

BUF 4300: Global Sourcing & International Trade
Midterm Essay Exam Timed Exam
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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 in your answers to show comprehension of the Rosen text. Remember grammar, punctuation & spelling count. Cite using APA formatting when using citations. Add references and/or LINKS to outside sources. Over cited papers will lose points as this exam is to validate your opinions with citations not to cite several sources to defend an opinion. I want to know your opinion based on the reading, discussions and articles. (50 pts each).

Essay #1

- a. How did the defeat of the French at Dien Bien Phu alter *U.S. foreign policy* in regards to textiles and apparel trade in Southeast Asia? Defend your answer with ***citations from Rosen***. How did Vietnam alter American opinions about the war? ***Please cite a source outside of Rosen.***

Despite the fact that the loss put an end to French colonial operations in Indochina, the US quickly moved in to fill the void, expanding military funding to South Vietnam and deploying the country's first military trainers in 1959. The defeat persuaded the French to sign a peace treaty and leave Indochina. According to the book, *The Globalization of the U.S. Apparel Industry: Making Sweatshops*, Rosen says "The need to contain communism ultimately won the battle to extend the Reciprocal Trade Act. As debate on the extension of the Trade Agreements Act in 1954 heated up, communist forces defeated the French at Dien Bien Phu" (Rosen, 2002, p64. Par 1). When Dien Bien Phu collapsed in Vietnam on May 7, 1954, after two months of fierce fighting, it was the first non-European colonial independence movement to be transformed from a guerrilla group into a regular army. modern western invader. As a result, the French withdrew and the Geneva Conference was held. Vietnam had to be separated on the 17th parallel until 1956, when democratic elections were held under international supervision. Vietnam opposed the Americans opinion about the war because before, many Americans, outraged by the damage and brutality of the conflict, opposed the war on a moral basis. Others said the struggle was a war against Vietnamese independence or interference in a foreign civil war, while others opposed it because it had no clear goals and seemed insurmountable. In

the article, "*How Vietnam dramatically changed our views on honor and war*" it says, "Vietnam did not make Americans into pacifists, but it did make U.S. civilians far more concerned with the well being and lives of their country's troops. At the same time, the end of the draft and shift to an all-volunteer force required the U.S. military to treat its recruits with greater respect. These factors ensure military service members will continue to be honored most highly for protecting each other's lives" Vietnam made people in the United States more concerned about the security and well-being of their country's military. At the same time, with the end of the project and the transition to full volunteer forces, the U.S. military needed to be more respectful of its calls.

- b. Was there a true threat communism in East Asia? Defend your answer with an understanding of both the defeat at the 33rd parallel in the Korean War in the 1950s and the Vietnam War in the 1960s and 1970s.

How did this have an impact of the *Hong Kong, South Korea, and Taiwan*? How did it assist in the globalization of retailing? Defend your answer with *one citation from Rosen and one outside source to support your opinion. (Remember APA citation).*

Both Taiwan and South Korea have strong textile and clothing industries that serve to the domestic market. In Taiwan, the government began to support textile and garment manufacture for export by providing tax breaks to businesses. To attract foreign investment in garment assembly, the government constructed duty-free export processing zones. This form of garment assembly is also a priority for the Korean government, which provides a range of incentives to exporters as well as infrastructure to support the processing of clothes for export (Rosen, 2002, p.47, par.2-3). Hong Kong's textile sector was connected to the British pound bloc in the early 1950s. Hong Kong, being a British Crown territory, had unfettered access to the United Kingdom's textile markets.

Essay #2

- a. After reading Chapters 1-4 in Rosen's Globalization of Apparel and Textiles book, it is apparent that most apparel sweatshops came into existence in countries located in the Pacific Rim. Sternquist mentions four (4) stages and Allen from Second Hand Distribution mentions (5) stages in the Growth of Retail or Retail Stages. *When the U.S. was analyzing the cotton industry, what retail stage was the U.S. in and Japanese cotton industry in after WWII?*

United States had two different stages. Stage 4- drive to maturity for the north and stage 3 for the south due to Jim Crow and racism, and the Japanese cotton industry in retail stage 2 after the World War II.

- b. Give **three (3) reasons** why the U.S. chose the cotton industry to rebuild Japan. Give two (2) citations from Rosen to defend your answer. How can technology (Analyze the Industry (Lecture 2)) help sustain the cotton industry? Give at least two (2) reasons.

First reason: the United States had raw cotton, but Japan lacked the dollar liquidity to fund the imports required for the occupied country's textile restoration.

Second reason; the United States supplied cotton to Japan's textile industry. Textile production on the other hand was important to maintain the US and Japan trade balance. According to *The Globalization of the U.S. Apparel Industry: Making Sweatshops*, Rosen says, "Raw cotton was available from the United States, but Japan did not have the dollar liquidity to finance the imports necessary for the occupied country's textile reconstruction. Yet textile production was essential for maintaining a balance of payment between the United States and Japan." Third reason; Supreme Commander of the Allied and the US War Department were in charge of reestablishing the textile trade, which was not left to market forces. It was determined that the US would finance the sale of its own raw cotton supply to Japan. In the same text, it was also said that "In June 1946, SCAP oversaw the first shipments of U.S. raw cotton to Japan, which were funded by U.S. government loans. John R. Stewart writes, "In August 1947 an Occupied Japan Export-Import Revolving Fund was created in Japan to utilize the \$137 million in gold and silver of Japanese ownership in SCAP custody as a credit base for loans to finance imports of raw materials for processing into exports (Rosen, 2002, p.30, par.1-3). The way technology analyzes the industry is through maximizing efficiency which is one of the primary ways that technology may help enhance manufacturing firm. This implies that technology may help people make the most of their time by reducing production times and automating time-consuming and laborious jobs. According to the article "*Manufacturing How Technology Improves The Industry*," the author states One of the first ways that technology can improve your manufacturing business is by maximizing efficiency. This means that technology is able to ensure time is used in the best manner possible by cutting down production times and automating tedious as well as time-consuming tasks. An example of technology that could improve your business is 3D printing. This technology is transforming the manufacturing industry as it can reduce design to production time, reduce manufacturing lead time, reduce waste, and ensure greater flexibility in production." With the help of maximizing efficiency, technology may guarantee that time is spent as efficiently as possible by reducing production times and automating time-consuming and laborious operations.

- c. Explain why sweatshops exist in the U.S. which is a country in the G 8 and is considered to have well-developed retailing practices. ***Why do we have sweatshops in New York, Texas, and California? Defend your answer.*** Sweatshops mostly exist in big urban regions in the United States, due to the fact that these major cities have easy access to a large number of undocumented immigrants who are willing to do any job to support their families.
- Exploitation of Vulnerability
 - - Businesses take advantage of these people's willingness to do any job, making them work even if provided with low wages and violates human rights.
 - Increases their profit
 - - Sweatshops are largely used to reduce the costs of production and manufacturing. Cutting production costs allows merchants to offer products at a higher profit margin or in higher numbers, allowing them to maximize revenues for their owners.
 - They believe that they are helping these people that it cancels out their bad practices.
 - - For people, having a bad industrial job was preferable to having no work. The group assigned to factory occupations earned roughly 11 cents per hour, somewhat higher than the those who did not receive any help. Giving people cash for small enterprises or informal operations increased revenue by 30% on average compared to the other options.

Work Cited:

Richard Lachmann Professor of Sociology. (2022, March 15). *How Vietnam dramatically changed our views on honor and war*. The Conversation. Retrieved March 24, 2022, from <https://theconversation.com/how-vietnam-dramatically-changed-our-views-on-honor-and-war-83021>

<https://industrytoday.com/manufacturing-how-technology-improves-the-industry/>