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We are making it in America . . . Thanks to imports

Lawmakers have called for a component of this year's legislative agenda to be "Make It In America." Everyone supports more U.S. job creation and a Made in the U.S.A. label, but the reality is that millions of American jobs are supported by products bearing Made in Somewhere Else labels. U.S. trade policy should be updated to support these imports and the millions of American workers that help to create them and bring them to market.

Our current trade policy for apparel is outdated and misleading. Today's labels tell the customer only where the item was assembled and since most of the clothing we wear is assembled outside our borders, most clothing bears a Made in Somewhere Else label. Despite the label, the reality is that American workers create the majority of the value of many garments by envisioning them and shepherding them from fashion concepts to finished garments and completed retail transactions.

The current economic mantra is job creation but when politicians talk about job creation, they slip quickly into another mantra: exports are good and imports are bad. This simplistic way of looking at trade is costing us the opportunity to create many new jobs in the United States.

A study I conducted, **Analyzing the Value Chain for Apparel Designed in the United States and Manufactured Overseas**, captures the experiences of well-known American companies. What I found was that U.S. workers add more than two-thirds of the actual retail sales value of apparel manufactured overseas, even when the materials are also sourced abroad.

The firms participating in this study were large companies whose brands are familiar to American families, as well as to those in many other countries. At these companies, the ratio of U.S. value-added to foreign value-added translates directly into U.S. jobs. The study shows that jobs are primarily medium- to high-skilled positions, and many are professional and managerial. Moreover, there are many high-quality blue-collar jobs throughout the value chain. The retail apparel sector employed 2.6 million American workers in 2011; total U.S. apparel employment from the beginning of the value chain through sales to the consumer totaled 2.9 million U.S. workers during the same year. Perhaps the former United States Trade Representative, Ambassador Ron Kirk, said it best: "When a shipment of your products arrives in America, an army of workers goes into motion...." These U.S. jobs would not exist but for imports in our market.

Making use of the global marketplace for the 98 percent of the apparel sold in the United States enables American companies to sustain millions of American jobs, be globally competitive, and offer American families the widest variety of apparel at the best prices. The ability to utilize global value chains has also made American apparel popular in dozens of countries, and American brands beloved throughout the world.

U.S. trade policy, particularly the ongoing negotiations for the Trans-Pacific Partnership, should support these global strategies by American apparel companies to enable them to succeed and grow, and to create more high-quality U.S. jobs. Moreover, the idea of Make It In America should be updated to recognize all the leadership, innovation, design, logistics and distribution services that are required to successfully bring products to market. Cost-conscious American families would also benefit from this perspective with a wider selection of clothes in their closets, and more money in their wallets.