

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 where appropriate. Please remember paragraph structure for each answer. Remember grammar, punctuation & spelling count. Cite using APA formatting when using citations. 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. (75pts each). Please add references of outside sources including Rosen. Matching should be less than 20% using you own words and re-writing quiz answers showing a clear understanding of the Rosen text and all quizzes review in class in details. Questions must be left on the answer sheet.

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 citations from Rosen**. How did the both, (1) *Korean War* and (2) the Vietnam War both alter American opinions about the Vietnam? **Please cite an outside source in addition to Rosen.**

The defeat of the French at Dien Bien Phu resulted in the French leaving Vietnam during the Indochina War. At this time there was also an interest in low-cost Japanese textile and apparel imports because of the end of hostilities in Korea. Although, those who supported this had disagreement with the Eisenhower State Congress which over the extension of the Trade Agreements Act (Rosen, 2002, p. 571). The United States had also become concerned about regional instability and communism. The fight to extend policies within the Reciprocal Trade Act became possible because of the need to contain communism. Congress and the Senate had passed the president's bill just two days after hearing a speech from Dan Reed of the defeat of the French at Dien Bien Phu (Rosen, 2002, p. 919).

- b. Was there a true threat communism in East Asia? Defend your answer with an understanding of both the defeat at the 38rd 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 (1) *Hong Kong*, (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).*

Communism had become a true threat in East Asia. The United States did not occupy South Korea and Taiwan, it did occupy Japan. Although, in order to protect the countries from communism, the U.S. engaged in direct military intervention. The U.S had provided financial and economic support for South Korea's and Taiwan's national military defense efforts and funding for their industrial regeneration. These actions assisted in the development and growth of an export-led industrialization that also assisted in the globalization of the U.S. apparel industry (Rosen, 2002, p. 616).

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.

The United States was in the third stage of retail when analyzing the cotton industry. This stage is also known as "The Take Off". In this stage, foreign retailers wish to enter the market. The benefit of this stage is that there are agriculture and industrial modernizations that would lead to rapid expansions. The U.S. would be in this stage right after World War II because of the intention of to take over the cotton industry in Japan because of the poor circumstances the country was in after the war. As for Japan, the country would be in the fifth stage of retail, which is also known as "The Age of High Mass Consumption". In this stage, retail offerings are usually specialized, and logistics become a crucial part of improving distribution efficiencies. Japan would be in this stage since the United States was offering to take over the cotton industry for the Japanese (Sternquist, 2018).

- b. Give **three (3) reasons** why the U.S. chose the cotton industry to rebuild Japan. Give two (2) citations from Rosen to defend you answer. How can technology

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

The United States chose the cotton industry to rebuild Japan because of the effects the country had after World War II. According to Rosen, the reason for United States' occupation in Jap was to supervise the restricting of Japan's political system, the democratization of its civil society, and its industrial reconstruction (Rosen, 2002, p. 392). After the war, Japanese cotton farmers had run into a conflict where there had been outstanding amounts of cotton but no business to fun it. Japan had produced cotton cloth, rayon and silk before the war. Japan had never produced their own raw cotton and had it imported from China since it was one of Japan's major trading partners (Rosen, 2002, p. 401). Another reason that the U.S. chose the cotton industry was in order to gain power over the textile 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 is paragraph form.***

Although the United States is considered to have well-developed retailing practices, and a country that is included in the G8, sweatshops exist in the U.S. in order to cut down on production and manufacturing costs. Aside from this, sweatshops are considered to be good for the economic and social development of a country. In cutting production costs, this allows retailers to sell their products at higher quantities or at a higher profit margin. Sweatshops offer an opportunity to employ workers who are either undocumented or uneducated. Since most immigrants usually go to the states of New York, Texas and California, this is where sweatshops would exist (The Dunken Law Firm, 2023).

References

- Are there sweatshops in the United States?* The Dunken Law Firm. (2020, May 1). Retrieved March 23, 2023, from <https://www.thedunkenlawfirm.com/sweatshops-in-the-united-states/>
- Rosen, E. I. (2002). *Making sweatshops the globalization of the U.S. apparel industry*. University of California Press.
- Sternquist, B. J., & Goldsmith, E. B. (2018). *International retailing*. Fairchild Books.