

BUF 4300: Global Sourcing & International Trade Policy
Midterm Essay Exam Timed Exam
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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 **two(2) different in-text APA citations from Rosen**. How did the both, (1) *Korean War* and (2) the Vietnam War both alter American opinions about Vietnam? **Please cite an outside source in addition to Rosen. NO dictionaries or encyclopedias.**

The catastrophic defeat of France at Dien Bien Phu in 1954 was a significant highlight in U.S. foreign policy, affecting primarily positions related to trade in textiles and apparel in Southeast Asia. The U.S. domestic economy previously showed internal differences in its economic foreign policy, and a significant debate had been waged for the policy of lowering the tariffs and implementing Reciprocal Trade Agreements (RTAs) (Rosen, 2002, p.64). This, however, was a wake-up call not only to the protectionist leaders, some like Dan Reed of the House Ways and Means Committee, who were not eager to support the reconstruction of Japan because of the fear communism would spread in Indochina (Rosen, 2002, p.65). The confrontation proved the political stakes in Asia were very high, and Reed and others realized that reinforcing Japan's position was vital to prevent the spread of communism across the continent. Subsequently, the United States undertook a more active economic approach toward the region, promoting diminishing tariff barriers and the import of cheaper commodities originating in Asia to strengthen its allies and curtail the expansion of communism.

The Korean War and the Vietnam War each had a profound effect on shaping American views on Vietnam, clarifying the complexities of the U.S. intervention in foreign conflicts and the domestic repercussions of such engagements (Rosen, 2002, p.64). The Korean War's portrayed as a forgotten conflict, despite its significant impact on American social and political life, contrasts with the Vietnam War, which deeply spread through American public consciousness (Nadtochey, 2022, p.3). The extensive media coverage and contentious nature encouraged widespread debate and dissent within the U.S., illustrating a significant shift in public engagement with military interventions. Furthermore, the Korean War served as a practice for Vietnam, with both conflicts emphasizing the limitations of American military power against nationalist movements and *Guerrilla* warfare, ultimately challenging the U.S. perception of its own global hegemony and military invincibility.

b. Was there a true threat of communism in East Asia? *Defend your answer with an understanding of both the defeat at the 38th parallel in the Korean War in the 1950s and the Vietnam War in the 1960s through the 1970s.* How did this have an impact on (1) **HongKong**, (2) **South Korea**, and (3) **Taiwan**? How did it assist in the globalization of retailing? Defend your answer with one citation from Rosen and one (1) outside source to support your opinion. (Remember APA in-text citation no dictionaries or encyclopedias).

The threat of communism in East Asia during the mid-20th century was crucial and tangible, as evidenced by pivotal events during the Korean and Vietnam Wars. In the Korean War, the conflict escalated beyond a mere civil dispute into a significant geopolitical standoff, pitting communist-backed North Korea against Pro-Western South Korea, with substantial support from the United States (Rosen, 2002, p. 48). The invasion by the North Korean people army across the 38th parallel initiated a broader struggle between communist and democratic ideologies, highlighting the global tension during the Cold War era. The armistice agreement eventually led to the division of Korea along the 38th parallel, creating a persistent divide that remains currently.

The Vietnam War further underlines the communist threat in the region. The defeat of French forces at Dien Bien Phu in 1954 marked a decisive moment, demonstrating the resilience and capability of communist forces in Indochina (Nadtochev, 2022). Despite initial intentions to support France and, subsequently, South Vietnam to bridge the tide of communism, the United States faced immense challenges. The conflict led to Vietnam's eventual unification under a communist government following the withdrawal of American forces. Both wars serve as clear reminders of the intense ideological battles that shaped East Asia during the Cold War, underlining the perceived threat of communism that drove significant military and political actions by the United States and its allies.

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 right after WWII*? Explain your answer in detail with the understanding of Sternquist and lecture notes PP #6 as reviewed in detail in class.

In the post-World War II era, both the United States and Japan's cotton industries were navigating the "Take Off" stage, as identified in Sternquist's model, advancing towards the "Drive to Maturity" phase. This was the time that saw significant investments and improvements in the Japanese cotton sector, which was propitiated mainly during American expenditures and resources. The United States, for the reason that it was vital for the establishment of a competent textile industry in Japan, allocated major sums from its textile reserve towards the recovery of Japan's cotton production capability. This ranged from the development of advanced textile machinery in Japan to productivity and output increases in the textile industry through employing relevant technologies (Sternquist, 1998). Furthermore, the United States played a pivotal role in promoting Japanese textiles in the global market, advocating for trade liberalization, and encouraging European and Asian nations to engage in trade with Japan. This strategic collaboration not only helped in the rapid recovery and growth of Japan's cotton industry but also established a symbiotic trade relationship between the two nations, where the U.S. exported raw cotton to Japan and, in turn, imported finished cotton textiles. This phase of mutual growth and investment underscored the transition of both countries through the critical stages of retail evolution, marking a significant chapter in the globalization of the textile and apparel industry.

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 (Allen/Lecture 2) help sustain the cotton industry? Give at **least two (2) reasons**.

The United States strategic decision to prioritize the revitalization of Japan's cotton industry following World War II was driven by an influence of factors. Firstly, the surplus of cotton in the U.S. posed a significant challenge to American cotton farmers, jeopardizing the stability of the industry (Rosen, 2002, p.30). By aiding Japan in increasing its cotton textile production, the U.S. could alleviate this surplus and ensure a consistent demand for American cotton, thereby safeguarding its agricultural sector. This move not only addressed immediate economic concerns but also contributed to broader geopolitical aims. As communism gained traction in Asia, particularly with the victory of communists in China and escalating tensions in Korea and Vietnam, the U.S. viewed the reconstruction of Japan, including its cotton industry, as essential for containing the spread of communism. This purpose of economic stability and geopolitical containment undermined the strategic prioritization of Japan's cotton industry in the post-war era.

Furthermore, the United States reconstruction efforts in Japan were intricately tied to its vision of hosting global economic integration. By reviving the cotton industry, the U.S. aimed to lay the groundwork for stronger economic ties not only within the Pacific Rim but also on a global scale (Rosen, 2002, p.27). This approach was multifaceted, serving not only to stabilize the Japanese economy but also to integrate it into the global market as a democratic stronghold against communist expansion. In essence, the prioritization of Japan's cotton industry was not merely a business decision, however it was a strategic strategy aimed at democratic development in Asia while advancing the broader agenda of global economic interconnectedness. Through this targeted intervention, the United States sought to forge a path towards a more stable and prosperous post-war world order.

Through globalization and international operations. The idea of globalization reflects the intricate relationship between cultures and economies and is a factor that makes the world more compact and connected (Rosen, 2002, p.35). Among the implications of this global connectivity is the fact that successes in technology are not local or regional benefits but possibly play a part in transforming the way cotton industry operates across the globe. For instance, technology can support the cotton industry in entering the international market connecting productivity and efficiency. Technology that supports innovation and its adoption, can act as a rejuvenator in mature or declining markets by offering new ways of production, distribution, and retailing that are attractive to global customers. For instance, similarly to how warehouse clubs reacted to market saturation in the U.S by expanding abroad, the cotton industry could employ technology and look for new markets, thus evading the saturation and cannibalization apparent in domestic spots.

Additionally, technology, as a vital instrument, provides a clear direction for successful penetration into new international markets and circumventing difficulties like laws and politics. In Japan and France, for instance, the lecture notes highlight the retail legislative stumbling blocks which significantly impede the retail expansion prospects (Sternquist 1998). Technology solutions can simplify the approval procedures, make the operations to meet the local regulations easy and can even change the way the store operates like the example done by The Body Shop and Benetton. Consequently, utilization of technology in responding to high-pressure competition at the home market will give cotton growers and retailers an advantage by precision farming for sustainable cotton growing, biotechnology used for cotton varieties development and data analytics to know market demands. These technological interventions not only boost the cotton trade in the face of the economic roller-coasters and as a competitive market power, which also makes it a source of innovation in these markets.

Technological progress, including the cotton industry, is becoming more and more important for the sustainability of the environment and development of the sector, which provides many benefits. Firstly, by introducing new machinery and technologies, like those the United States offers to Japan's textile sector, productivity is improved. Innovations like the cotton gin and the spinning yen were introduced in the market, which increased the speed and volume of cotton processing (Sternquist, 1998). This leap in productivity not only makes the industry more competitive internationally but also reduces costs, contributing to economic viability. Secondly, technology contributes to sustainable practices within the industry. Advances in biotechnology and precision agriculture can lead to the development of cotton varieties that require less water and are more resistant to pests and diseases, reducing the environmental footprint of cotton production. Thus, technology not only strengthens efficiency and economic performance but also addresses critical environmental challenges facing the industry.

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. Be sure to answer in paragraph form.***

Despite the United States' status as a G8 country with advanced retailing practices, sweatshops persist within its borders, particularly in states like New York, Texas, and California. The prevalence of sweatshops in these regions can be attributed primarily to the significant presence of undocumented immigrants, who, due to their precarious legal status, may accept employment under exploitative conditions to support their families. This labor vulnerability is exploited by certain corporations seeking to minimize production costs, thus maximizing profit margins. Legal insights highlight that by leveraging such labor practices, retailers can offer competitive pricing while enhancing profitability (The Dunken Law Firm, 2020, p.2). Renowned brands, including Forever 21, TJ Maxx, and Ross, have faced scrutiny for their association with sweatshop conditions, especially in locales like Los Angeles, where undocumented immigrants form a substantial part of the workforce. This scenario underlines a paradox within the U.S. economy, where advanced retail capabilities coexist with labor practices that distinctly contradict the nation's labor standards and ethical commitments.

References

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