

The Impact of Imported New and Second-Hand Clothing on the Zimbabwe Textile and Clothing Industry

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Abstract: Clothing imports into Zimbabwe has grown steadily since the trade liberalisation measures were introduced in 1991. Asia has grown in importance as the source of imported yarns, fabrics and clothing. In addition, there is growing concern in the clothing sector of the continuous growth in the second-hand clothing market and illegal imports from within the SADC region. All these factors have crippled the textile and clothing industry in Zimbabwe leading to the reduction in the market share of locally manufactured products, factory closures and retrenchments. This paper discusses the work carried out to assess the impact of the imported new and second-hand clothing on the Zimbabwe Textile and Clothing Industry. Results show that most of these cheap imports don't come into the country through the formal borders and pose unfair price competition to local products due to their cheapness and perceived superior quality. The slow recovery of the textile and clothing industry is also due to other contributory factors such as lack of foreign currency, cost of borrowing money, brain drain, power cost and supply, heavy import duty rates, etc. which when all are summed up, together have led to the decline of the textile and clothing industry in Zimbabwe.

Keywords: Zimbabwe, new, second hand, imported, clothing, textiles.

1. INTRODUCTION

The Zimbabwean Clothing and Textile industry has been a major contributor to the growth and development of the Zimbabwean manufacturing sector and created many job opportunities not only in textile industries but also in other related sectors such as cotton growers, spinners, weavers, dyers and finishers, manufacturers of chemicals etc.

In the past few years, there has been a decline in the textile manufacturing sector due to the economic down turn and also due to the importation of cheap new clothing textiles from the Far East especially China

(Thorburn, 2002; Baden & Barber, 2005, Nkala, 2008; Kamau et al., 2011) and second-hand products (Thorburn, 2002) from Europe. A study by Moyo (Moyo, 2008) on the clothing and textile sectors performance, challenges, opportunities and its contribution to the countries economic growth between 2003- 2007 indicated that the success of this sector was dependent upon the availability of raw materials, machine spare parts, Government policies, trade agreements, the economic environment and brain drain. Among the top six companies studied by Moyo (Moyo, 2008) three are now closed and the rest operating at between 30-40% capacities. The RBZ annual report of 2004 indicated that clothing

exports had gone down from a peak of US\$ 139 million in 1994 to an estimated export earnings of US\$14million in 2004 (Mukurazita, 2007). The availability of cheaper clothes from the Far East and second-hand clothes from Europe could have filled in a gap for need of clothing when the Zibwabian economy was on its knees, and people had little many to spend. The economic down turn over the last decade can therefore one of the factors that has led to the proliferation of flea markets all over the country popularly known as Khothama (Bend) or “K” Boutiques (Figure 1 and 2).



Figure 1 Shopping For Second Hand Clothes At Khothama (Bend) Boutique



Figure 2 Shopping For New Clothes at Khothama (Bend) Boutique

Due to the nature of the shopping sequence where you have to bend to select the desired items and Mpedzanhamo (Poverty Alleviation market) because even those of low income can be decently dressed as a result of the affordability of the second-hand clothes in these markets.

2. METHODOLOGY

Structured questionnaires and direct interviews were used to collect data from second hand clothes vendors, retailers and Zimbabwe Revenue Authority (ZIMRA) in four major parts of Zimbabwe i.e. Bulawayo, Harare, Kariba and Mutare. Bulawayo and Harare were chosen since they are the major cities and the border towns of Kariba and Mutare the major, entry points of second-hand clothes. Flea markets selling imported new and second-hand products and retail outlets selling Zimbabwean made products were visited in these target areas and pricing and buying behavior by consumers of the commonly used items gathered. Border entry points were also visited and customs officials were interviewed

3. RESULTS

Initial investigations revealed that the conduit for most of these products was the northern parts of the country as the terrain presented better opportunities for smuggling. The new products are mostly from China and find their way into the

country through countries like Botswana, South Africa, Zambia and Mozambique and the illegal imports of second hand textiles come through Zambia, Mozambique. Some second hand clothes that come through Zimbabwe's neighboring countries originate as far as Kenya, Tanzania, Zaire, Somalia and Rwanda.

Table 1 Prices of Gents Wear-US\$

Item	Zim made	Imported New	2 nd Hand	Price Range US\$
Jean	32.7	12.24 [20.46]	4.33 [28.37] 0.047222	New [9-20] 2 nd [3-7] Zim [20-50]
T-shirt	18.3	5.84 [12.46]	1.63 [16.67] 0.049306	New [4-8] 2 nd [0.50-3]- Zim [15-21]
Shirt	19.75	7.40 [12.35]	2.57 [17.18] 0.047222	New [5-10] Old [1-4] Zim [15-25]
Trousers	28.1	8.18 [19.92]	3.60 [24.50] 0.047222	New [3-10] 2 nd [3-5] Zim [20-45]
Suit	76	37.83 [38.17]	Nil	New [12-50] 2 nd [nil] Zim [60-110]
Socks -pair	2.25	0.95 [1.30]	0.33 [1.92] 0.046528	New [0.33-1] 2 nd [0.20-0.33] Zim [2-3.50]

Judging by the volumes of products found at the flea markets throughout the country, it was obvious that all those products don't come into the country through the formal borders.

- Cross border transporters-new
- Cross border shoppers-new products
- Cross border truckers-new and old

Individuals on bicycles, donkeys, donkey drawn carts especially through the borders

north of the country.- new and old Customs officials at times confiscate new and second hand clothes from smugglers and these followed by the imported new textiles and the Zimbabwean made textiles being the most expensive. Tables 1-4 show the summary of the prices charged by various competitors in the clothing and textile market in the areas that were studied. Results show that the second-hand clothes are the cheapest

Table 2 Prices of Ladies Wear (US\$)

Item	Zim made	Imported New	2 nd Hand	Price Range US\$
Jean	17.14	6.36 [10.78]	1.48 [15.66] 1:12	New [5-9] 2 nd [0.20-2] Zim [10-23]
Shorts	14.3	3.53 [10.77]	0.89 [13.41] 0.052778	New [2-6] 2 nd [0.10-2] Zim [9-27]
T-shirt	9.11	4.56 [4.55]	1.05 [8.06] 0.047917	New [3-7] 2 nd [0.20-2] Zim [3-15]
Shirt	13	3.90 [9.10]	1.25 [11.75] 0.048611	New [2-6] 2 nd [0.33-2] Zim [7-20]
Trousers	10.1	4.28 [5.82]	1.62 [8.48] 0.045833	New [2-6] 2 nd [0.50-3]

The Clothing and textile manufacturers attribute the high production costs per unit output to factors such:

- Costs and inadequate power supply – The power utility introduced load shedding to try and control the amount of power consumed in the country thus affecting the operational hours of companies.
- High wages as compared to China which has arguably the cheapest labour and one of the strongest textile industries in the world (Moyo, 2008). The issue of a living wage in Zimbabwe was not in competing countries results in the

reduction of production costs per unit output.

- Lack of investment- failure by local industry to attract direct foreign investment hinders the upgrading of manufacturing technologies.

In order for their operations to be sustainable, the Zimbabwe textile and clothing manufacturers are forced to pass such costs to the consumer and the consumer show apathy by drifting to the second hand and new imported products markets. Due to the high costs, the made in Zimbabwe products are not able to compete in the market place with finished textile clothing products from Asia.

Table 3 Prices of Child Wear-Boy- US\$

Item	Zim made	Imported New	2 nd Hand	Price Range US\$
Jean	11.2	7.84 [3.36]	1.74 [9.46] 0.045833	New [4-10] 2 nd [0.20-5] Zim [7-25]
Dress	8.9	6.24 [2.66]	1.75 [7.15] 0.045139	New [2-10] 2 nd [0.20-4] Zim [5.50-17]
Skirt	4.42	4.66 [-0.24]	1.14 [3.28] 0.044444	New [2-6] 2 nd [0.20-2] Zim [2.50-10]
Blouse	5.08	3.15 [1.93]	0.97 [4.11] 0.045139	New [1-5] 2 nd [0.10-2] Zim [2.50-10]
T -shirt	5.43	3.15 [2.28]	0.74 [4.69] 0.046528	New [0.50-5] 2 nd [0.10-2] Zim [4-7]

The factors contributing to consumer shopping behavior were highlighted as:

- Cheap products-affordability: price difference between Zimbabwe made products and second-hand clothing ranged between US\$ 1:4-1:16.
- Good quality products: which was determined to be reference to durability (resistance to wear and color fastness), variety of fashion styles and different fabric constructions and fiber types.

Even though the results indicated that the majority of the people interviewed were from the middle to low income groups, it was also gathered that there are now exclusive second-hand shops where the high-income groups go shopping. The difference between the two being that in the exclusive shops most of the items sold are first washed or dry cleaned before they get into the market and also these shops can be

operated from home. So, it's not surprising to see a top executive immaculately dressed and think they must have done their shopping during their trip overseas when in actual fact it was during their last trip to "K"-Boutique.

It was noted that, the selling price variations (price range) of the second hand clothing is affected by;

- Proximity to source: Cost incurred by the vendor to land the bale in the market
- Height of bale; when the bale has just been opened prices are high and get less as the bale height drops because the best items will have been selected.
- Period of the month; prices are usually high during month end when people have just been paid.
- Location of the market- Prices in Harare which acts as the wholesale

market of the imported second hand clothing textiles were comparably lower than in Kariba and Bulawayo. In each town prices were lower in high density area markets compared to low density or urban areas.

- Perception of the ability of the customer to pay more i.e. if the vendor judges that the customer might be able to pay more than an average person then the prices go up.

4. CONCLUSION

The Zimbabwe Clothing and Textile industries will continue to struggle against the stiff competition created by imports from the Far East until the high costs of inputs, high cost of finance, power challenges, use of obsolete machinery and lack of control of the high volumes of illegal imports are addressed by all the stake holders.

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