

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

Dr. Adomaitis

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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 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 credible author on this topic. (2pts)

The significance of manufactures as a part of the retailing pipeline is that they were mainly responsible for the U.S textile and apparel industries globalization. As manufacturers began to seek cheaper lower wage labor overseas it laid the groundworks for change in the U.S trading policies. The U.S began to invest in foreign countries and move away from the domestic apparel and textile production.

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

An example in history when trade policy was affected by a country's political agendas was after WWII when the united states began to expand its trading policies to the rest of the world. In the past the American economy had many high tariff that resulted in their isolationism (Rosen, 2002, p.14, par. 1). It was after the great depression that the U.S began to reform their trading policies. They understood then that the continuation of

economic isolation from the rest of the world would cause a second great depression. They began to liberalize trading policies and open up to the rest of the world. In fact, after WWII the United States began to gain interest in Asian countries. They were crucial to the reconstruction of the apparel industry in Japan and many Southeast Asian countries.

If negotiations were made to have U.S. apparel made in sub-Saharan Africa it would change trade by making it a more integrated market. The United States would be able to have “reciprocal set of trade and investment arrangements” with Africa (Treiber, 2021). As stated by Rosen, opening trade with Africa would mean new open markets for low-wage production in Africa that would result in the equality in production between Africa and the CBI countries (Rosen, 2002, p. 205, par. 4). This would also provide Africa with the opportunity to participate in the global market. Some issue that affects sub-Saharan Africa is the high volume of individuals with AIDS. This is seen as a barrier of development by many investors and manufacturers interested in Africa. There is also a lot of corruption and instability in the government infrastructures in Africa. Many have argued that Africa does not have the best conditions to help facilitate trade of the apparel industry because they lack “roads, rail service, and port facilities” (Rosen, 2002, p. 206, par. 0). This would just cause delays in apparel production of exports from Africa.

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 a major player in the apparel production because they are one of the biggest and fastest producers of cotton, silk, and man-made fiber textiles in the world (Rosen, 2002, p. 210, par. 3). They are one of the major exporters of textile and apparel to the United States.

China heavily depends on their exporting products for the majority of their incoming revenue. They artificially devalue and inflate the Yuan to gain competitive advantages in foreign international markets (Fernandez, 2019). When China devalues the Yuan, they can lower the prices of their exports to make it cheaper for consumers to purchase Chinese products at extremely lower prices which gives them a competitive advantage. This in return causes the imports going into China to be more expensive. China continues to artificially manipulate their currency to keep their economy afloat.

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)

An example in history when women's wages were not equal to those work wages of another industry or her male counterparts was the comparison of the apparel industry and the autoworkers industry. The majority of the apparel industry workers are women, while the autoworkers industry is mainly dominated by men. Although these two industries are extremely labor intensive, workers of the auto industries make 149 percent more than that of the average annual manufacturing wages (Rosen, 2002, p. 225, par. 1).

Another example in history when women's wages were not equal to work wages of their male counterparts was the segregation of salary between women and men in the workforce. Since men were considered the bread winners of the family they were paid wages that could sustain a family. While women who were assumed to work only to supplement to their family income were paid salaries that would not be enough to sustain their way of living let alone their families (Rosen, 2002, p. 249, par. 1). Due to this sexist way of thinking many women were discouraged from seeking out higher paying jobs, instead companies rather offer those higher paying jobs to men than the women.

The Lowell Model has shed light on the difficulties of being a woman in a low-wage industry because it became the model for many manufacturing companies around the world that have violated and continue to violate women's rights. Under the Lowell Model, young girls and women were employed in community based factories where women had to move away from their homes and into dormitories provided by the companies that hired them. In these living space women were forced to endure many moral hardships. An example of this would be the women in El Salvador that work in zones that are enclosed by barbed wire and fences. The women are searched and padded down as they enter and leave these zones. Often time these women work 11-20hr shifts 6 days of the week. If they refused to work overtime they are physically abused or fired. They are also subject to random pregnancy test screenings to ensure that they are not pregnant. If found to be pregnant these women are fired on the spot (Rosen, 2002, p. 242, par. 0). This is a violation of privacy and a way to control these women. They are robbed from the opportunity to have children and control over their own bodies. These women are also denied health care and are paid extremely low wages that are not enough to cover all their living expense. As Rosen states, "After paying bus fare to and from work, and \$57.07 per month in rent...workers are left with just \$1.08 per day" (Rosen, 2002, p. 242, par. 1). Sadly many of these women are forced to raise their children on coffee and lemonade because it is cheaper than milk. They simply cannot afford to buy it.

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 event of September 11, 2001 have affected international sourcing of apparel because it has forced the United States to discontinue participation and involvement of trade in certain countries. This event led to a lot of hostilities amongst Europe, the U.S and middle eastern countries. The U.S had agreed to provide help to Pakistan through lowering tariff and quotas but due to what had occurred in September 11, 2001 many U.S apparel companies pull out of many contracts they had with Pakistani apparel producers. Due to the conflicts between the United States and with some middle eastern countries, Pakistan was now considered an area that no longer had a productive environment for trade in the apparel industry (Rosen, 2002, p. 247, par. 2). The united States had inforced their military personal in Afghanistan which resulted in many conflicts and hostilities between Afghanistan and Pakistan.

The U.S investors feared terrorism that had arise in these countries, therefore they pull away from it. Which resulted in the depletion of consumer consumption in these countries. Many workers found themselves victims to job losses since the rest of the world did not want to engage in trading with such countries.

Work cited:

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