



CHANGING WORLD TRADE CONDITIONS FORCE THE TURKISH TEXTILE AND APPAREL INDUSTRY TO CREATE NEW STRATEGIES

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ABSTRACT

Textile and clothing industry has played an important role in the industrialisation process and market orientation of the Turkish Economy. The yarn making, cloth manufacturing, garment finishing, and related activities presently make up over 6% of the gross national product, 17.5% of industrial production, around 19% of total industrial manufactured goods, 21% of employment. The Turkish apparel industry is currently transitioning from a volume oriented, cost-based contractor role in the global apparel industry to assume more value-added activities such as design and product development. The goal of Turkish apparel manufacturers in this transition is to capitalise on their experience, skilled labour, and technological advantages to establish new markets for high quality, Turkish-designed apparel.

Keywords: Industrialization, manufacturing strategies, Turkey, production, economics

1. An Overview of Turkish Textile and Apparel Industry

Apparel and textile industries have always had a forefront position in the economy of Turkey. Such activities at the industrial level date back to the early Ottoman period. Since those times, the highest levels of employment, production and profits in the economy of the country were obtained in textiles and related fields. The yarn making, cloth manufacturing, garment finishing, and related activities presently make up over 6% of the gross national product, 17.5% of industrial production, around 19% of total industrial manufactured goods, 21% of employment. In 2000, Turkey's textile and apparel exports were 10 Billion dollars and this figure represented 36.1 % of Turkey's total general exports. So, textiles can be said to be the power horse of the Turkish economy since the beginning of the 1980's.

In the 1980's widespread change took place in the textile and apparel industry. Turkish entrepreneurs then learned and practiced an up to date manufacturing philosophy. Entrepreneurial policies became more efficiently export oriented. The government gave the entrepreneurs a helping hand in this field because the textile and apparel industry was the most important hard currency earning sector of the Turkish economy. The industry has kept this important position for decades. This situation can be observed from statistics concerning the period of 1980 – 2000 (Table 1). The exports in 1980, inclusive of garments, came up to US \$777 million of which US \$ 106 million was for apparel items only. In 2000, the total figure came up to a little more than US\$10 billion, whereas the apparel exported was recorded as US \$ 7 billion. These great increases in textile and apparel trading have also been occurring in many other developing nations. Industrial countries of the world gradually moved their activities toward