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ECONOMIA URBANA DE SUBSISTÊNCIA: PROCESSOS DE ORGANIZAÇÃO E REPRESENTAÇÃO.

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Riches from Rags or Persistent Poverty? A Critical Discussion of the Urban Livelihoods of Used-Clothing Traders in Mozambique

This paper examines the international trade in used clothes to Africa through a Global Production Network approach. The trade depends on used-clothing commodities being (re)produced from unwanted clothing in high-income countries and being exported and re-valued in Africa. A network of charitable and capitalist exchange links the richest and poorest peoples in accidental intimacy as garments are re-worn. Used-clothing traders' livelihoods in Maputo, Mozambique are inherently linked to globalization processes. The economic geography of the production of used-clothing commodities in the United Kingdom is investigated and the import and retail of used-clothing in Maputo is mapped. The livelihoods of used clothing traders and their business strategies are explored. Within global used-clothing networks there are differential capitalisation, positionalities and power relations of market participants. Informal traders' businesses are risky and they have low levels of influence and agency, inhibiting their ability to organise and their opportunities for representation.

Trade, Mozambique, Globalization.

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INTRODUCTION

The sale of used-clothing is a common sight on the streets and in the markets of sub-Saharan Africa. Clothes that are unwanted by people in economically developed countries are exported and sold to be worn again in Africa. Consumers who can readily afford to buy new items in developed market economies in Europe and North America discard clothes that are outgrown, worn out, unfashionable, or no longer needed (Gregson and Beale 2004). These used clothes pass through a network of charitable and commercial exchange that intimately links the richest and poorest peoples of the world; as the waste clothes of the former are valued and re-worn by the later. Intricate and perplexing supply chains are a feature of the international trade in used-clothing (Haggblade, 1990; Velia, 2006). Amongst those who donate clothing there is ignorance of its final destination and market, and the origin of used-clothing is not understood by those who consume them in countries such as Mozambique (Packer, 2002).

The entire transnational trade network in used-clothing is an area which has not been extensively studied (Hansen, 2000). This intervention seeks to explore the used clothing trade and how it can be investigated through a Global Production Network (GPN) approach. General patterns in the transnational used-clothing trade and how used clothes are (re)produced as commodities are discussed. Due to the limited prior work and awareness of the general trade pattern, this article is descriptive of the overall network in order to provide the requisite detail and context to discuss the livelihoods of urban used-clothing traders in Maputo. Certain nodes of the trade network have been challenging to investigate and illegal and morally ambiguous practices are commonplace; as such it has been difficult to exactly trace all the economic processes (Field, 2000). Collection and processing nodes in the United Kingdom and import and retail nodes in Mozambique are presented as examples and the governance and power relations in the used-clothing trade are discussed. The analytical focus in this paper is on a final retail node in Maputo and the challenges faced by market traders there.

AN OVERVIEW OF THE USED-CLOTHING TRADE

The purchase and conspicuous consumption of new-clothing in rich countries produces a waste stream of unwanted clothes. In the United Kingdom most unwanted clothing gets stockpiled, used in the household or thrown away, but it has been estimated that 17% of all clothing and textiles enter a second cycle of consumption (Morley et al. 2006; 8). Unwanted used clothes are left out for door-step collection, deposited at clothing banks or taken to charity shops. They are donated to charities such as Oxfam, The Salvation Army

and the YMCA, and are collected by commercial companies like Choice Textiles. There are similar collections by commercial recycling companies or charities in many other countries including Australia, Canada, Germany, the Netherlands, Spain, and the United States. Some used clothes are retailed locally in charity and thrift shops, but much is processed for export. Industrial processing plants finely sort and grade used-clothing in to different categories. The industry standard is to pack the clothes into 45 or 55kg bales containing hundreds of the same type of used clothes such as men's t-shirts, ladies' jeans or children's shoes. These bales are loaded into shipping containers and sold to importers in developing countries. In African and other poor countries these used clothes are then sold in markets. Used-clothing goes from being a waste item to a commodity, as labour activities are undertaken to collect, sort, categorise and transport second-hand clothes to different markets. They are shipped from a high-income country where they are not valued to low-income countries where there is a market for low-cost clothing.

The collection, processing and export of used-clothing is positively coded by governments as it acts as a self-financing recycling system for clothing waste, although this positionality does not reflect on the impact of importing used-clothing on African societies and economies (House of Lords, 2008). For low-income economies used-clothing imports are a valued commodity and an important source of clothing for many people, especially in Africa (Hansen, 2000). Used-clothing is officially estimated to account for only 0.6 percent of the total global clothing trade (Velia et al. 2006; 4), but the trade was still valued at over US\$1.8 billion in 2006 (UN COMTRADE, 2009). The importance for Africans of the used-clothing trade becomes apparent when one looks beyond these global figures. In volume terms used-clothing is a significant import for African states, accounting for over 50 percent of the market in many sub-Saharan African countries (Baden and Barber, 2005; 1). Frequently it is the main item shipped into many parts of Africa and used clothes are consistently among the top ten exports from the US to Africa (Frazer, 2008; Hansen, 2000).

USED CLOTHING IMPORTS TO LOW-INCOME COUNTRIES

The impact of the import of used-clothing to low-income countries has not received much popular or academic attention (Baden and Barber, 2005). Hansen has carried out extensive ethnographic research in Zambia (1994, 1995, 2000, 2005). Her work provides a detailed exploration of the cultural processes that occur to re-value used-clothing. Field has followed a similar approach when examining the trade in Zimbabwe (2000) and Kenya (2008). Hansen and Field have illustrated how local material and cultural activities go in to re-commoditising used-clothing. These redefine used-clothing into 'new' garments. Clothes like all commodities have a first order functional *use value* formed through the process of

production, and a second order *symbolic value* relating to subjective interpretations of style, desire and mode.¹ Used-clothing commodities must retain their use value to be sold in a secondary cycle of consumption. Material changes to used clothes such as tailoring, repair and washing can enhance both the use and symbolic values. Hansen has recorded many alterations to used-clothing in Zambia, whereas Field noted few material changes in Zimbabwe. However, both agree that it is mainly second order symbolic re-valuing, rather than a physical production of use-value, which allows used-clothing to be sold as commodities in Africa.

Used-clothing values are established both within and between cultures. People in Africa have little knowledge of the origin of used-clothing. In Zambia used clothes are given a new name: *salaula* which conceals their heritage (Hansen, 2000, 2005). The exact origins of used clothes also remain ambiguous to Mozambican consumers. They are called '*roupas da calamidade*' (clothing for the calamity), which harks back to a period when clothing was freely distributed as development assistance and not sold in a market place, and the name does not fit today's commercial commodity flows. In the Philippines traders and consumers claim ownership over the West's discarded clothing to refashion modernity on their own terms (Milgram, 2005). Hansen argues that used clothes provide a valuable cultural resource for low-income consumers, because in their abundance and variety they allow consumers to express their individuality. Milgram sees benefits to used-clothing trading, particularly in the important cultural spheres of self-expression that consumption of used-clothing facilitates, as well as the employment and livelihood opportunities it specifically affords women.

Exploring the cultural processes which allow the (re)consumption of used-clothing has been an important contribution by Field, Hansen and Milgram but these interventions have said little about the underlying economic context which determines why used-clothing is particularly prevalent in many third world wardrobes. By emphasising and celebrating how the clothing waste from the Global North can allow post-colonial subjects to dress modern, the unequal relationships embodied in the used-clothing trade are marginalised. Used-clothing may allow poor consumers to wear modern clothes, but they continue to live in societies disconnected from the emancipatory world of modern secure livelihoods and conspicuous consumption (Ferguson, 1999). The international used-clothing trade depends on a disparity in national incomes and a movement of unwanted goods from the affluent to the poor. The contributions reviewed thus far are rich in cultural insights but lack critical political economy frameworks. They privilege the small-scale benefits of trading used-clothing within developing countries rather than reflecting on how the trade patterns constitute part of a broader global economic structure.

¹ As Fine (2002) notes the definition between 'use' and 'symbolic' value is a division that is infinitely elastic in its interpretation.

The greatest economic controversy that has surrounded the international used-clothing trade is the potential impact that used-clothing imports may have on local new-clothing industries. In Africa the import of used-clothing poses a potential risk to indigenous textile industries as used-clothing can be retailed at lower prices than locally produced clothing (Haggblade 1990; Frazer 2008). But, the impacts are not as simple as a direct displacement effect. Clothing production in sub-Saharan Africa has been in decline in the past decades (Gibbs, 2005; Koyi, 2006). Aside from used-clothing imports, a wide range of inter-related challenges have forced factories to close including increased competition from imported new clothing in home and overseas markets, the loss of privileged access to European and American markets, the removal of protection of domestic markets, low quality of product and labour unrest (Hart, 2002; Brooks, 2010). Previous economic studies have attempted to account for the impact of the used-clothing trade on new-clothing manufacturing in Africa (Bigsten and Wicks, 1996; Frazer, 2008). These investigations lack a nuanced consideration of the local level socio-economic situation and draw uncritically on official international economic statistics. This contribution does not directly address the impact of used-clothing imports on clothing production in Africa, but rather seeks to explore the used-clothing trade through a Global Production Network approach. This is intended to begin to bridge the gap between the cultural investigations of the used-clothing trade and the limited macro-economic analysis undertaken to date.

GLOBAL PRODUCTION NETWORKS AND THE USED-CLOTHING TRADE

The Global Production Network approach is a development of the Global Commodity Chain (GCC) and related Global Value Chain (GVC) approaches. These methods have been used to understand the production and transfer of goods in a globalised economy and their impacts on territories. In general consuming has been conditioned to conceal the origin of commodities and the livelihoods of those involved in their production and trade (Hartwick, 1998). In GCC and GVC studies, a commodity's design, the sourcing of its constituent parts, its production, transport and how it is initially purchased are linked together (Kaplinsky, 2000). For example the movement of Fairtrade wine from production in Chile, to consumption in the United Kingdom, was mapped by Kleine (2008) using the GVC approach. The journey from vine to glass is traced, illuminating how places of winemaking in one space are connected to places of exchange and final consumption in another. Morris and Barnes (2009) have explored new clothing value chains and their impacts in Sub-Saharan Africa, where producers sell into GVCs for export to economically developed markets. The new-clothing market is dominated by large retailers, and these actors have significant power in dictating terms such as the design of products, batch sizes and delivery schedules (Gerrefi,

1999). Morris and Barnes illustrate how in the new-clothing trade the suppliers accept the greatest risk, as the massive size and dominance of western retailers enables them to concentrate their buying power. Most GCC/GVC studies have analysed the activities of large transnational corporations and have focused on the links from the production nodes to primary purchase in affluent countries, rather than trade to low-income countries or secondary consumption (Hassler, 2003). This study illustrates the different governance and power relations in the used-clothing trade where influential actors ensure risky business practices are concentrated at the retail node with the poorest actors in a low-income country.

Investigating trades in used-goods presents an analytical challenge for the linear GCC/GVC approaches. The study of flows of used commodities and second cycles of consumption are emerging fields and the transnational trades in used consumer goods lack a firm theoretical frame. This is likely due to the understudied nature of waste production and the additional complexity of secondary cycles of consumption. Used-clothing, for example, is highly heterogeneous and can pass through multiple pathways of global trade networks to final consumer markets, making them difficult to trace in the manner that Kleine achieved (Chigbo, 2008). The emergence of the Global Production Network (GPN) approach may offer a more appropriate tool for investigating the used-clothing trade. GPN's allow different geo-economic moments to be linked together and are concerned with the governance of production and exchange, and how value is created (Coe et al. 2008). Interconnected nodes, and networks that extend spatially across national boundaries are studied and GPN studies attempt to encompass all the relationships and relevant actors involved at different horizontal and vertical levels. As an approach that is less concerned with linear movements within or between large organisations this analytical framework is more suited to investigate used-clothing networks than GCC/GVCs. The used-clothing trade is a demonstrative example of how trade networks extend internationally, taking advantage of disparate place based social, political and economic conditions. The following sections give details of the governance and some of the power relations that influence exchange in a producing (UK) and a retailing (Mozambique) territory in the used clothing networks.

PRODUCING USED-CLOTHING COMMODITIES IN THE UNITED KINGDOM

The first difficulty with using a GPN approach to analysis the used-clothing trade is that there is not a traditional production node. For this case study the entry point is someone in the United Kingdom donating unwanted clothing. It is argued here that the collection, grading and sorting activities - that were discussed briefly in the overview of the used-clothing trade - can be considered production processes. Clothing that is initially accepted by charities or commercial collectors makes the transition from being an unwanted waste, to

being a gift and then on to being (re)produced as a commodity. Production depends on the labour of those who work to collect, sort and grade clothing items to create the tightly packed bales of specific types of clothes that become valued units. Through their productive labour activity the latent use value embodied in the unwanted clothing can be realised and clothes can be channelled to a market where they will be valued again as commodities. These labour costs are contained in the final purchase price of the clothing.

Commercial and charitable organisations that process used-clothing accumulate a substantial profit from this node. Measuring in absolute terms the relative profitability of these and other nodes is difficult because of the heterogeneity of used-clothing. Used-clothing actors in the UK including Choice Textiles, Oxfam, Help the Aged, The Salvation Army and the YMCA were interviewed in support of this investigation. Charities have a privileged position in the used-clothing network, relative to commercial operators, because of the goodwill and connection they have with the general public. This motivates people to gift their unwanted clothing to a non-profit organisation. The YMCA and Help the Aged primarily sell donated used-clothing items in their UK retail shops and excess stock and used clothes they cannot retail is sold on to commercial export companies at a low-price. These charities see this income as an added bonus to their UK-based used-clothing retail business; they are gaining profit from their waste and excess gifts. Their commercial clients are not able to access donations in the same way and perform a different role in the trade network, having their own specialist functions. They capitalise on economies of scale, as they purchase from multiple charities, and have established linkages in the textile recycling industries and connections with overseas clients, sometimes through extended family ties.

Some commercial operators have been able to integrate themselves earlier in the commodity chain, by paying a royalty fee to use the name of a charity and then accepting the donations directly from the public with no actual involvement by the charity. Such an arrangement has existed between the Great Ormond Street Hospital and commercial operators. Licensing the charitable branding of the collection node has allowed these companies to expand their involvement in the GPN and increase their profitability. There have also been illegitimate imitations of charitable branding by deceitful commercial operators who have mimicked charities actual marketing strategies and made door-step collections of unwanted clothing (Lomotey and Fisher 2006). These activities are marginalising the historic role of charitable organisations in the used-clothing GPN and have led to protests from some charitable actors who have lost profits, or opportunities to have greater involvement in the trade. In contrast, other charities such as Oxfam and The Salvation Army have their own processing facilities and are expanding their role. They can accumulate a greater profit and believe the bulk processing stage is one of the most profitable nodes in the used-clothing GPN.

As the primary input is received free, or at very low cost, the main cost facing clothing processors and exporters is transportation. Used clothing originates in many different countries and flows through various networks to final markets around the globe. Table A gives some examples, although it is far from an exhaustive review. When clothing is exported the destination can be determined by the cheapest shipping route to an available market. It may be the return cargo, part of a triangular trade pattern, or mark up cargo, because of its relatively low-value. There is some specialisation amongst exporters in the destination of different types of used-clothing bales. For instance, cold weather clothes are more likely to be shipped from Western to Eastern Europe than to Africa. But the designation of destinations is not just driven by consumer marketplace demand. In an interview with Oxfam, it was said that African clients had to accept a mixed packing list of clothing bales inside of a container. This would include desirable warm weather items such as t-shirts and shorts, as well as less desirable heavy coats and suits. Undesirable used-clothing have also been observed for sale at low prices in African market places. Rather than allowing African importers to cherry pick the items they would prefer, exporters force them to accept mixed packing lists. This enables the exporters to move on the less desirable bulky cold weather items and accumulate a greater total income. The governance of the packing list is an important node that the suppliers in the GPN are able control to maximise income.

<i>Territory</i>	<i>Example of Exporting and Importing Country</i>	<i>Source</i>
Mozambique	UK to Mozambique Sweden to Mozambique Canada to Mozambique Australia to Mozambique Spain to Mozambique Mozambique to South Africa Mozambique to Swaziland Mozambique to Zimbabwe	Durham (2004) Wicks and Bigsten (1996) Personal Observations and Interviews Personal Observations and Interviews Personal Observations and Interviews Velia et al. (2006) Personal Observations and Interviews Personal Observations and Interviews
Other Sub-Saharan Africa	Canada to Zambia USA to Zambia Benin, Ghana & Togo to Nigeria	Chigbo (2008) Hansen (2000) Wicks and Bigsten (1996)
South East Asia Central Asia	Japan to the Philippines UK to Uzbekistan	Milgram (2005) Personal Observations and Interviews
South Asia The Pacific	UK to Pakistan Australia to Papua New Guinea	Personal Observations and Interviews Personal Observations and Interviews
Eastern Europe	UK to Poland and Lithuania	Personal Observations and Interviews
Within National Economies	India South Africa UK	Norris (2005) Velia et al. (2006) Gregson and Beale (2004)

Tabela A - Examples of Used-clothing Exporting and Importing Countries

IMPORTING AND WHOLESALING USED-CLOTHING IN MOZAMBIQUE

The previous section introduced the roles of different actors in a producing territory in a used-clothing GPN. This next section will highlight the extent of a GPN in Mozambique, a low-income used-clothing consuming country. These two case studies are not presented as directly connected nodes in a single GPN rather they are intended to be reflective of different examples of the governance and power relations at different nodes.

The port of Maputo is the main import point for used-clothing into Mozambique. Used clothes are imported in shipping containers, containing approximately 300 of the 45kg bales of finely sorted and graded used-clothing. The origins include Canada, Australia, Europe and the United States. Research has been undertaken with importers who order and purchase the containers from overseas agents. However, this fieldwork has been difficult because these importers were reluctant to participate in the research process. This is probably due to two factors, firstly there is the possibility that they do not want their trade publicised as they are aware that they are commercial operators in a trade network that turns a charitable gift into a capitalist commodity. It has been noted that there is limited awareness amongst donors of what happens to used clothes and that there could potentially be a negative reaction (Shea and Brennan, 2008). As such importers who are knowledgeable of the different values that are placed on used clothes are unwilling to discuss their involvement and the profits they accumulate from the trade. The second reason is that clearing containers of used-clothing through the port of Maputo is difficult. The value of used-clothing is ambiguous because they are not uniform and the cost of importing them is potentially more subjective than equivalent new-clothing commodities. This means that import charges can be difficult to calculate and customs delays are a frequent challenge. Agents are involved to negotiate with customs, but understanding exactly what transactions occur at this node is difficult to investigate and interviews and informal discussions have alluded to unofficial payments and bribes being paid to customs officials.

Shipping containers of used-clothing can be seen being unloaded in the busy streets of Maputo, especially in the Baixa and Alto Maé areas of the city where the importers' warehouses are concentrated. The importers run *armazéns* (warehouses) that are heavily protected with caging, locks and security guards. Used-clothing bales, known locally as *fardos*, are stored in the *armazéns* where they are categorised. It is a specialist import business and other commodities are not sold or stored alongside used-clothing. The involvement of the importers in the GPN is geographically restricted and they sell the bales only in Maputo. The importers' function in the global network is purchasing the large units from overseas markets, which requires significant capital. Then they split these bulk units back into individual bales and sell them on to used-clothing traders. The importers must

have good contacts at other nodes in the network, for example one importer discussed how he worked with Nigerian used-clothing merchants who have business links in Spain, and a good knowledge of how the customs process operates, or a strong relationship with an agent who can work on their behalf. The different import firms are interconnected and owned and managed by '*indiano*' families. Several of the *armazéns* in Maputo have different market names but are owned by the same importer. Hansen also found that in Zambia many of the wholesalers are long established trading firms with Indian and Lebanese backgrounds and there are complex transnational networks of trading linkages. The importers in Maputo certainly know each other, but this node does not operate as a rigid cartel. There is some variation in prices between different *armazéns*, although this can be due to different qualities of used-clothing. *Armazéns* compete for sales and run promotions and contact customers to advertise new stock.

The import of used-clothing in to Maputo is not constant throughout the year. There can be shortages, as well as gluts of imports. The gluts could be because of excess capacity in large container vessels that are topped up with used-clothing containers before arriving in Maputo. The cost of bales can vary and is lower when there is a surge of imports. At these times the *armazéns* actively market them to traders. In contrast, when there is less supply there is an informal group of 'agents' who are known locally as '*Mamães Grandes*' (Big Mothers). The *Mamães Grandes* do not work for the *armazéns*, but purchase large numbers of bales from them. They work just outside of the warehouses and attempt to control the flow buying up the available stock, particularly of the desirable warm weather clothing and restrict access to the traders to increase the price. They have a lot of capital relative to the poorer individual traders and good contacts with both the *armazéns* and the individual market traders. They contact traders when there are few bales available on the open market and they have created a monopoly of supply. This was something that traders had been unable to work collectively against, perhaps as they are individually competing with each other to ensure the best possible price and a good supply from the *Mamães Grandes*.

The importers and their interconnected *armazém* businesses appear to be the most powerful actors in the trade network in Maputo and command a profitable node. They are powerful as they can take steps to minimise their exposure to risk and off-set these risks to the small individual retail traders. For example, import contracts with overseas exporters are agreed in US Dollars and when the Mozambican Metical weakens against the US Dollar they pass increased costs on to their customers. But when the dollar falls against the Metical the price of bales will not be reduced. Traders had complained about this process and have attempted to lobby the municipal council as well as arguing with importers over this, but have been unable to leverage change. They also have been disorganised and have not managed

to unite as a group to challenge the entrenched power of the importers. As a group they do not have a recognised trade association.

The rising price of bales is a cause for complaint amongst used-clothing traders, but the greatest challenge in the used-clothing trade is the risk of purchasing bad quality stock of used-clothing. Used-clothing is inherently variable in quality. The importers try to pass on the risk of bad-quality stock to the traders, who are not permitted to examine clothing bales when they purchase them from the *armazéns*. Traders only know what category of clothing they are buying. A trader can be lucky and get many items in good condition and of the right size (high use value) and that are locally perceived to be stylish (high symbolic value), or they may be unfortunate and open a bale to find items that are ripped or rotten, too large and unfashionable. A good bale can be very profitable and a trader can double or triple their investment. However, used-clothing traders face a major problem when they purchase a bale full of low-quality clothing. This can mean that they are unable to sell the items for enough to cover the cost of a bale. Low-quality stock is the major risk in the GPN and is borne by the small traders. The powerful *armazén* businesses do not offer refunds on 'bad' clothing and are able to control access to the bales. However, the small traders are not completely powerless in this situation and can attempt to undermine the *armazéns* control of the purchase process by paying a bribe of around one or two dollars to an employee at the warehouse and asking them to select a good bale for them, without the knowledge of the *armazén* manager. Some long-established traders who have built up a relationship with an *armazém* also reported that they have been able to exchange bales on rare occasions, but this is not normal business practice.

As well as the local traders and the *Mamães Grandes*, the *armazéns* have other clients. Mozambicans travel to Maputo from at least as far away as Tete and Beira to buy bales of used-clothing. This may be individual traders buying a few bales for themselves, a trader who is buying perhaps 10 or more bales for a group of traders, or a larger operator who is transporting bales to sell in other towns and cities. There are also international customers from South Africa, Swaziland and Zimbabwe. These clients buy in large volumes and may pay in foreign currency (South African Rands or US dollars) and as such often get privileged access to stock from the *armazéns* who desire foreign currency for paying for imports and prefer dealing in bulk sales. There are also some items like cold weather clothing which are preferred by these clients who sell into markets with a cooler climate. There is some resentment amongst local traders in Maputo about the better treatment foreign clients may receive from *armazéns*.

<i>Type of Clothing Bale</i>	<i>Price Meticals</i>	<i>Approximate Value in Dollars</i>
Childrens clothing (0 to 7 years)	3000	88.24
Mixed shorts	1500	44.12
Trousers (womens)	1400	41.18
(mens)	1700	50.00
Skirts (denim)	1800	52.94
(cloth)	2500	73.53
Shirts (with collar)	1500	44.12
(without collar)	1300	38.24
Kakhi Tousers (mens)	1500	44.12
(womens)	1800	52.94
Jeans (for men and women)	2000	58.83
Underware (mens)	3500	102.94

Tabela B - An example of the types of clothing bale advertised for sale at an armazén in Maputo

RETAILING USED-CLOTHING IN MAPUTO

In Maputo the main used-clothing market and hub for used-clothing sales is Xipamanine. There are over a thousand *bancas* (market stalls) selling used clothing and shoes. There are also other secondary markets including: Compone, Mercado Central, Nwankakani and Xikelene, and it is a common sight in Maputo to see small informal street-side stalls and people hawking used-clothing. Knowledge of the livelihoods of the traders in Xipamanine comes from detailed analysis of their business following extensive ethnographic and financial research, between July 2010 and July 2011. Most of the *bancas* in Xipamanine are operated by the owners who work alone, and these were the focus of the research, although there are also *bancas* operated by employees. Selling used-clothing can provide a steady income, although this fluctuates with seasonal demand. There are many problems and challenges faced by used-clothing traders. There is initially a high barrier to entry. Capital must be raised to cover the cost of purchasing bales of clothing and paying for rents of the market stall. The main ongoing challenge for individual traders is to sustain their stocks of capital and resist shocks to their business. It is a constant difficulty for traders as the same income used as operating capital for their business is under demand to support their families/lifestyles. Traders have described how it can be challenging to protect the income from sales that will be needed to buy a new bale when faced by costs including:

building materials, illness, remittance payments, school fees, wakes, and weddings in addition to the daily living costs. When the business is going well it is normal to see traders enjoying good meals in the markets, but when there are few sales they can go all day without eating breakfast or lunch. The boredom and ennui of a day without business are also an emotional toll on the traders.

Many market traders use informal *estique* (also spelt *xitiki* and *xitique*) banking schemes to save money. These can be sophisticated financial instruments similar to the *susus* of West Africa (Collins et al. 2009). Some traders use official schemes that last a month. They pay a daily subscription to an *estique* collector which is recorded on a card. At the end of the period the collector keeps back one day's *estique* payment for themselves as a dividend for the money-guarding. Other *estique* schemes include (rotating) savings clubs organised between fellow market traders or family members. These are based on mutual trust and kinship ties and are more popular amongst female market traders. Some traders use the lump sums that the *estique* schemes provide to purchase new stock, where as others try to separate the *estique* from their businesses' working capital and consider the return *estique* payment to be a type of salary.

The market traders in Maputo are highly specialised, normally only selling one type of clothing item such as; men's jeans, ladies cotton t-shirts or baseball caps (see Table B for examples). However, if the specific type of used-clothing they specialise in is not in stock at the *armazéns* they may temporarily switch to a different type of item. The reason behind the specialisation was that traders build up knowledge about which styles of items are popular and are then able to calculate a good market price. Due to the variability of the stock it is important to have the skills to price some items, particularly to appreciate which have a high symbolic value locally. Another reason for specialisation was that they can steadily introduce new stock, mixing it in with older items, as keeping the market stall looking fresh attracts customers. Specialisation also facilitates the establishment of relationships with repeat customers. This includes two types of clients who buy from traders in bulk to retail clothing elsewhere. There are customers who come at the opening of a new bale of used-clothing to buy the high-quality items. These clients may have their own *banca* specialising in high-quality used-clothing or may retail the good clothes elsewhere, such as hawking them in the city centre. Traders also have periodic clearances of their *bancas* and have clients that buy up all their old, cheap low-quality clothing and sell it outside of the main market at a very low price.

It was interesting to note the gender profile of the clothing sellers. It was common to see men selling female clothing and vice-versa. When people were interviewed about why they started selling a type of used-clothing they all said it was not because they had a particular interest in the clothing, but rather it was what they found to be the best business for

them. For example someone with low capital would be more likely to purchase a cheaper type of bale (see Table B). Getting capital to start the business was the most difficult hurdle traders had faced. Some had taken over the business from a family member. Others had used money they had gained from formal employment in a salaried job to buy a bale and had an employee working for them. Borrowing money from a spouse, family member or money lender was also common. Some traders had upgraded to selling used-clothing after previously doing another less capital intensive type of trading such as selling soap or vegetables. In the same way there is the potential for traders to exhaust their capital and drop down to a lower poverty level. Traders were interviewed who had left and returned to the used-clothing trade and had sold other items in-between. It is apparent that although used-clothing traders are poor there are many people in Maputo and elsewhere in Mozambique who exist at a lower poverty level and have more challenging livelihoods (Hanlon and Smart, 2009). A typical reason why they would be forced to abandon used-clothing trading was that their capital had been wiped out by a succession of low-quality bales. Due to this risk the opening of a new bale is called a *toda bola* or lottery. Here it can be seen that it is these traders whose livelihoods appear to be the most risky in the global used-clothing network.

Used clothes are sold alongside imported new-clothes in Maputo. Low cost new-clothes compete with used clothes, but the local perception is that used clothes are generally of better quality than cheap new items. For example, new shoes and bags can even be observed for sale alongside used shoes and bags at the same *banca*. Traders may attempt to conceal the origin of the new items, buffing and scuffing them and pretending that they are used items, because used items can command a high price. Used clothes were said to be more hard wearing, specifically the very fact that they had been used was frequently taken as evidence by consumers that they are proven to be of high-quality. For example, new-clothing may be more stylish and have bold bright colours, but these colours would run and fade after several washes. Whereas used clothes had already endured some wear and washing and may still be in good condition. The greater use-value of higher quality used-clothing (initially produced for an affluent consumer market that is able to demand high standards) is sometimes rated above the symbolic-value of new clothing produced at lower cost for a low-income market. This of course is a generalisation and there is great variability in the qualities of individual items, but there are important relationships and interconnections in the new and used-clothing markets that can only be observed through detailed fieldwork at this node.

As well as the inter-relationships with new-clothing trading it is important to consider what down-stream effects there are elsewhere in a used-clothing trade network. Mozambique is a re-exporter of used-clothing and this can bring economic benefits. In

Rwanda, Haggblade (1990) argues imports of used-clothing increase national income as well as the incomes of the rural poor. However these national positive effects are geographically specific, because over half the imported used clothing was re-exported from Rwanda to other African states, generating profits for Rwandan merchants. Such a beneficial pattern cannot be generalised from Rwanda to neighbouring, especially larger, African countries. The *armazéns* in Maputo benefit by selling bales for export, but the impact will be different in neighbouring countries. Used-clothing imports into South Africa are banned, but there is a significant contraband trade in Nelspruit, Durban and elsewhere in South Africa of used-clothing sourced from Mozambique (Velia et al. 2006).

Illegal sourcing of used-clothing is common in Africa. In Zimbabwe widespread illegal informal imports continued after punitive tariffs were imposed on used-clothing following lobbying by local textile and clothing manufactures in 1995 (Field, 2000). There have been similar attempts to protect the Nigerian clothing industry since the late 1970s (Oyejide et al., 2005). These government bans are not implemented effectively and used-clothing imported to neighbouring countries, such as Benin and Togo, ends-up in Nigeria (Chigbo, 2008; International Labour Organization, 2005). The same types of used-clothing import restrictions have not been imposed in Mozambique where production of new-clothing is minimal. This study is not examining in detail the impact of use-clothing imports on local clothing manufacturing. But, without local production it cannot be said that used-clothing imports are damaging existing clothing manufacture in Mozambique, but as Bigsten and Wicks (1996) have previously pointed out the imports of used (or low cost new) clothes do reduce the incentive and opportunities to initiate or increase domestic production.

UNDERSTANDING THE USED-CLOTHING TRADE

Understanding the different social and economic processes that occur at different nodes in the used-clothing trade is difficult. Macro-economic approaches that look solely at national export or import figures will miss important local-scale processes such as; the relationships between commercial and charitable clothing collectors in the UK, the offsetting of risk from importers to traders, the role of *Mamães Grandes*, and the important interrelationship used-clothing trading has with new-clothing trading, as well as the unofficial payments that are made to customs services. Previous cultural studies of African used-clothing traders' livelihoods have not taken a political economy approach that critically consider the marginalised roles of these actors within a broader trade network. Examining the power relations and governance of different nodes in the used-clothing trade through a GPN approach has allowed greater insights to be gained. However, this study is not a model GPN intervention. It has not offered a perfect cross-section of the trade; there is not a clear

line of production and exchange that can be traced between all the nodes in the United Kingdom and Mozambique that have been discussed here. There are practical difficulties for a researcher in being able to command knowledge of the exact social and economic processes that occur at every node in GPNs (Coe et al. 2008). This is compounded by the concealed, illegitimate and illegal practices that are common in the international used-clothing trade.

Previous GPN studies such as Morris and Barnes (2009) have illustrated how many of the profitable nodes in trade and production networks are concentrated and protected in the most economically developed countries. There is an underlying fact that the used-clothing trade represents a net movement of capital from the Global South to the Global North. This study has attempted to examine some of the power relations and governance of the used-clothing trade. A core finding is that in Maputo the relatively powerful importers, through their *armazém* businesses, are able to control a profitable node in the global used-clothing network and offset risks to more vulnerable actors. These importers though do not have control over the network. They are dependent on trade links and shipping routes from rich countries and the used-clothing commodities they receive are determined by the exporters. British charities that sell on their unwanted clothing, or who license their name, may be naive in their dealings with international used-clothing merchants who have been able to play an increasingly powerful role in governing the production and marketing of used-clothing commodities. The concentration of profitable nodes is not just in the Global North but is also amongst affluent people. Even at the local-scale in Maputo, actors like *Mamães Grandes* with more capital are able to gain more from the network than the poorer traders. The urban livelihoods of used-clothing traders in Maputo may be a step-up from other types of market trading. However, these actors face risks and challenges to their livelihoods that are not borne by other actors in the GPN. Maputo's used-clothing traders lack power and agency and have not been able to organise themselves or form associations to challenge the more powerful importers, to reduce the risks inherent in used-clothing trading.

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