**

Globalization is a powerful tool for worldwide labor division. In my opinion, global trade is quite beneficial to well-developed countries. Some countries specialize in several units to strengthen their efficiency. When prices get regularized between developed and currently developing countries, it creates a better ability for the developing countries to reach out for a worldwide market to create potential success in making a better and stronger economic standing. At the same time, customers in the developed countries can profit from the more effective, more affordable, and much better-produced resources from foreign countries. If one country decides to increase the prices too high, another one will act the opposite way because it would benefit them.

**d. Historically, why is the apparel industry considered a “woman’s field”? Is this conception of being a “woman’s field of labor” true today? How does Rosen describe women as they are thought of in the apparel industry? Is this a fair classification of women? (2 pts)**

Since the early centuries world has created the idea of women having the nature of being in the apparel industry. As Rosen mentions, people used to believe that women could not complete several tasks, and they thought that there were jobs that belonged only to men. Society learned women as creatures with petit hands and low levels of intelligence that create barriers between them and industrial works (Rosen, 2002, p.24, par.1 ). Back in the old times, the apparel industry wasn’t considered a serious job, and society just put women aside for jobs like a sweatshop. This was not a fair classification because adoring the way women did their job and paying them lower than what they deserved was painfully unfair.

**e. What is significant about export zoning? Defend your answer. (2 pts).**

One of the important things about export-processing zones is that it promotes people's economic aspirations in developing countries. Moreover, Export-processing zones for apparel groups and other industrial assembly processes would even construct the industrial design for a launch into export-led expansion. Therefore, growth in the area would also permit U.S. textile and apparel manufacturers to export to the European market. Based on the textbook, export processing is a significant part of the world's apparel. It is usually taken out in particular industrial areas, where the infrastructure expenses are maintained, and the host countries provide tax relief (Rosen, 2002, p.25, par.3). In addition, some economists argue that a career in export processing can release women from the patriarchal restrictions of family life and give them chances for financial autonomy.