

# TEXTILES AND APPAREL

*In the Global Economy*

SECOND EDITION



KITTY G. DICKERSON

SECOND  
EDITION



**KITTY G. DICKERSON**

*University of Missouri-  
Columbia*

# *Textiles and Apparel in the Global Economy*



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## ABOUT THE AUTHOR

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*Kitty G. Dickerson, Ph.D.*

**DR. DICKERSON** is Professor and Department Chairman, Department of Textile and Apparel Management, University of Missouri–Columbia. Since the late 1970s, she has met with industry leaders, policymakers, and other scholars—at both the national and international levels—to gain insight into the complex issues associated with international trade, particularly related to the textile, apparel, and retailing industries. On numerous occasions, she has met in Geneva, Brussels, and Washington with policymakers representing various national and international organizations and most regions of the world. Additionally, she has had short-term experiences in a number of the countries and has been an invited participant to the World Economic Forum Industry Summit.

Dr. Dickerson was named a Fellow in the International Textile and Apparel Association; she has also served as president of that group.

She serves as Chairman of the Textile Economics Group of the Textile Institute, a worldwide organization of textile/apparel professionals. Dr. Dickerson was named to *Textile World's* "Top Ten Leaders" list. Her awards include the American Fiber Manufacturers Association Research Award, the Virginia Textile Award of Merit, and numerous others. She serves on the Board of Directors of Kellwood Company, a Fortune-500 firm, with both U.S. and international manufacturing and marketing operations in the apparel, textile home furnishings, and recreational camping soft-goods industries. Dr. Dickerson has also had previous experience in retailing.

Additionally, Dr. Dickerson has published more than 65 articles in both scholarly and trade journals. Various academic and industry groups in the United States and in other countries have invited Dr. Dickerson to address those audiences.



## PREFACE

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Since publication of the first edition of this book, *Textiles and Apparel in the International Economy*, many changes have occurred to escalate globalization of the world economy and the softgoods industry. Hence, the title of this edition is changed to reflect the increased globalization that has occurred during this relatively short period of time.

World geography has changed as old alliances have fragmented and new countries have emerged. New trade relationships have emerged as trading blocs have formed in most regions of the globe. Under new production arrangements, we see products whose components and assembly represent many countries. Boundaries and barriers to trade have faded unlike any period in recent history. An era of new trade policies, with changes that are particularly significant for the softgoods industry, has begun. Communication systems have revolutionized the way in which we conduct business, facilitating global commerce with speed and efficiency unparalleled in human history.

*Textiles and Apparel in the Global Economy* addresses the rapidly changing global setting. The book considers globalization in terms of the implications for the softgoods industry and the players affected by these changes. In addition to providing an update on geo-political changes, formation of trade blocs, trade shifts, and the overhaul of trade policies, this

edition includes a brief overview of the textile and apparel industries in major regions of the world. Discussion on the role of the textile complex in the economic development of nations and the chapter of trade theory have been expanded.

In a world of global interdependence, no industries are more broadly dispersed around the world than textiles and apparel. Just as the textile industry led the industrial revolution, textile and apparel production has been among the first sectors to be part of today's international division of labor. In a world riddled by trade problems, the textile and apparel industries have been in the forefront of significant shifts in production and trade.

The general purpose of this book is to provide an overview of the global textile and apparel industries and to consider the U.S. textile complex and the U.S. market within an international context. A primary goal is to encourage the reader to develop a global perspective as the book considers what is happening in these dynamic industries today. Virtually no aspect of the softgoods industry is unaffected by today's global activity. Additionally, I hope that readers will become increasingly sensitive to the fact that our global interdependence places on us responsibilities as global citizens as well.

For a number of years, I have followed the drama surrounding international shifts in the production and trade of textiles and apparel.

This book represents a distillation and synthesis of various perspectives based on considerable research and extensive contacts with industry and government leaders as well as other academicians at both national and international levels. Over time, these interactions have been with persons representing virtually all regions of the world. Although my views have been shaped by each of those visits and interviews, in the end, the book represents one person's judgment on what seemed appropriate for a broad, multidisciplinary look at textiles and apparel in the global economy. Reviewers helped in shaping views on relevant content.

Given the sensitive nature of textile and apparel trade, I have accepted the reality that no presentation of the material will be perceived by various interest groups as the final truth. Accepting that fact, this book is an attempt to present objectively the complex economic, political, and social dimensions of the global production and trade of textiles and apparel.

The book is not intended to be prescriptive. Since most aspects of textile and apparel trade have no one "right" answer, I have tried to avoid the pitfalls of prescribing remedies. A top priority in writing the book was to provide as much objectivity as possible. I represent no interest group. Yet, I understand the position of most interest groups and why they take the course of action they do. I have felt a responsibility to readers to attempt to present objectively the various perspectives and let readers arrive at their own conclusions on appropriate strategies or responses to global activity in these sectors. On occasion, I have identified areas of concern that may not be popular with certain interest groups, but I felt these perspectives were an important part of the total picture.

The book is intended to be used by students, individuals involved in various facets of the softgoods industry, policymakers, and others with an interest in the multiple dimen-

sions of the textile and apparel industries in the global economy. The book is written for persons who have a basic working knowledge of textile and apparel terminology, either from professional experience or earlier studies.

In writing the first edition, my initial goal was to feature various regions of the world somewhat equally; however, by the time I had written the first three or four chapters, the enormity of my plan became all too evident. Constraints on length simply prohibited doing so to the degree I had intended. After all, entire books are written on the industry in specific countries or regions. In an effort to return to that original goal to a greater extent, this edition includes a new chapter that provides an overview of the textile complex in select regions of the world. Additionally, the overview of geographic regions has been updated and expanded. Another chapter expands on the textile complex in relation to overall development.

Emphasis is on concepts and a general understanding of the textile complex within a global perspective. Almost any approach for accomplishing this goal requires fairly extensive use of data. The reader is cautioned, however, that such an approach using data on textile and apparel production and trade has at least some inherent difficulties that go far beyond my capacity to resolve. For example, data are available in many different units (dollar value, square meter equivalents, pounds, etc.), and often it is not possible to find consistent measures. Different systems of collecting data create another problem. Data collected under one system are not directly comparable to those collected under another. Further, country groupings are not consistent among the international organizations involved in data collection and analysis. Additionally, political changes in various regions of the world—for example, the former Soviet bloc—have caused some international organizations to develop new country groupings for data analysis. Therefore, continuous data that

are directly comparable over decades may not be available. Both the international and national offices that compile and use the data must live with this problem (and some of them have large staffs working on these data). Consequently, I have used data in the form in which they were available to me, but I have pointed out limitations of the measures or data at various points in the book.

And finally, I hope that the book will enhance the reader's appreciation of the vital importance of the global textile complex. The industry has shaped the economic and industrial history of the world. As the world's largest manufacturing employer, the textile complex has had a profound role in global economic development. In many instances, textile and apparel production and trade have redefined international political and social relationships. In short, no commercial sector other than agriculture has had a more significant impact on global economic, political, and social development.

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## **A NOTE ON ORGANIZATION OF THE BOOK**

Chapters are intended to be complete enough that they may be reasonably meaningful if read alone or if switched in order of study. Some subjects may be discussed more than once to make different points. As an example, the 1985, 1987, and 1990 U.S. textile bills are discussed in more than one chapter to illustrate various points such as (1) the growing power of the retailer/importer coalition and (2) the opposing efforts of various interest groups to influence policymakers.

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As I write these acknowledgments, I am reminded of the extent to which I am blessed

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Dennis Murphy, who has provided most of the illustrations for the book, has added a delightful and vital dimension to the book. For each illustration, I have described the idea I wanted to convey and sometimes provided

feeble sketches. For each, Dennis transformed my ideas into illustrations that give the message I wanted to tell, but with more creativity and wit than I could have imagined.

Three of my original reviewers still deserve special thanks for the help they provided. Their influence continues to carry through this edition. Sara Douglas, (University of Illinois), Margaret Rucker (University of California, Davis), and Linda Shelton (trade analyst at the U.S. International Trade Commission) were my "partners" in the enterprise. Each of them gave extensively of their time and expertise in reviewing the manuscript and offering helpful suggestions. All three have continued to be helpful on matters related to the book.

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