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

Dr. Adomaitis

_Seaniah Mcleod _____ (name)

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 textiles 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 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 citation from the book along with another creditable author on this topic. (2pts)

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 lead 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-Sahara Africa. Give examples of issues that effect sub-Sarah Africa from the Diana Sawyer Interview. (2pts)

Trade polices has resulted in political agendas especially during the early 1960s when the U.S decided to against Cuba. This trade embargo impacted the trade industries especially apparel. The U.S wasn't fond of Cubas alliance with the Soviet Union and Views Fidel Castro as a big threat (Steinhauer 2014). Fidel Castro had more power than the police and government, the U.S felt like he was responsible for the Cuban Missile Crisis. Fidel Castro supported the plan to bring nuclear missiles into Cuba secretly.

Trade would change if negotiations aligned with U.S apparel in Sub Sahara Africa by transforming it into a more integrated market. Allowing Africa to participate would result in equity and new low wage production (Rosen, 2002, p. 205, par.4). This will be positive for the U.S and Africa because the U.S will gain financially and Africa would participate in the global market. Africa participating in global market will open up opportunities for market access and technology.

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

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 considered as one of the most recommended in apparel production due to many factors. China is mostly know for its manufacturing of cotton, silks and man-made fibers. China is the most largest and efficient and low-cost labor force making them appealing for apparel manufacturing (Rosen, 2002, p.211, par.1). Devaluing the Yuan has helped China because exports are more cheaper for their buyers. This puts China in the top five selection rate and with low prices this motivates the market to buy their goods (Bovaird 2024). By decreasing the yuan it induce higher imports.

China has found numerous ways to progress by manipulating and changing currency around. Inflating the Yuan will change the dynamic of Chinas money flow. It will minimize competitiveness in foreign markets and encourage domestic consumption (Bovaird 2024).

d. Women have been part of the apparel work force 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)

The apparel industry has had an influx of women workers throughout its development. Unfortunately women and male workers don't receive the same pay. Even-though women and men may occupy the same job men still received higher pay. Gender biases are the one the leading factors women are paid less than men. Women are often concentrated in a lower pay rank because women were viewed as fragile, less intelligent, etc (Rosen 2002). One example of women facing low wages is during the Industrialized Revolution. During the Industrial Revolution women could only get jobs like printing and working at spinning machines because these jobs didn't require much strength and were easy to learn (Evans 2022). Since women were viewed as less strong and unskilled, these were the jobs the were hired for.

During World War II men were put on the frontlines to fight while the women stayed back to take care of the household duties and worked jobs. Women participated in industrial jobs to fill the essential roles in factories and manufacturing (World History 2022). This dismantled the ideal image of women that was seen as soft and fragile. The iconic picture of Rosie the Riveter came about during the period of World War 11 and was seen as a symbolism of women strength and participation during the war. Even though women were seen as equal to men the still received lower wages.

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

The gruesome events of September 11th, 2001, had significant impacts on international sourcing, civil liberties and privacy. One of the major reasons we're terrorism. The fear of terrorism brought a feeling of economic uncertainty which lead to a decline in decline in the apparel industry. The U.S wanted to slow down imports through out the world (Rosen, 2002, pg.248, par.1). This resulted in slow consumption and then layoffs in Bangladesh, Mexico and Pakistan. In response to the attack President Bush created the USA Patriot Act on October 26,2001. The Act was put in place to increase the authority of law enforcements to investigate and prevent acts of terrorism plots (United States Department of Justice, n.d). The USA Patriot Act allowed the government the ability to obtain documents relevant to terrorism.

A second effect that resulted in the aftermath of September. 11th, 2001 is the suspension of cooperation between the United States and Pakistan. By October U.S apparel companies decided to withdraw their contracts with Pakistans apparel. Big brands like Tommy Hilfiger, Gap and Levis, canceled their contracts due to impossible deliveries and complications between U.S military action in neighboring Afghanistan (Rosen, 2002, pg.248, par.1). Companies were prepared to shift their apparel production to other locations. This resulted in a high number of job losses in Afghanistan.

Rosen, E.I. (2002). Making sweatshops: *The Globalization of the U.S. apparel industry*. Univ. of California Press.

Evans, E. (2023, November 23). *From family to factory: Women's lives during the Industrial Revolution*. <u>https://www.historyextra.com/period/industrial-revolution/</u>womens-lifes-roles-industrial-revolution/

n.d (2022). OpenStax. (n.d.). https://openstax.org/details/books/world-history-volume-2

Zeidan, R.(2024, April 2024).*De-dollarization, the belt and Road Initiative, and the future of the Chinese* Yuan:gjia.geaorgetown<u>https://gjia.georgetown.edu/2024/04/18/de-dollarization-the-belt-and-road-initiative-and-the-future-of-the-chinese-yuan/#:~:text=In%202008%2C%20China%20maintained%20an,peg%E2%80%9D%20(Figure %201)</u>

Boviard,C.(2024, April 13). *Why Chinese Yuan Pegged*?. Investopedia <u>https://</u>www.investopedia.com/articles/forex/030616/why-chinese-yuan-pegged.asp

Steinhauer, J (2014, December 19) A Historical perspective on the Cuba-U.S Relationship.https://blogs.loc.gov/kluge/2014/12/historical-perspectivecuba-u-s-relationship/

#:~:text=Cuba's%20alliance%20with%20the%20Soviet,Cuban%20Missile%20Crisis%20of %201962.