

## THE INFLUX OF SECOND-HAND CLOTHING TRADE AND ITS IMPACTS ON THE GROWTH OF THE LOCAL TEXTILE SECTOR IN TANZANIA

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### ABSTRACT

*In 2016 the value of the world used clothing trade rose from \$1.8bn in 2006 to \$3.7bn and Sub-Saharan Africa imported around 20 percent of the world's used clothing far more than any other region in the world. Tanzania with other members of EAC agreed to impose huge tariffs on SHC imports and introduced a complete ban on importation by 2019. However, member states retreated their move leaving the future of the textile sector uncertain following threats of economic sanctions from the USA. This study aims at assessing the status of the second-hand clothing trade in Tanzania and its impacts on the growth of the local textile sector. The study applies descriptive design involving qualitative and quantitative methods. Data were collected through interviews, observation, and documentary reviews. The study was conducted in Dodoma and Dar es Salaam cities using a stratified random sampling technique. The data collected were analysed using content analysis. The study found that SHC is a lucrative business in Tanzania as 87 percent of respondents use SHCs. Ban of SHC trade is found not to be a preferred solution. It is further found out that SHC trade harms the growth of the textile sector but the failure of the sector cannot wholly be attributed to SHC trade alone. The study recommends for improvement of cotton agriculture, re-regulation of the SHC trade, and enforcing special regulations on the textile and clothing manufacturing sector.*

**Key words:** *Second-hand Clothing, Local textile sector, Challenges, Prospects, and ban.*

### INTRODUCTION

#### Background Information

It is an undeniable stance that second-hand clothes have dominated clothing markets in different developing countries around the globe, Tanzania in particular. It is estimated that Africa has one of the largest used clothing markets in the world and it is thought that 80 percent of the people on the continent wear second-hand clothes that are mainly imported from the USA, Europe, India, and Pakistan (Sheng Lu, 2015). In 2018 the leading exporters were the USA, United Kingdom, Germany, China, and South Korea while the leading importers of second-hand clothing were Ukraine, Ghana, Poland, Pakistan, and Kenya (OECD, 2018). Even some developed countries import second-hand clothing but only a small percentage of the best second-hand clothes are used for local consumption, the rest is used for the production of other clothing or non-clothing materials and export to other destinations (Sheng Lu, 2015).

In 2016 the value of the world used clothing trade rose from \$1.8bn in 2006 to \$3.7bn and that Sub-Saharan Africa imported around 20 percent of the world's used clothing far more than any other region in the world (Shannon & Sheng Lu, 2018). The developed countries are the dominant suppliers of used clothing and most of the used clothing exports end up being sold in developing countries. In 2016 nearly 40 percent of the world's used clothing exports came from the USA, United Kingdom, and Germany (Shannon & Sheng Lu, 2018).

In the late 1980s and early 1990s, most African states and Tanzania, in particular, saw a demise of the majority of their local textile industries, among others, mainly due to the economic liberalisation programmes backed up by the International Monetary Fund (IMF) and World Bank (WB). Before this, high tariffs protected homegrown clothing but IMF and WB programmes forced tariffs to be lowered and local factories had to contend with new competition, as a

result, many failed and were shut (AGOA, 2018). It is reported that up to 85 percent of Kenya's textile plants had closed since the early 1990s. In Tanzania by 1990, 22 out of 24 country's textile factories had closed (Wangwe et al., 2014). Therefore, one could argue that Structural Adjustment Programmes (SAP), marked by macroeconomic reforms, privatisation and trade liberalisation, led to the de-industrialisation.

Even though some experts allege that it was not the importation of second-hand clothing that killed local industries in Africa but inefficient production, it cannot be wholly refuted that flooding of second-hand clothing has and will affect greatly the growth of local textile industries in most developing countries including Tanzania. Second-hand clothing trade in the African markets has created employment but it has also displaced local garment manufacturing bases and maybe suppressing the future development or revival of similar domestic industries. Realising this threat some countries have taken measures to counteract the importation of second-hand clothing. Measures taken include; total ban of the importation whereby 40 countries have already done so, (Esquivias & Sing, 2019) or raising the importation tariffs to discourage importation. For example, countries with the highest import tariffs for used clothing are Iran (100%), New Zealand (97.3%), Vietnam (96.2%), Syria (46%), and South Africa (45.5%) (OECD, 2018).

Tanzania like other developing countries is seriously investing in industrialisation efforts so that by 2025 it is transformed into a semi-industrialised nation (Ministry of Finance, 2016). This position is also reflected in the country's Development Vision (TDV) 2025 where the country has declared aspirations to become a diversified and semi-industrialised economy with a substantial industrial sector compared to that of the typical middle-income countries. In a bid to recoup local textile manufacturing, East African governments (Kenya, Tanzania, Uganda, and Rwanda) agreed in 2016 to increase tariffs on imported used clothes to phase them out by 2019 (EAC Secretariat, 2017). This was followed by a severe warning from the USA that should EAC members proceed with the move they would lose benefits from AGOA which allows African countries to export certain items to the US without paying duties. Later, Tanzania, Kenya, and Uganda retreated from the pact but Rwanda resisted joining the move and it followed that the Trump administration suspended Rwanda from AGOA (Azad, 2018).

As some countries are waking up from their deep and long sleep and strategise to revive their dead textile sector they are economically threatened by giant second-hand clothing exporters and their allies. This informs the nature of the relationship that poor countries have with their so-called developed allies, it is the relationship in the best interest of the developed countries and at the expense of the economic backwardness of the poor countries.

Tanzania is equally affected by the above nature of its relationship with developed countries. This shows how difficult it is for small countries to develop in this world of inequalities. The decision to retreat means that the countries have succumbed to orders of the USA and hence the revival of the textile sector may no longer be practicable. Although we still sing songs of industrialisation and some people have hopes in the verses, how is Tanzania going to develop her local textile industries when the local clothing markets are flooded with imported cheap second-hand clothes? Should countries like Tanzania accept the reality that their textile sectoral growth is to be planned abroad before it is implemented in their territories? And if not, what are the strategies in place to revive the textile sector in Tanzania amid the danger of economic sanctions?

Therefore, the general objective of the study is to examine the status of the second-hand clothing trade in Tanzania and its impacts on the growth of the local textile sector. Specifically, the study aims at exploring the status of SHC trade in Tanzania, exploring factors contributing to the choice of SHC, assessing challenges imposed by SHC to the growth of the local textile sector, and examining the need to ban SHC trade. Therefore, this study is significant to policy and lawmakers in addressing various issues raised and it will contribute to emerging literature in Tanzania on the second-hand clothing trade and its impacts on the growth of the local textile sector.

## LITERATURE REVIEW AND THEORETICAL FRAMEWORK

### Conceptual understanding

#### Second-hand Clothing

Second-hand clothing refers to clothes and shoe items that have already been used by one person before the present user (Kagome Wetengere, 2018). In Tanzania SHC is locally known as "mitumba". The development of SHC in the world is influenced by the increasing consumption of clothing caused by the fast-changing fashions and the existence of cheaper clothes with reduced quality (Katende-Magezi, 2017). That means worthy people and those who are fond

of fashions find themselves having outdated clothes in a short time and due to their love for fashion, they would no longer use such clothes as a result re-selling the same as SHC becomes the only choice.

### **History of Second-hand clothing**

It is reported that SHC has a history that is as long as clothing itself, dating back to the ancient world, even serving as currency at different points (Lemire, 2005). Additionally, donating SHC to charities has been around since at least the 1830s, as a means of disposing unwanted clothes, with such organisations as “the Ladies of the New York Clothing Society for the Relief of the Industrious Poor”(Griffin, 2019). Tanzania saw the influx of SHC in the local markets in the 1980s due to liberalisation policy and it saw the shutting down of several local textile factories. By 2015 Tanzania was the 14<sup>th</sup> largest importer of SHC in the world (Ministry of Finance, 2016), with almost \$63 million worth of imports and her nominal value for SHC had increased in the past 20 years, from less than \$10 million in 1995 to more than \$60 million in 2015 (Katende-Magezi, 2017).

### **Pros and Cons of SHC trade**

It is the undeniable truth that SHC has assisted sustainable livelihood to the citizens through employment. In Tanzania as of 2017, the industry provided an estimated 81,000 full-time jobs, i.e. 67,000 direct and 14,000 indirect jobs (Katende-Magezi, 2017). It is noted further that, SHC trade contributed US\$140m tax to the East African Countries and that saw Tanzania collecting US\$32 by the year 2015 (Khurana & Tadesse, 2019). Despite the use, that one may find on the use of SHC a far-reaching effect is the loss of social identity of African people who are forced to embrace the Western ways of dressing (Abubakar, *et.al* 2018). SHC is also associated with health risks (Kinabo, 2004). Economically, SHC has created economic dependency over the West as our local textile factories cannot compete with cheap SHC in the market.

### **Empirical Review**

Various studies have been conducted worldwide to show the negative influence of SHC trade on the local textile sector in different countries and only few of such studies focused on Tanzania. For instance, Esquivias & Sing (2019) conducted a study in the Philippines on the impacts of SHC importation and, among others, identified ways through which SHC enters into countries, i.e. through smuggling; as relief goods donated by local or international organisations; and as souvenirs. Likewise, authors found that the ban of SHC is a failure because of various factors like rampant corruption by the customs officers, inconsistency application of the policies banning SHC, and the majority of people being involved in the business. For example, in the Philippines at least 38% of the working population by 2018 were employed in SHC sector (Esquivias & Sing, 2019). In the final analysis, the authors state that SHC harms the local garments industry but how exactly one affects the other is not detailed especially because the available quantitative data were unable to illustrate accurately the economic impact of SHC.

Khurana & Tadesse, (2019) conducted a study on the relevance of SHC retailing in Ethiopia. The findings of the study showed that SHC had an important space in the consumer retail segment of the country by sustaining livelihoods of citizens and providing an automatic balance to the future excessive consumption which is a result of mass production and hence should be encouraged further on various dimensions.

Abubakar, *et.al* (2018) in their study on imperialism and loss of identity in SHC while expressing their experience in Nigeria observed that apart from the erosion of rich cultural wearing heritage, SHC paved a way for imperialism by former colonial masters thereby, making Nigerians succumb to pressures dictated by fashion, civilization, modernity, necessity, and survival instinct and that it further helped to forge a relationship of dependency on the West and in many ways preventing Nigeria from developing in many ramifications. The study also explored factors responsible for the continuous use of second-hand clothes by Nigerians and the measures that could be put in place to ensure that this problem is addressed.

Watengere, (2018) while writing on whether the banning of importation of SHC and shoes would be a panacea to industrialisation in East Africa, observed that SHC trade contributes to the collapse and hamper the current initiative to revive the textiles and leather industries. Similarly, trade has been associated with several other negative impacts. The author further observed that besides SHC, other socio-economic and technical factors contributed to the collapse of the former industries.

Katenge – Magezi, (2017) conducted her study on the impacts of SHC and shoes in East Africa. Apart from an understanding of the SHC trade in East Africa partner states the author laboured much on the likely implications of imposing a ban on SHC. It was noted that the demand for SHC in all the Partner States is not only from the poor but also from the middle class hence the ban is going to be felt across all social strata in the region. The author warned partner states of opposition from main importers of SHC and even local stakeholders. Hence, care is required by the Partner States in implementing the ban, by using a phased approach, to avoid an unwarranted civil uprising. The author noted further that the EAC's cotton, textile, apparel, and the leather sector is weak and cannot, therefore, provide alternative clothing and shoes, in the face of the ban.

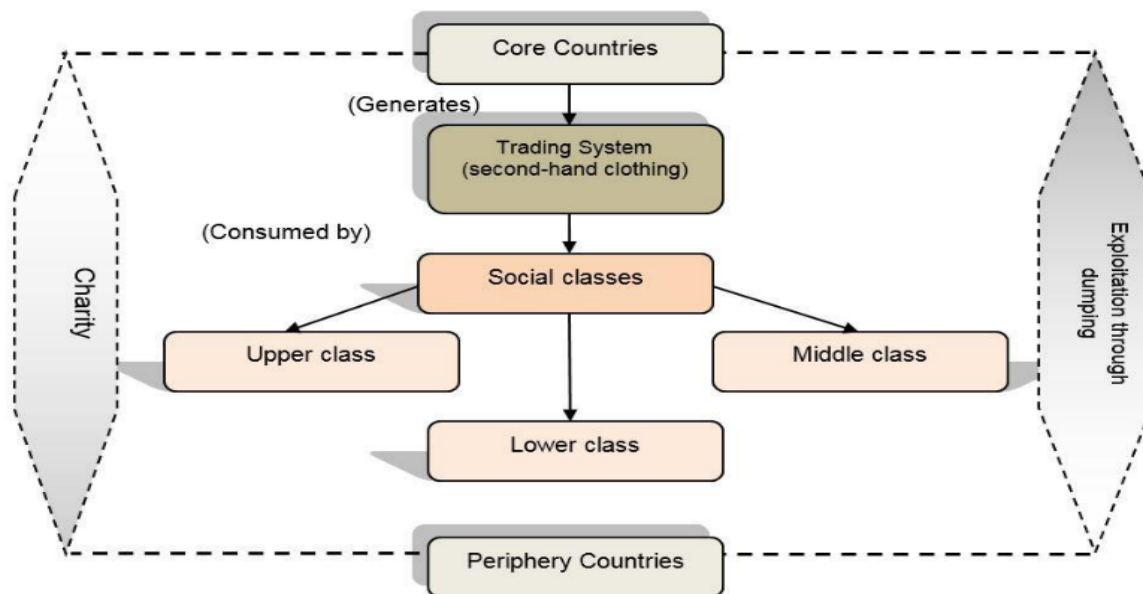
Chilongo, (2016) conducted a study on the performance of the textile sector in Tanzania identifying challenges and ways forward. The author assessed the evolution and performance of the textile sector before and after trade liberalisation with a focus on the current challenges facing the sector and the ways to boost the sector. The research results show that the development of the sector is not impressive as most of the stakeholders in the industry are now quitting the market due to various reasons such as trade policy which has allowed the influx of cheap SHC (Chilongo, 2016). Therefore, from the findings of this study influx of SHC was noted as a challenge towards the growth of the local textile sector in the country.

From the above review, there are identified scant discussions on the SHC trade and its impact on the ongoing industrialisation agenda and how to effectively regulate SHC trade in Tanzania. Therefore, the study on the influx of SHC trade and its impacts on the growth of the local textile sector in Tanzania was made possible after the researchers met the above shortcomings from the existing literature on SHC trade in Tanzania and the fact that the literature on the topic is still at scarce.

### Theoretical Framework

This study adapted the world system theory commonly known as world-systems analysis. The world system approach was developed by Immanuel Wallerstein in the 1970s and 1980s. The world system theory consists of a multidisciplinary approach, hence, it does not only study the social changes but also studies the economic perspectives of different societies from a global perspective (Mohyuddin, Anzak, Zulfiqar, 2020).

Based on economic conditions, the world is divided into three categories, i.e. core countries, semi-periphery countries, and periphery countries. There is a symbiotic relationship between the core and periphery where both get the benefits by serving each other and maintain balance in the world. Core countries are generating trade of second-hand clothing for periphery countries that are under the process of development. Because of this trade, the whole world is transformed into a single economic unit that cannot be studied in isolation because states are highly intermingled with each other i.e. core and periphery countries.



## Figure 1: Flow Chart showing Single Economy Unit

Source: Mohyuddin, Anzak, Zulfiqar, 2020

On one side the core countries are giving the benefit to the poor countries by donating their clothes in the third world and allowing people to fulfil their basic needs of clothing at an economic price. On the other hand, core countries are exploiting the periphery countries by dumping their waste into these countries to maintain their environmental conditions and give these used clothes a new life (Mohyuddin, Anzak, Zulfiqar, 2020). In this study, this model is put to test to confirm or revise the reasoning built into it. Its impacts are observed on the local economy.

### METHODOLOGY

This study employed a descriptive design that aimed at obtaining complete and accurate information about the problem at hand. Descriptive research was employed to obtain information concerning the current status of the phenomenon and to describe "what exists" concerning variables or conditions in a situation. The study was conducted in Dar es Salaam and Dodoma Cities. The choice of Dar es Salaam was influenced by the fact that it is the hub of business and trade in Tanzania and one of the lavishing businesses is SHC trade. Dodoma was thought about because it is the capital city that harbours most of the government offices some of which were involved in this study.

Stratified random sampling was used in the selection of informants to be studied. In the study, busy second-hand clothing trade markets in Dar es Salaam together with textile sector representatives were identified and studied. The selection of stratum based on different criteria like age, sex, education, and experience in business while the occupation of respondents was the main deciding factor. Stratified sampling aimed at ensuring every stratum is adequately represented and the same has the greatest freedom from bias (Taherdoost, 2018). The intended sample size for the study was 300 respondents as shown in the following table:

Respondents	Intended Number	Actual Number
SHC Traders	100	80
SHC Consumers	150	120
Local Tailors	20	15
Government Representative	10	1
Traders of Local Manufactured Clothing (Vitenge & Kangha)	20	10

**Table 1: Sample Size Description**

Both tools for primary and secondary data collection were used. Questionnaires, structured interviews, and focus group discussions were used in the collection of primary data. The majority of SHC traders and locally manufactured textiles traders and SHC consumers participated in the study through the filing of simple questionnaires distributed to them by the researchers. Researchers thought of using questionnaires since the majority of the respondents could not find time for face-to-face interviews with the researchers. It was also to maximise the number of participants in the study. The choice of focus group discussion was triggered by the need to encourage the sharing of views between respondents and the researchers. There was one focus group discussion conducted mainly involving SHC consumers due to difficulties of including other groups of participants like SHC traders in the discussion due to their tight schedules. Structured interviews were employed to get face-to-face responses from respondents and at the same time concentrate on pre-set questions to achieve the intended goal. Government representatives, local tailors, and some SHC trades were involved in the face-to-face interviews with the researchers. On the other hand, secondary data were collected through the documentary review technique where the researchers accessed several published and unpublished literary works about the topic at hand both in hard and soft copies.

Content analysis was used in analysing collected data whereby themes and sub-themes from responses gathered through data organisation, reduction, and interpretation (Hebberman & Miles, 1994). This was assisted by the use of MAXQDA 2020 (VERBI Software, 2019) for data analysis. Likewise, quotes from some respondents have been supplied to enable connectivity between the readers and respondents' feelings. Statistical Package for the Social Sciences (SPSS) aided the analysis of quantitative data.

### FINDINGS AND DISCUSSION

The data collected from respondents were analysed and resulted into several themes relating to the objectives of the topic at hand as can be observed in the discussion hereunder.

### Status of SHC trade in Tanzania

The study found an increase of the country’s nominal value for SHC from less than \$10 million in 1995 to more than \$60 million in 2015. However, it was reported further that the importation of new clothing has been increasing, and has surpassed the importation of second-hand clothing. For example, in 2015 alone, Tanzania imported \$84 million worth of new clothing, compared to \$62 million worth of SHC. Most of the SHC imports in the country come from the USA, UK, UAE, Canada, South Korea, and China. Importers of SHC are rich (core) countries and while accruing an economic advantage from the imports they also dump their wastes in the poor (periphery) countries. However, there is a ban on imports of SHC underwear in a bid to ensure good health but the implementation of the same is faced with challenges.

Likewise, the study found that around 82% of total domestic textile and clothing production is exported by the formally established garment factories, amounting to 16 million pieces per year. This is because major garment factories are established under EPZA policies which require them to operate on an export basis and leave only a small portion of their production for home consumption. Local textile industries are mostly involved in dyeing, spinning, weaving, printing Khanga and Kitenge, bedsheets, garments, knitting woven blankets and socks. This has created a great need for clothing in the country as the local production cannot satisfy the local clothing needs. Therefore, low local textile and clothing production has created an avenue for, among others, the growth of the SHC trade in the country.

It was further found that cotton in the EAC is grown to commercial scale in all Partner States except in Rwanda and that 70-85 percent of the cotton lint produced in the region is exported, and the spinning and textiles mills in most Partner States operate between 40-50 percent capacity partly due to unavailability of cotton lint (Katende-Magezi, 2017). This implies that the local textile mills are underperforming due to the unavailability of raw materials (cotton in particular). As the number of people increases clothing needs rise in the country and this cannot be met by the locally produced clothes because the local textile sector is export-oriented and under-performing. These problems have opened doors for the dominance of SHC in the local markets.

Therefore, concerning the first objective of the study on the status of SHC trade, it is firmly established that SHC trade is a lucrative business in Tanzania because the demand is huge as the local textile production cannot meet the local clothing needs; hence, SHC is preferred as an alternative to fill the clothing vacuum. It was the finding of the study that 87% of the respondents had either used or are still using the SHC. This is in line with Sheng Lu, (2015) study which asserted that 80% of Africans use SHCs, the majority being people of the middle class and lower class income gainers.

### Customers’ Preference of Second-hand Clothing

The findings of the study on this theme revealed that the customers’ choice of SHC is influenced by several factors. The main factors are affordability, easy availability, uniqueness, and lack of alternative clothing. However, the quest for brand names was observed as an influencing factor among the youth respondents. The following figure summarises the findings on this theme:

S/N	Customer’s Influencing Factors	Frequency in %
1.	Easily Accessible	82
2.	Lack of Alternative Clothing	80
3.	Affordability	80
4.	Uniqueness	67
5.	Quality and Long Lasting	62
6.	Insufficient Local Production	56
7.	Adaptability to Environment	55
8.	Poverty among Customers	52
9.	Quest for Brand Name	50

**Figure 2: Summary of factors that influence customers’ choice to use SHC**  
**Source: Field Data, 2020**

The above findings fit with Abubakar, *et.al* (2018) who found out that the continual use of SHC in Nigeria is stimulated by among others; poverty, unemployment, the quest for brand names, and affordability (prices of SHC being cheaper than those of new clothing). The poverty level of customers was also articulated by respondents as one of the factors that influence their choice to buy and use SHC.

### **Banning or otherwise of SHC trade and importation**

The majority of the respondents were against the total banning of SHC trade in the country. This was not only the case on the SHC traders and the consumers but even other persons enjoying the benefits of the SHC trade like those doing tailoring business. During the interview, one respondent opined that;

*I receive many customers who need some corrections and modifications to their SHCs and it pays more than waiting for someone to come for a new suite or embroiled shirt. [A tailor at Ilala Market]*

When inquired as to why SHC trade should not be banned respondents provided among others, three main reasons; (1) inability of the local textile and clothing industries to meet the clothing needs of the entire population. This reason fits the findings by Calabrese, Mendez-Parra, and Balchi (2017) and Sutton & Olomi (2012) that in Tanzania four of the five firms producing garments export between around 82% of their production, and only one (the one with the smallest production) produces exclusively for the domestic market and over 80% of cotton is exported as lint; (2) increase of unemployment by de-employment of all those who are currently working under SHC trade; (3) increase in the prices of new garments due to reduced pricing competition between the new garment and the SHC which may even call for government interventions to make clothing affordable as observed by Katende-Magezi (2017); and the likely increase of criminal acts as it was fiercely opined by one respondent;

*Do you want these young people to go back to the streets and become pick-pocketers? Will you force everyone to wear the khanga and kitenge that you manufacture? [Respondent at Kariakoo Market].*

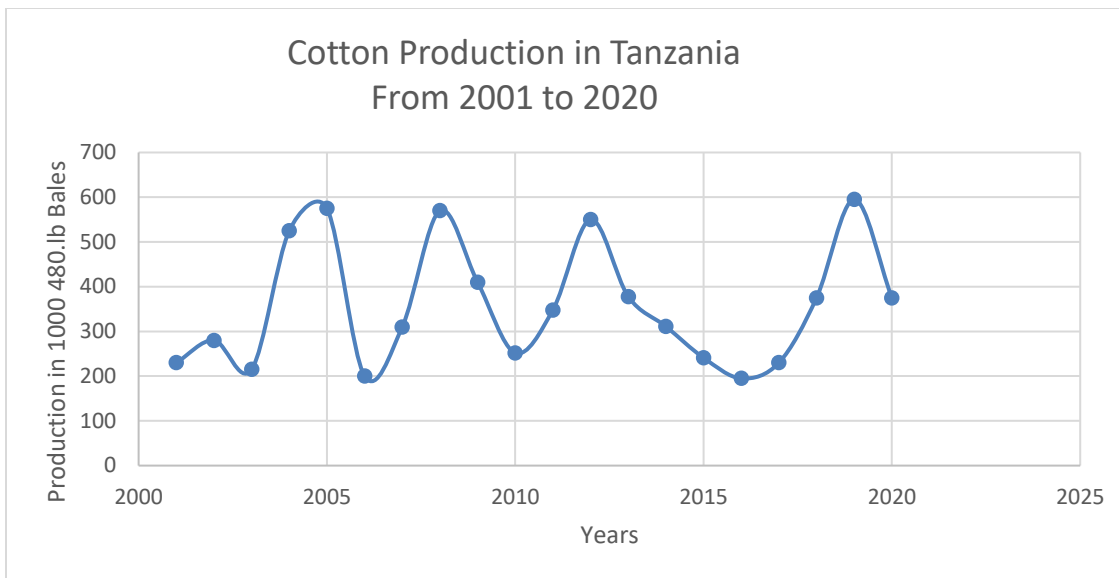
Therefore, the findings of the study on the above theme is against banning SHC trade for reasons given which are in line with several studies as identified above.

### **Effects of SHC trade on the textile industry**

It was noted from the respondents that, flourishing of SHC trade in the country has contributed to slugging development of the local textile and clothing industry. As the majority of SHCs are sold cheaply than the locally manufactured ones, the majority of people have inclined to SHC to meet their clothing needs. Also, the oversupply of SHC has created fear among people to invest in the local textile sector as they are not sure of the availability of the market. SHC trade also endangers the local designing and embroidery talents of the people by limiting the practical space for them to showcase their talents.

However, 19% of the respondents had a different opinion on the effects of SHC trade. They viewed it as a positive opportunity for having created jobs, increased government revenues, and supporting people to meet their clothing needs. They contended that there was no specific time in the history of the country when there was a stiff market competition between SHCs and locally manufactured clothes. Therefore, the decline and failure of the textile and clothing sector in the country is not wholly caused by the SHC trade. This position is in line with Calabrese, Balchin, and Mendez-Parra (2017) who found that the decline in the African garment sector is caused by the impact of the structural adjustment programmes in the 1980s and 1990s, and the competition from low-cost new Asian garments competitors in the African domestic markets.

It can be summed up that the decline in the local textile sector is not wholly caused by SHC trade but it is complemented also by the influx of low-cost Asian new garments, poor textile sector, and poor agriculture strategies, to mention a few. For instance, it was the findings of the study that cotton lint yields, at 181 kg/ha in the country is very low compared to 2027 kg/ha in Brazil; 1311kg/ha in China; 900kg/ha in the USA; and 500kg/ha in India (Bhattacharya, Atluri, & Naladala, 2020). This is caused by, among others, poor agronomic practices, the high cost of farming, and weather changes that have created unpredictable rain in the cotton-growing regions. The production of cotton in the country is presented in the following figure.



**Figure 3: Cotton Production in Tanzania**  
 Source: *indexmundi.com* as taken from **United States Department of Agriculture**

The above confirms the unstable production yields in Tanzania which if looked at compared to the number of hectares cultivated annually proves that Tanzania's harvests are below the international standards.

**Prospects of Local Textile Sector growth**

The majority of the responses on whether any indications are showing brighter days of the textile sector in the country are negative because there are no clear strategies in place to embrace textile sector growth. Despite that, the majority of respondents believe that the government's will towards industrialisation is a prospect enough to push the textile sector to a greater height. However, they warn the will without action shall yield the nation to no success.

**CONCLUSIONS AND RECOMMENDATIONS**

**Conclusions**

The general objective of the study was to explore the SHC trade in Tanzania and assess its effects on the textile sector. It is the findings of the study that SHC trade in Tanzania is a lucrative business since there is a good market as many people from middle and low-income families rely on SHCs. Despite its usefulness to people SHC trade negatively impacts the growth of the local textile and clothing sector, however, it is not a sole reason for the failure of the sector as there are several other factors both internal and external to be associated with the poor performance of the sector. Despite the preference of the ban of importation of SHCs in the country, the move must be exercised strategically and after self-warning, as it may increase unemployment rates, social unrest, and scarcity of clothes in the market, or unaffordability of clothes. As opined by respondents, despite the need to nurture the textile sector the same must be exercised while balancing the needs of the people so that they are not affected by that zeal.

The textile and clothing sector in the country faces various challenges which are mainly three folds; raw material production challenges, marketing-related challenges, and policy and legal challenges. Despite the noted challenges, there is still hope that the sector is going to achieve growth as can be directly underscored from the government's will to industrialise the country but this will only be possible if we walk the talk seriously.

**Recommendations**

In a bid to nurture the thriving local textile sector and put to halt clothing slavery this study recommends the following: First, improving cotton production. Cotton is seen as the main raw material for the local textile factories but the production output is dwindling making factories produce below their capacity. If cotton production is strengthened its annual yields will increase and support raw material availability in our factories. This should however go together with discouraging the export of cotton lint so that the same feed the local industries. To achieve this the local price of cotton

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must be good enough to stop farmers from smuggling their produces abroad to attain better prices. There must be clear strategies to ensure cotton production growth is done through investment in irrigation systems, drip systems, pest management, among many others.

Second, re-regulating the textile and clothing manufacturing sector. This is by easing regulatory requirements for a certain period in the sector to attract investors. This will also include improvement of the business environment, engaging with investors, and solving current investors' problems. Also, having in mind the need to nurture the local textile sector the textile and clothing manufacturing industries in EPZAs and SEZs might need new regulations. Currently, industries under EPZA and SEZ manufacture mainly for export purposes leaving very little or nothing locally. There should be periodic measures for these industries also to supply their products locally at a certain percentage to fill the gap if the ban of SHC trade is to be thought about.

Third, re-regulating the importation of SHCs (towards the ban of SHC trade). This must be strategically planned as it cannot be done overnight in a once and for all ban. It should be in a process which may entice the following steps; (1) ensure the local production of clothes has grown satisfactorily and is sustainable with affordable prices; (2) allow the importation of only high-quality SHCs; (3) introduce a complete ban of SHC trade; (4) assess the local production and see if it meets the market demand (quality, texture, style, and others); (5) restrict the importation of cheap new clothes by either imposing high tariffs or allowing importation of some kinds especially those that are not locally manufactured; (6) increase production for export purposes.

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