

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

Dr. Adomaitis

Seaniah Mcleod

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. 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)

The “second act” of trade liberalization played out in the far East. The act took place in Latin American (Rosen, 2002, p.129, par. 1). During the “second act” several different trade negotiations took place. In the process trade barriers would be reduced and an increase in regional trade agreements.

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

During this time Central American and the Caribbean were going through a new communist expansion, when Reagan entered his presidency (Rosen, 2002, p.129, par. 2). Reagans presidency was a concern for many because this would shake things up with economic policies, labor policies, and foreign policies. Reagans support for military interventions in Nicaragua and El Salvador help contain communism and U.S interest in

Central America. When the Civil war in El Salvador ended, the Soviet Union and Cuba attempted to expand its communist in Central America.

- 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)

- 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)

CBI stands for the Caribbean Basin Initiative, Mostly know as the Caribbean Basin Economic Recovery Act (Rosen, 2002, p.130, par.3). This act was initiated by the United States in to help the Caribbean region economically and give stability. If the act went well regions would be able to integrate and poverty reduce poverty levels. The act was launch through the Caribbean Basin Recovery Act, which grants access to the U.S markets for products coming from the Caribbean Basin (USTR, 2024). To this day the act has been renewed and revised today.

During this period the Caribbean economic status was struggling. There were high rates of unemployment and under employment. The rise of unemployment put a lot of pressure on the government and the government felt the need to seek outside help to fund programs (Rosen, 2002, pg.131, par.1). Many business only gained income due to tourism. However tourism still wasn't enough to keep the economics afloat. Due to the economic status the economy went through a recession (Finance and Development, 2001). With and act like the Caribbean Basin Unitive it will help regulate and better the regions foreign exchange.

The purpose of developing new programs that would help new business opportunities in the Caribbean would be a shift in the social change. Things like entrepreneurship offers empowerment and advantages to communities. Developing programs also help with jobs and employment. If new businesses are created there would be more job opportunities. With strong businesses there would be a less dependency on tourism. The programs goal is to help motivate the U.S corporation to invest in the Caribbean Basic country and help

boost international trade (Rosen 2002, p. 134, par. 2). These acts allowed Caribbean business people to meet with potential buyers in different places in the U.S.

e. Print out a map of the Caribbean and Central America? (2pts)

Figure 1
Map of Central America and The Caribbean



Reference

Figure 1

Nations Online. (2021). *Map of Central American and The Caribbean*. Retrieved from https://www.nationsonline.org/oneworld/map/central_america_map.htm

Caribbean Basin initiative (CBI). United States Trade Representative. (2024, March 20). <https://ustr.gov/issue-areas/trade-development/preference-programs/caribbean-basin-initiative-cbi>

Finance and development. Finance and Development | F&D. (n.d.). <https://www.imf.org/external/pubs/ft/fandd/2001/03/hilaire.htm#:~:text=The%20economy%20went%20into%20a,difficulties%20became%20even%20more%20intractable.>

U.S. Department of State. (n.d.). U.S. Department of State. <https://history.state.gov/milestones/1981-1988/central-america>.