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GENERAL AGREEMENT ON
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Textiles Committee

DEMAND, PRODUCTION AND TRADE IN TEXTILES AND CLOTHING, 1978-1983

Report by the Secretariat

84-1898

Outline of Report

SYMBOLS AND ABBREVIATIONS

...	not available
( )	estimate
-	zero or negligible
- (referring to net trade)	import surplus
c.i.f.	cost, insurance, freight
f.o.b.	freight on board

Introductory Remarks

1. The purpose of this report is to review the main developments in demand, production, and trade in textiles and clothing during the period 1978-1983. The report also contains a brief summary of developments in employment, productivity and investment, as well as trade in cotton textiles and clothing. A similar analysis of developments during the years 1973-1979 is contained in the secretariat report (COM.TEX/W/84) prepared in 1980 for the last major review of the MFA. In addition, long term developments in textiles and clothing are reviewed in the recent secretariat study "Textiles and Clothing in the World Economy" (Spec(84)24). The detailed statistics from which this report draws are contained in COM.TEX/W/157.

2. For reasons of statistical convenience, the countries participating in the MFA have been treated as constant throughout, on the basis of the membership in early December 1983 (see the explanatory notes for a list of the members as of that date).

3. It should be noted at the outset that much of the available statistical information of relevance to each Section of this report suffers from serious shortcomings. These pertain both to the country and product coverage of the data, as well as to the methodology employed.

4. Among the main categories of demand, only data on consumer expenditure on clothing are available for a number of countries. They refer to consumer spending at the retail level and therefore include, apart from the basic value of the clothing items produced by the domestic (or foreign) industry, the value of various services such as transport, warehousing, wholesale and retail trade. An additional important problem is the determination of underlying real changes over a certain period, obtained by deflating consumer expenditure on clothing in current prices. The reliability of the deflated figures, showing movements in real terms, is crucially linked to that of the price indices available.

5. As regards the indices of production of textiles and clothing, they refer to value added at constant prices. In most countries, production in enterprises below a certain size and in establishments principally engaged in other activities, as well as in production units not legally registered, is not covered by published production indices. The bias thus introduced is more significant in the clothing industry, where in several countries the number of small-scale enterprises and non-registered production units appear to have increased in recent years. The coverage of employment data is generally also incomplete, and often not fully compatible with production data.

6. In the field of foreign trade, methodological and statistical problems are most acute in relation to quantum measurement at the aggregate level of the textiles and clothing industries. The bulk of the available data on trade flows is expressed in terms of current values in dollars. The strong year-to-year fluctuation in the dollar values of trade flows have, since the early 1970s, often resulted more from changes in dollar prices than underlying movements in real terms, especially in periods when the exchange rates of the main exporting and importing countries showed wide variations against the dollar. Nevertheless, the Secretariat has attempted, for world trade as a whole, to deflate recorded dollar trade values with the fragmentary price information available. It can present these results, however, only with a strongest possible warning that they are at best indicative of orders of magnitude. Following accepted practice, these deflated current values are referred to as "volume" figures. The problems associated with quantum measurement of trade are explained in more detail in the Explanatory Notes.

7. The serious statistical problems also precluded a quantitative assessment of the relations between movements in real terms in consumption, production, employment and trade at the aggregate levels of the textiles and clothing sectors.

I. DEMAND

8. The examination of developments in demand is confined to movements in consumer expenditure on clothing[1] (including footwear), the only component of final demand for which relatively comprehensive data are available.[2]

9. Between 1978 and 1982, the growth in consumer expenditure on clothing in the developed countries as a group tended to loose momentum. In 1983 however, it increased by an estimated 1½ per cent, due mainly to developments in the United States. As is evident from the data in Table 1, experience varied between the three major markets. In the EC, there was a steady growth in clothing expenditure between 1978 and 1980, followed by two consecutive years of decline. Preliminary data for 1983 indicate a partial recovery in the level of expenditure. In virtually every year the performance of clothing expenditure was weaker than that of consumer expenditure as a whole. In the United States, there was a marked deceleration in the growth of consumer expenditure on clothing between 1978 and 1980, followed by a strong increase in 1981. The increase in clothing expenditure was modest in 1982; in 1983 it grew more strongly, in line with the general recovery from the 1982 recession. Clothing expenditure grew faster than total expenditure between 1978 and 1981. This can be partly attributed to the fact that the price deflator for clothing increased at a significantly slower pace than the deflator for consumer expenditure as a whole.[3] (In nominal terms, clothing expenditure increased less rapidly than total expenditure during the period under review). In Japan, clothing expenditure, which had recovered slightly in 1982 from two consecutive years of negative growth, suffered a further setback in 1983 and in all years either grew less rapidly than consumer expenditure, or declined.

10. Data on the share of clothing in total consumer expenditure can be found in "Textiles and Clothing in the World Economy", Appendix Table A4. Measured in current prices, the share of clothing was smaller in all developed countries in 1981/82 than in 1978. Measured in constant prices, the picture is more mixed, with the share of clothing slightly higher in 1982 than 1978, notably in the United States, Austria, Sweden and certain member states of the EC.

11. The available data on consumer expenditure on clothing in developing countries are very fragmentary (see "Textiles and Clothing in the World Economy", Appendix Table A2). Moreover, in many developing countries, consumption of textiles is relatively more important (that is, consumption of ready made clothing is of relatively less importance than in developed countries). The main factor influencing demand in many developing countries, especially in recent years, is population growth;[4] the growth of population in developing countries increased on average 2 per cent per annum between 1978 and 1983 according to UN estimates.[5]

TABLE 1. - TOTAL CONSUMER EXPENDITURE AND EXPENDITURE ON CLOTHING[a] IN SELECTED MEMBERS OF THE MFA, 1978-1983
(Annual percentage change in volume)

		1978	1979	1980	1981	1982	1983
Developed Area	Total	4	3½	1	1½	1½	2½
	Clothing	5	3	1½	2	½	(1½)
EC	Total	4	4	1½	½	½	1
	Clothing	2½	2½	2	-1½	-1	½
United States	Total	4½	2½	½	2½	1½	4
	Clothing	9	4	1½	7	1½	3½
Canada	Total	2½	2	1½	2	-2	3
	Clothing	5	2½	0	4½	-3	...
Japan	Total	4½	6	1½	½	4	3½
	Clothing	2½	2	-1	-4½	½	-2
Austria	Total	-1½	4	1½	½	1	4½
	Clothing	-1½	7½	5½	2½	2	...
Finland	Total	2½	5½	3	1½	4	1½
	Clothing	-3	5	8½	-2½	...	...
Sweden	Total	-½	2½	-1	-½	1	-1½
	Clothing	1	5	3½	1½	4	...
Switzerland	Total	2	1½	2½	½	0	1½
	Clothing	1½	½	4	2	-2½	...

[a]Including footwear.

Sources: OECD, National Account of OECD Countries; national statistics.

II. PRODUCTION

12. In the developed countries as a group, production of textiles and clothing during the period 1978-1983 was characterised by two recessionary periods (1977-78 and 1980-82), with recoveries in 1979 and again in 1983. (See Table 2.) In contrast to 1979, when production in virtually all developed countries recovered, in some cases substantially, the 1983 recovery was limited almost entirely to the United States and Canada. Contrary to the observed trend during the period 1973-1977 (see "Textiles and Clothing in the World Economy", Table 2.1) clothing production tended to fall more sharply and recover less strongly than textile production between 1978 and 1983. This can partly be explained by the greater impact of clothing imports on domestic producers. As can be seen from Appendix Tables 1 to 3, the trade deficit of the developed country members of the MFA in clothing increased during this period, as well as the proportion of clothing in their total imports of textiles and clothing. However, it is possible that the exclusion of unrecorded production from the available indices introduces more of a bias for clothing than for textiles, and that this bias may have become more pronounced in recent years.

TABLE 2. - PRODUCTION OF TEXTILES AND CLOTHING BY MAIN AREAS AND SELECTED MEMBERS OF THE MFA, 1978-1983
(Annual percentage change in volume)

	1978	1979	1980	1981	1982	1983
			Textiles			
Developed Area	-½	5	-3	-3	-5½	2½
EC	-2½	5½	-3½	-4	-3½	-3
United States	2½	5½	-4½	-2	-8½	13
Canada	5½	8	-3½	1	-16	9
Japan	0	2	-1	-2	-1	0
Austria	-3	5	4	-1	-8½	-5½
Finland	-2	11	1	-6	-6	-6½
Sweden	-9½	1	-6½	-7	-5½	2½
Switzerland	0	3½	1	-1½	-2½	0
Developing area[a]	4	4½	2½	-1	½	3½
Eastern trading area[a,b]	3½	1	1½	-½	-1½	½
			Clothing			
Developed Area	-1½	2	-4	-5	-5½	2
EC	-4	5	-3½	-7	-2½	-2½
United States	0	0	-5	-5	-9½	(9)
Canada	7½	6	-7½	-1½	-6½	5½
Japan	2	-2	-5½	-2	3	-3
Austria	-5	9	4	-2½	-2	0
Finland	0	10	1½	9	-½	-9½
Sweden	-23½	0	-2	-9	-11	-7½
Switzerland	-4½	-5	5	-2½	-4	-3½
Developing area[a]	3	3	1½	5½	2½	4
Eastern trading area[a,b]	4	3½	5	2½	½	½

[a] Clothing includes leather and footwear.

[b] Excluding centrally planned economies in Asia.

Sources: UN, Monthly Bulletin of Statistics; OECD, Indicators of Industrial Activity; national statistics.

13. Movements in production for the developed countries as a whole conceal wide divergencies among the main producers. In the EC, the sharpest drop in production of textiles and clothing was recorded in 1981, when output declined by 4 and 7 percent respectively. Production continued to decline, but at a reduced rate in 1982 and 1983. The year-on-year declines of between 2½ and 3 per cent recorded in 1983 conceal, at least for textiles, the beginnings of a recovery during the latter half of the year, which was sustained in the first few months of 1984 (see COM.TEX/W/157 Table 1). For clothing, production increased somewhat in early 1983 from the low level recorded in the last quarter of 1983, but stagnated thereafter.

14. In the United States, the 1980-82 recession in the textile and clothing industries was more severe than that of 1974-75. The decline in clothing production during 1980-1982 was, moreover, more rapid than that of textiles. This can be explained partly by the fact that clothing imports, which according to World Bank data, accounted for 20 per cent of United States apparent consumption in 1980, grew in volume terms faster than consumer expenditure on clothing. For textiles, available data point to a big build-up in inventories during this period. In 1983, textile production recovered to increase by 13 per cent and clothing production by an estimated 9 per cent.[6] For textiles, the data in COM.TEX/W/157 Table 1 indicate that most of the recovery in textile production in 1983 occurred via rapid growth during the first nine months which was not sustained in the last three months of the year.

15. In Japan, textile production declined each year between 1980 and 1982. The decline was arrested in 1983 due mainly to a resumption in the growth of exports. Clothing production, which is geared almost entirely towards the domestic market, declined from 1979 to 1981, but picked up in 1982 before declining again in 1983, in line with developments in consumer demand.

16. In Canada, the fall-off in production of textiles and clothing in 1982 was the most severe of all the developed countries. However, signs of a substantial recovery appeared in the last quarter of 1982 and continued into 1983.

17. In the other developed countries in Western Europe, the recession in the textile and clothing industries continued in 1983 with the exception of Sweden and Switzerland (textiles) and Austria (clothing); and, with the exception of Austria, the clothing industry appeared to fare worse than the textile industry.

18. Data for the developing countries are fragmentary. Rough estimates for the area as a whole are available from United Nations indices which form the basis for the data contained in Table 2. These indices show a deceleration in the rate of growth of textile production, culminating in stagnation or decline in 1981 and 1982, followed by a recovery in 1983. Clothing production expanded every year between 1978 and 1983, the highest rates of increase being in 1981 and 1983. Available data for individual developing countries are shown in Table 1 of COM.TEX/W/157.

III. EMPLOYMENT, PRODUCTIVITY AND INVESTMENT

19 Between 1978 and 1983 employment in the textile and clothing industries in the developed countries as a group continued to contract, in line with the observed trends from earlier periods (see Table 3 and "Textiles and Clothing in the World Economy", Table 2.2). The steepest declines were recorded in 1981/82. By and large, employment in the clothing industry tended to contract less rapidly than textile employment, reflecting in part the more restricted opportunities in the former industry for labour-saving investment.

TABLE 3. - EMPLOYMENT IN TEXTILES AND CLOTHING BY MAIN AREAS AND SELECTED MEMBERS OF THE MFA, 1978-1983
(Annual percentage change)

	1978	1979	1980	1981	1982	1983
			Textiles			
Developed area	-4	-3½	-4½	-6	-5	-4
EC (9)	-4	-5	-6½	(-8½)	(-5½)	(-5½)
United States	0	-1	-4½	-2	-9	0
Canada	1	2½	-1½	1	-16½	...
Japan	-8½	-4	-3	-4	-1½	-2½
Austria	-7½	-2½	0	-4½	-7	-7
Finland	-7	2½	0	...	...	...
Sweden	-6½	-2½	-1	-7½	-10½	-8
Switzerland	-4	-4	-½	-3	-4	...
Developing area[a]	4	2	1	...	...	...
Eastern trading area[a,b]	1	0	0	-1	...	...
			Clothing			
Developed area	-2	-1	-4	-5½	-3½	-1
EC (9)	-3½	-1	-6	(-11)	(-1½)	(-2)
United States	½	-1½	-3	-2	-6½	0
Canada	½	0	-5½	2	-14½	...
Japan	-3	2½	-2½	-1½	1	-2½
Austria	-6	½	1	-3½	-5½	-2½
Finland	-2½	4½	3½	...	...	...
Sweden	-10½	-12½	-4½	-3½	-3½	-5
Switzerland	-4	-7	-2½	-6½	-2½	...
Developing area[a]	2½	2	1	...	...	...
Eastern trading area[a,b]	1	-1	1	1	...	...

[a]Clothing includes leather and footwear.

[b]Excluding centrally planned economies in Asia.

Sources: UN, Monthly bulletin of Statistics; GATT, Regular Reporting Scheme of Textile and Clothing Statistics; national statistics.

20. In the EC, textile employment contracted substantially throughout the period under review, with the steepest decline occurring in 1981. With the exception of 1981, the annual losses in employment in the clothing industry were less severe than for textiles. In the United States, employment in textiles and clothing suffered its severest declines in 1982 before levelling off in 1983 as the industries recovered from the recession. In Japan, textile employment declined continuously, whereas clothing employment fluctuated; for textiles, the rate of decline tended to be more severe between 1978 and 1981 than in the more recent period, suggesting a slowing down in the substitution of capital for labour associated with the rationalization of the textile industry which has been proceeding since the 1974/75 recession.

21. By 1983, the labour force in the textile and clothing industries of virtually all the developed countries for which figures are available had contracted substantially from its 1973 level, the declines ranging from between 20-25 per cent in the United States, between 37-42 per cent in the EC, to between 42-52 per cent in the case of Sweden. (See Table 2 of COM.TEX/W/157.)

22. Data for the developing countries are fragmentary. The UN index of industrial employment for this area as a whole, which forms the basis for the data given in Table 3, shows that between 1978 and 1980 employment in textiles and clothing continued to expand but at a progressively slower pace. Available data for individual developing countries are found in Table 2 of COM.TEX/W/157.

23. A precise assessment of movements in labour productivity cannot be made from the available data, although a very rough indication of productivity changes can be derived by relating trends in employment and production indices. The resulting index of implied productivity change shows that for textiles, gains in productivity occurred throughout the period under review in the EC, Japan and Switzerland. In the United States and Canada, after productivity jumped sharply in 1979, it levelled off during the 1980-82 recession before increasing again with the recovery in 1983. Movements in productivity in the clothing industry tended to be erratic in most developed countries between 1978 and 1983, with the exception of the EC and Austria where the implied productivity index moved upwards continuously.

24. Productivity gains can have several possible explanations. For example, in a period of stagnant or declining production, the index of implied productivity can increase because the least viable firms, generally with low levels of output per worker, leave the industry, and the cessation of their activities raises the average productivity of the industry as a whole. When output recovers, abrupt rises in implied productivity can occur because the increase in output is associated with an increase in capacity utilization rather than an immediate increase in the work force. It is not possible to establish, on the basis of indices of implied productivity alone, the extent of lasting gains in labour productivity.

25. The most recent secretariat analysis of investment is contained in "Textiles and Clothing in the World Economy" (pp. 55-57). The main points emerging from that study are that there was a decline in investment levels in developed countries from the peak in 1974. A high and increasing proportion of the (reduced) investment activity in developed countries involved machinery and equipment (i.e. labour saving rather than capacity expanding investment). The capital stock in some of the major developed countries has been rising, as has the ratio of gross capital to labour.

Relative Importance of Textiles and Clothing in Manufacturing Activity

26. Tables 1 and 2 in COM.TEX/W/157 show that between 1978 and 1983, production of textiles and clothing in most developed countries either grew at a slower pace or declined more rapidly than total manufacturing production, indicating that the relative importance of these industries in manufacturing activity continued to decline, in line with the long term trend.[7] The exceptions were the United States and Switzerland (for textiles) and Austria (for clothing) where the shares of textiles or clothing remained stable or increased slightly. For employment, a comparison of the indices indicate that, without exception, the share of textiles and clothing in manufacturing activities in all developed countries continued to decline between 1978 and 1983.

27. In the developing countries the fragmentary data available suggest that the share of textiles in manufacturing production was in decline. For clothing the picture is more mixed, but for the area as a whole, the behaviour of the United Nations index suggests an increase in the share of clothing in manufacturing between 1978 and 1983. The scarcity of employment statistics precludes am assessment for the more recent years. Long-term trends are shown in Table 2.5 in "Textiles and Clothing in the World Economy".

IV. FOREIGN TRADE (Value)[8]

28. The dollar value of world trade in textiles was characterized by a marked slowdown in growth between 1978 and 1981, followed by two years of decline or stagnation. The developed area remained the largest suppliers of textiles although its share of world exports was in decline (see Table 4). In the case of imports, by 1983 the developing area had almost overtaken the developed area as the main purchaser of textiles, its share of world imports being 44 per cent, up from 39 per cent in 1978.

TABLE 4. - AREA DISTRIBUTION OF WORLD TRADE IN TEXTILES,
1978-1983
(Percentage shares)

	1978	1979	1980	1981	1982	1983
<u>Exports</u>						
World[a]						
(billion dollars)	29.2	35.2	40.7	42.8	38.8	38.9
percent	100	100	100	100	100	100
Developed area[a]	55	53	53	51	49	48
Developing area	33	35	36	37	38	39
Eastern trading area	12	12	11	12	13	13
<u>Imports</u>						
World[a]						
percent	100	100	100	100	100	100
Developed area[a]	51	52	49	44	45	45
Developing area	39	38	40	44	44	44
Eastern trading area	10	9	11	12	11	11

[a]Excluding intra-EC trade.

<u>Sources</u>: GATT, <u>International Trade</u>; UN COMTRADE Data Bank.

29. The growth in the dollar value of world exports of <u>clothing</u> decelerated sharply in 1981 following three years of steady expansion. There was a marginal decline in world exports in 1982 followed by a small increase in 1983. The developing area, as main suppliers, shipped an increasing proportion of world exports between 1978 and 1983 (see Table 5). On the import side, the developed area remained by far the largest market.

TABLE 5. - AREA DISTRIBUTION OF WORLD TRADE IN CLOTHING, 1978-1983

(Percentage shares)

	1978	1979	1980	1981	1982	1983
Exports						
World[a]						
(billion dollars)	21.2	25.4	30.5	32.9	32.3	32.9
percent	100	100	100	100	100	100
Developed area[a]	29	29	29	27	25	24
Developing area	54	55	55	58	58	59
Eastern trading area	17	16	16	15	17	17
Imports						
World[a]						
percent	100	100	100	100	100	100
Developed area[a]	72	73	72	68	70	71
Developing area	17	17	17	22	20	19
Eastern trading area	11	10	11	10	10	10

[a]Excluding EC intra-trade.

Sources: GATT, International Trade; UN COMTRADE Data Bank.

30. By 1983, world trade in clothing was almost as important as textiles, its share of world trade in textiles and clothing combined reaching almost 46 per cent, up from 42 per cent in 1978 and 35 per cent in 1973.

(i) Trade of the developed members by main areas

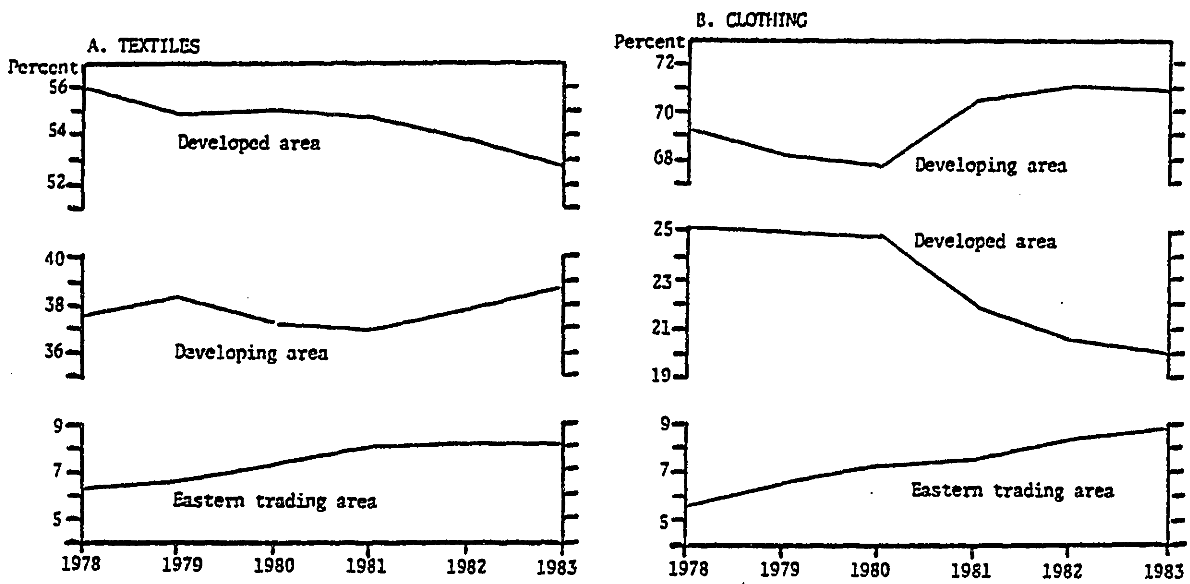
31. The examination of trade in the following sub-section is based on data supplied by the member countries of the MFA to the United Nations Statistical Office. Summary data are contained in Appendix Tables 1-3. Detailed statistics of imports into the developed members by origin are shown in COM.TEX/W/157.

(a) As a group

32. The growth in textile imports, which was quite rapid in 1978 and 1979, decelerated markedly in 1980 and culminated in two consecutive years of decline, before increasing by 2½ per cent in 1983. (See Appendix Table 1.) The growth in clothing imports also decelerated markedly from a high of 26 per cent in 1978 to a mere ½ per cent in 1982 before picking up to increase by 4½ per cent in 1983. (See Appendix Table 2.)

33. The changes in the shares of the three main areas in the developed members' total imports and exports are illustrated by the accompanying charts.

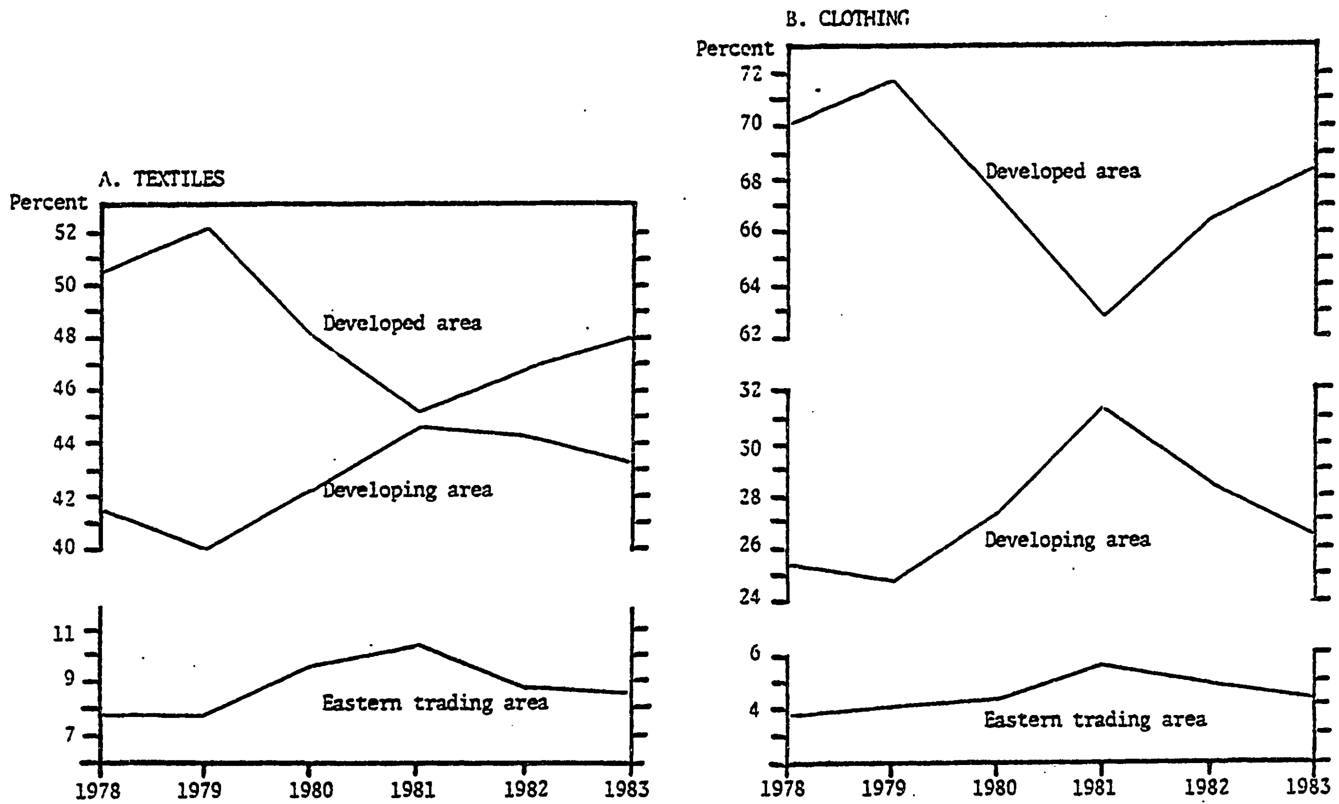
CHART 1
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO THE DEVELOPED MEMBERS



34. Fluctuations in the market shares of the three main areas in textiles occurred within a relatively narrow range during the review period. The share of the developing area expanded in 1982 and 1983 but in 1983 was only ½ per cent higher than the peak recorded in 1979. For clothing, there was a strong expansion in the share of the developing area in 1981, and by 1982 and 1983 it was around the same as the previous peak recorded in 1976.[9] There was a steady expansion in the share of the Eastern trading area (principally China) during the review period.

35. The growth in exports of textiles and clothing was arrested in 1981 and followed by two consecutive years of decline. There were marked fluctuations in the shares of the main areas in total exports as seen in the accompanying charts. However, it is evident that the developing area is becoming an increasingly important export market for the developed members.

CHART 2
SHARE OF THE MAIN AREAS IN TOTAL EXPORTS FROM THE DEVELOPED MEMBERS

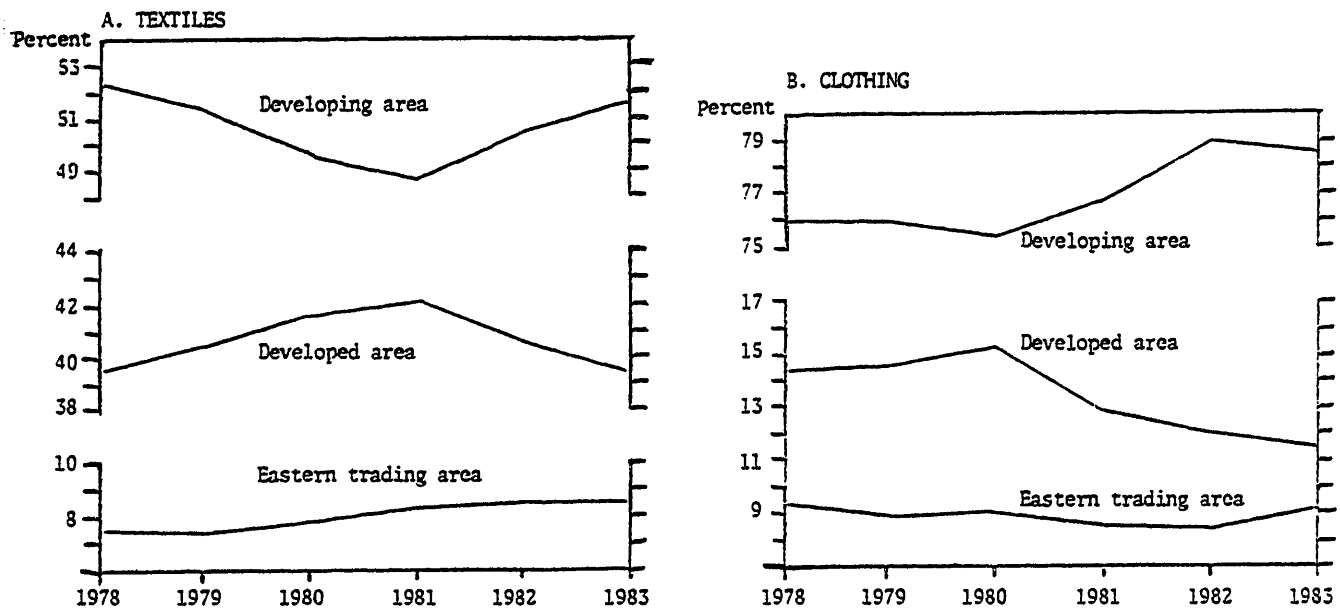


36. The movement in net trade of the developed members is shown in Appendix Table 3. For textiles, the trade surplus reached a high of $5.4 billion in 1981 and had declined to $3.2 billion in 1983. The largest part of the overall surplus was accounted for by the developing area. For clothing, the trade deficit rose throughout the period under review, reaching $15.2 billion in 1983, of which $14 billion was with the developing area.

(b) Individual developed members

37. In the European Communities, both textile and clothing imports reached their highest points in 1980 and declined thereafter. The strongest increase was recorded in 1979 (35 per cent), and the strongest declines in 1981 (18 per cent for textiles and 6 per cent for clothing). In 1983 textile imports virtually stagnated and clothing imports declined by 4 per cent. The chart below shows that the changes in the shares of the three main areas in total textile and clothing imports occurred within a narrow range during the review period.

CHART 3
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO THE EUROPEAN COMMUNITIES



38. The share of the developing area (the main suppliers) in total EC textile imports declined between 1978 and 1981 and expanded in 1982 and 1983, although by 1983 its share was still below that of 1978. For clothing, most of the expansion in the share of the developing area occurred in 1981 and 1982.

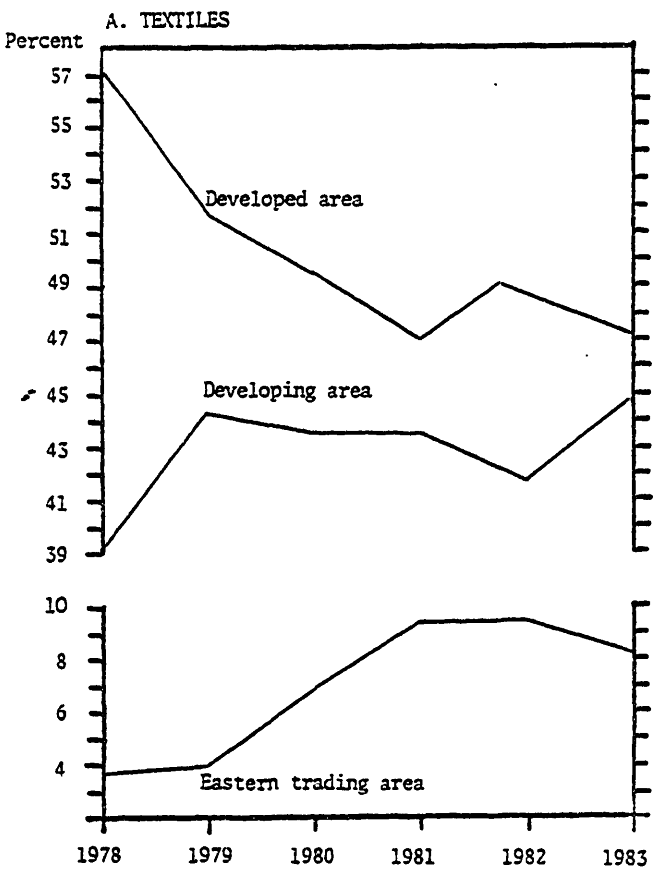
39. Exports of textiles and clothing expanded until 1980 and declined in 1981 and 1982. In 1983 textile exports recorded a further small decline and clothing exports increased slightly. The share of the main areas in total EC exports fluctuated during the period under review but in 1983 compared to 1978 their relative market shares were largely unchanged, with the developed area remaining the EC's major export market, absorbing 48 per cent of total textile exports and 61 per cent of total clothing exports.

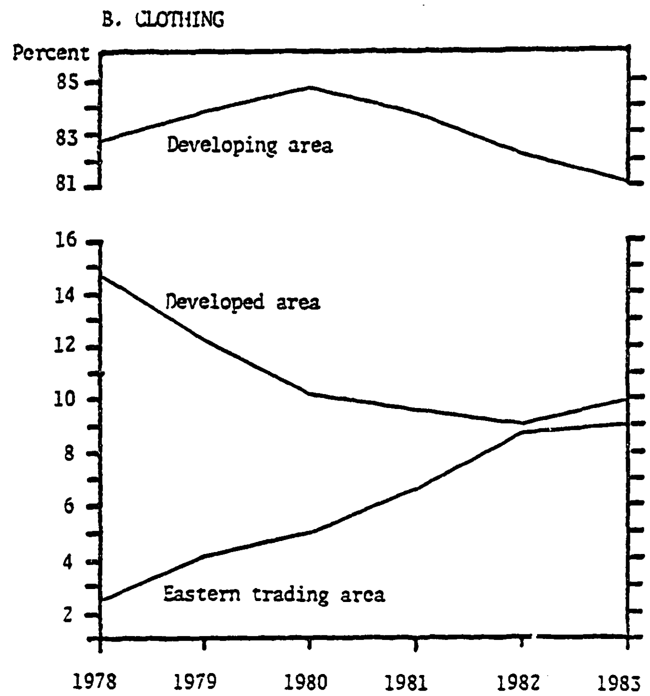
40. The overall surplus in textiles reached a peak of $1.6 billion in 1981 and had fallen to $1.2 billion by 1983. With the exception of 1981, net trade with the developing area was in deficit. For clothing, the overall deficit reached a high of $4.6 billion in 1980, which by 1983 had declined to $3.4 billion. The overall deficit concealed a surplus with the developed area (which in 1983 rose to it's highest point since 1973). The deficit with the developing area had fallen to $4.8 billion in 1983 from a high of $5.4 billion in 1980.

41. In the United States, textile imports fluctuated between 1978 and 1983. In 1982 they declined by 5½ per cent, before recovering to increase by 15 per cent in 1983 in response to the general recovery in United States economic activity. Annual growth rates for clothing imports were positive throughout the period although there was a marked slowdown in 1982 followed by an increase of 18 per cent in 1983. In terms of market shares, the accompanying charts show that the emergence of China (the principal supplier in the Eastern trading area) as an increasingly important supplier of textiles and clothing has had a significant effect on the area pattern of US imports. The developed area as main suppliers of textiles, saw their share of the US import market contract substantially between 1978 and 1983 despite a partial recovery in 1982. For clothing, the share of the developing area, by far the largest area of supply, was in 1983 some 3½ per cent lower than the peak in 1980.

CHART 4

SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO THE UNITED STATES





42. The declines in exports of textiles and clothing in 1982 and 1983 were the strongest amongst the developed members and in marked contrast to the strong growth recorded earlier, particularly 1979 and 1980. In 1983 there was a decline in the share of the developing countries in United States exports of textiles, but over the longer term they remained the most rapidly expanding market, absorbing 42 per cent of textile exports compared to 35 per cent in 1978.

43. The trade surplus in textiles which had reached a high of $1.3 billion in 1980 was turned for the first time into a deficit in 1983. The trade deficit in clothing grew continuously from $4.7 billion in 1978 to $8.7 billion in 1983, when it was more than two and a half times larger than that of the EC and by far the largest of the developed members. By far the largest part of the United States' imports surplus in clothing was with the developing area ($7.2 billion in 1983).

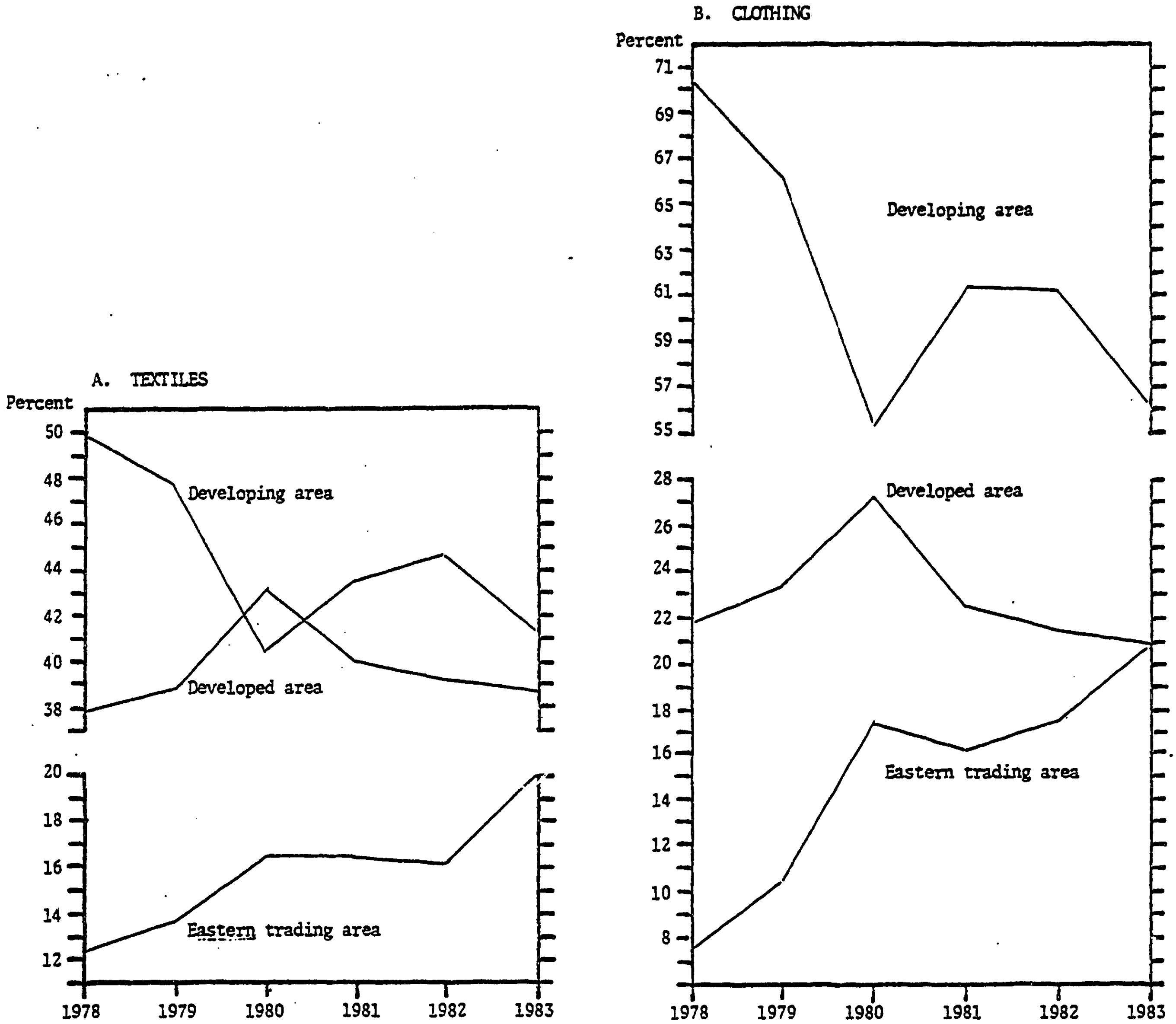
44. In Japan, movements in imports of both textiles and clothing were erratic between 1978 and 1983. They expanded markedly in 1978 and 1979, declined in 1980 and following two consecutive years of moderate increase, declined in 1983 by 10 and 18 per cent respectively. Market shares of the main areas are shown below.

45. The most striking development was the rapid gains made by the Eastern trading area (principally China) into the Japanese import markets for textiles and clothing. By 1983, the market shares of the developing area (the major suppliers) were markedly lower than in 1978.

46. Exports of textiles expanded between 1978 and 1981, then fell by 13½ per cent in 1982 before recovering to increase by 4½ per cent in 1983. Export market shares in textiles fluctuated within a fairly narrow range with some shift away from the developing area (Japan's largest export market) towards the developed area. Relative to textiles, Japan's exports of clothing were minimal; there was a sharp increase of nearly 21 per cent in 1983, most of which went to the United States.

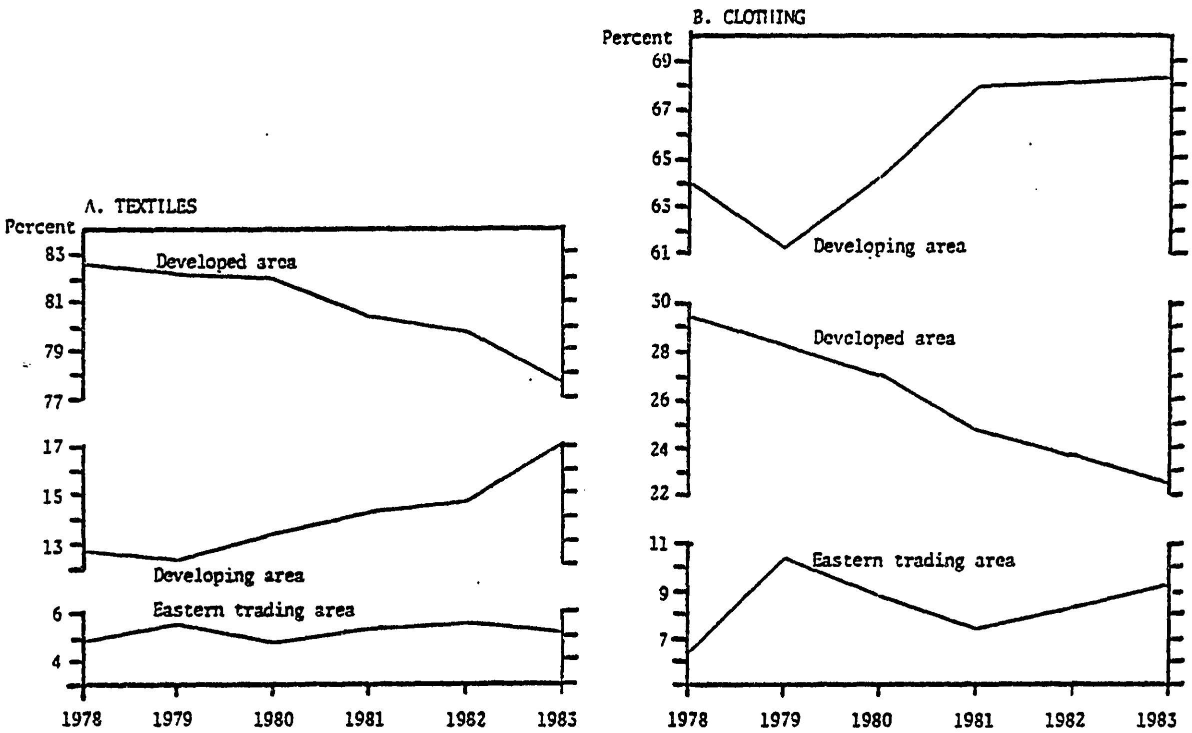
47. Between 1978 and 1983 Japan's textile surplus reached its highest point of $4.4 billion in 1981 and was $3.9 billion in 1983. In 1983 the trade deficit in clothing was half the largest ($1.2 billion) recorded in 1979 and the deficit with the developed area was turned into a small but growing surplus from 1981.

CHART 5
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO JAPAN



48. In Canada, textile imports fluctuated annually between 1978 and 1983, the largest decline (20 per cent) occurring in 1982, followed by an increase of 23 per cent in 1983. There were also large annual variations in clothing imports, culminating in an increase of 22 per cent in 1983. For textiles, the share of the developed area (the largest suppliers) in total imports declined throughout the review period, particularly in 1983, whereas the developing area took an increasing share of the Canadian import market (see accompanying chart).

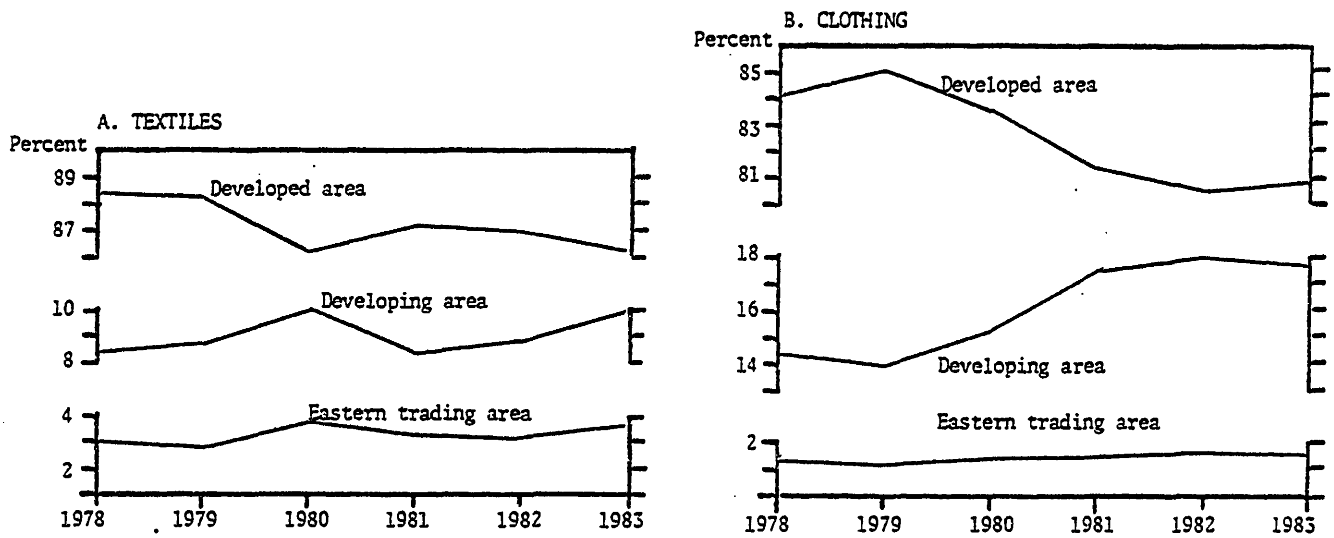
CHART 6
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO CANADA



49. For clothing, the developing area as main suppliers, also accounted for an increasing proportion of Canada's total imports, the main expansion being in 1980 and 1981. The trade deficit in textiles passed the one billion dollar mark in 1979 and remained around that level thereafter; the trade deficit in clothing which was $0.5 billion in 1978 stood at $0.9 billion in 1983.

50. In Austria, the steady expansion in textile imports between 1978 and 1980 was followed by three consecutive years of decline. The growth in clothing imports was interrupted in 1981 and resumed in 1982, but at a much slower pace than earlier years. Although the developing area increased its access to the Austrian import markets for textiles and clothing during the review period at the expense of the developed area, the latter area (mainly the EC) remained by far the largest area of supply. After three years of uninterrupted growth, exports of textiles

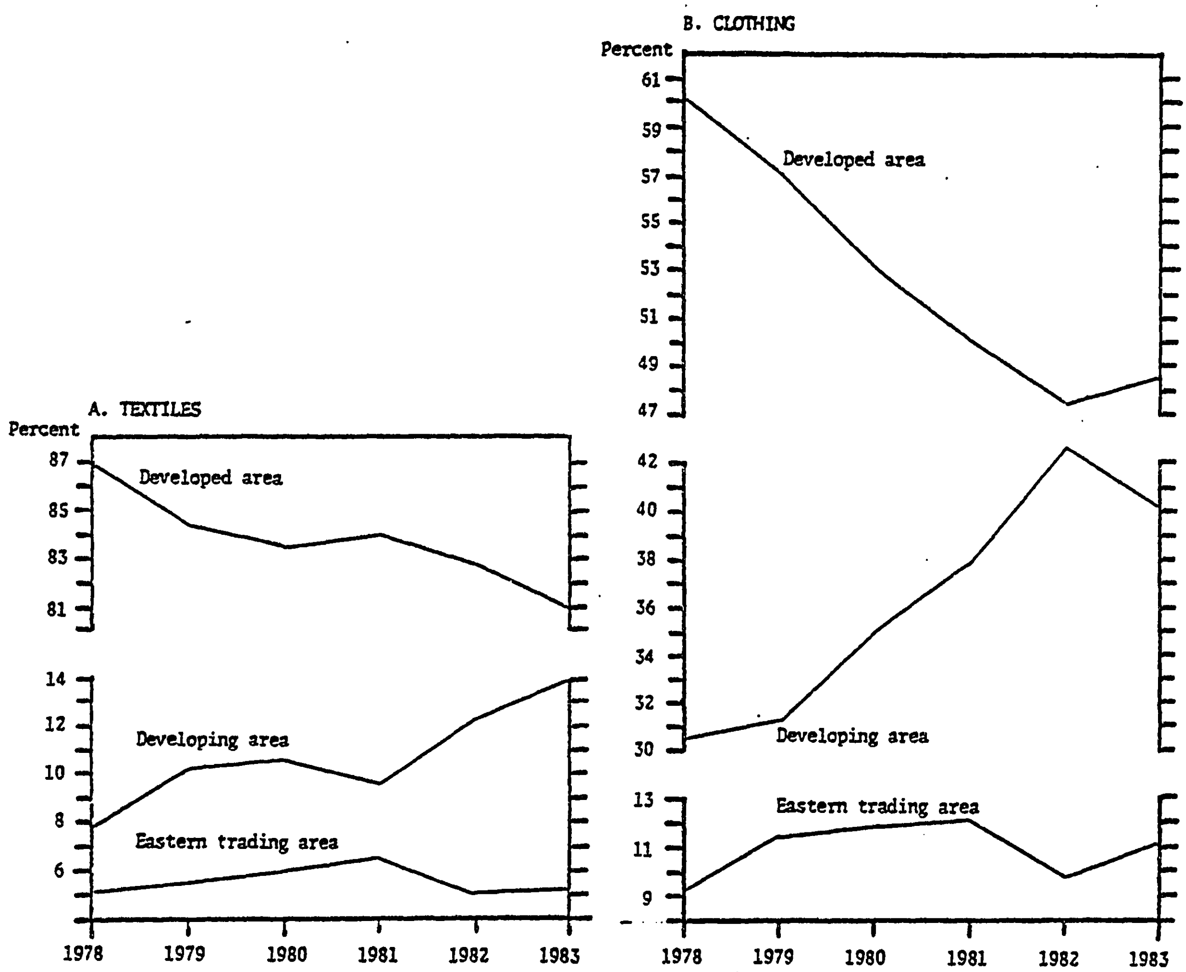
CHART 7
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO AUSTRIA



and clothing either stagnated or declined between 1981 and 1983. In terms of export markets, there was a significant shift in the direction of textile exports towards the developing area, whereas for clothing, the pattern of exports remained largely unchanged. Movements in net trade in textiles were erratic and by 1983 it was in balance. The trade deficit in clothing fluctuated between $0.2 and $0.3 billion during the review period.

51. In Finland, there was a rapid growth in imports of textiles and clothing until 1980, followed by three years of stagnation or decline. The developed area, whilst by far the largest supplier of textile imports, lost ground to the developing area. For clothing, the market share of the developed area declined from 60 per cent in 1978 to 48½ per cent in 1983. There was a marked change in the direction of exports

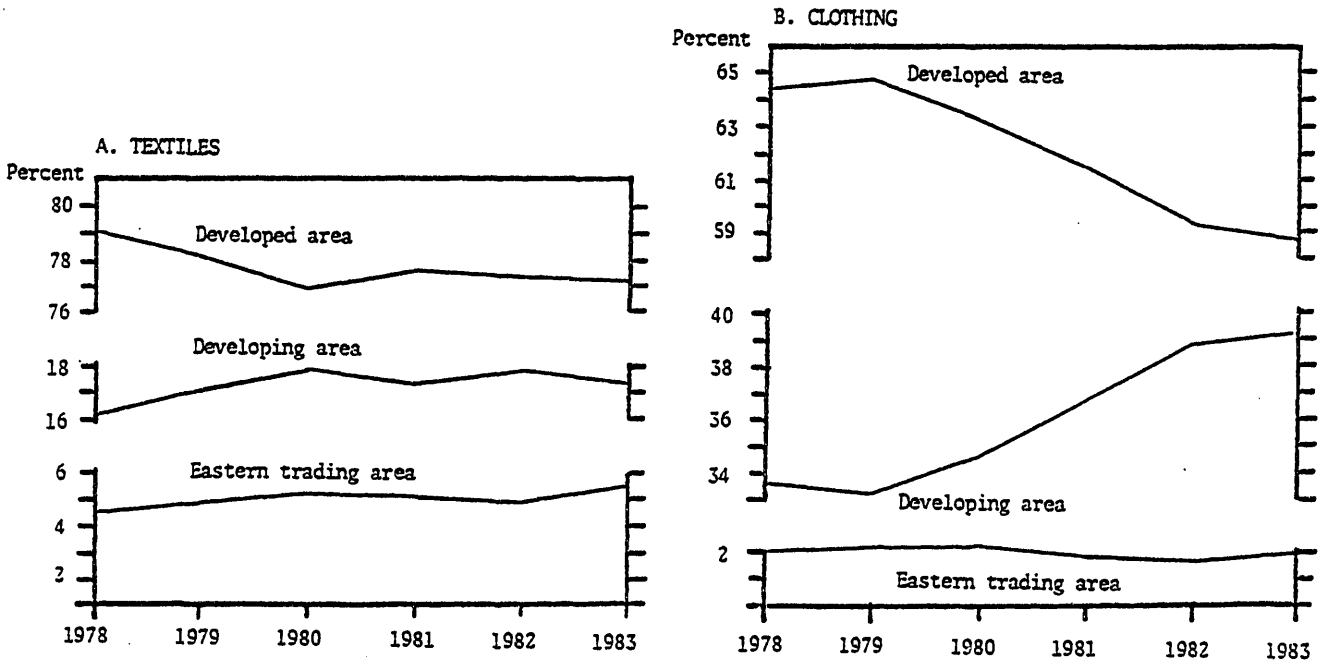
CHART 8
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO FINLAND



towards the Eastern trading area (principally the USSR) although the developed area (principally Sweden and the EC) remained Finland's largest export market, accounting for 75 per cent of textile exports and 70 per cent of clothing exports in 1983. The trade deficit in textiles declined from a high of $0.4 billion in 1980 to $0.3 billion in 1983, and the surplus for clothing declined from a peak of $0.5 billion in 1981 to $0.3 billion in 1983.

52. In Sweden, imports of textiles and clothing peaked in 1980 and declined thereafter. For textiles, there was little change in the relative importance of the three main supplying areas, of which the developed area was by far the largest, during the review period. As far as clothing was concerned however, there was a definite shift in the pattern of supply towards the developing area whose share expanded steadily from 33½ per cent in 1978 to 39½ per cent in 1983. Exports of

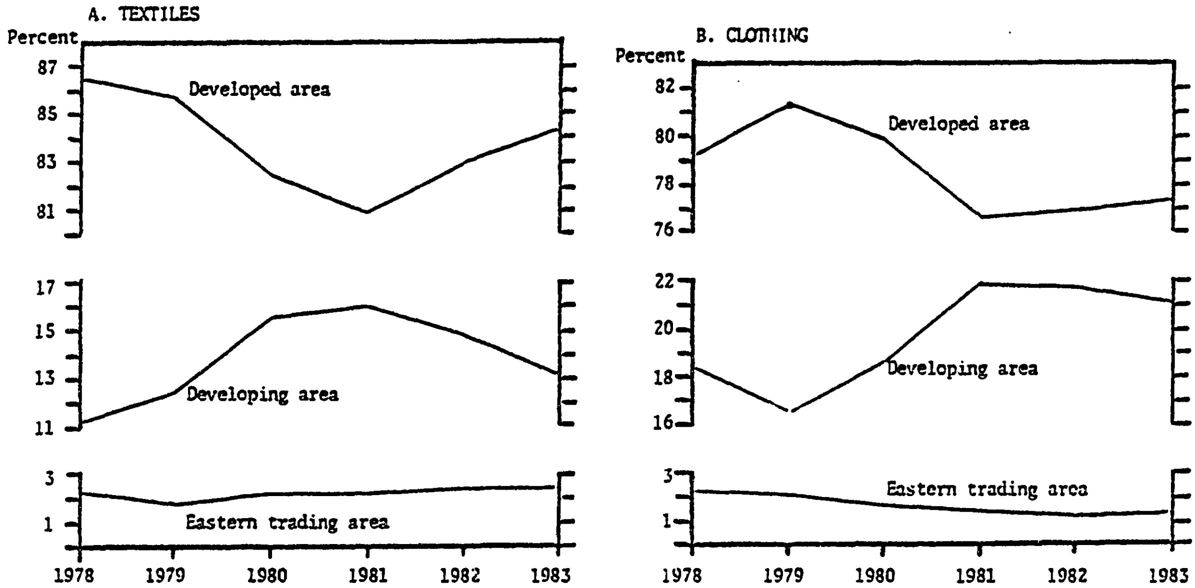
CHART 9
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO SWEDEN



textiles and clothing also reached their highest point in 1980 and were in decline thereafter. Throughout the review period around 88 per cent of textile exports and 98 per cent of clothing exports were sold to the developed area. The deficit in textiles and clothing reached a high of $0.5 billion and $1 billion respectively in 1980; by 1983 the deficits had fallen to $0.3 billion for textiles and $0.7 billion for clothing.

53. In Switzerland, imports of textiles grew continuously through 1980 and declined thereafter. The growth in clothing imports was interrupted briefly in 1981 and resumed in 1982 and 1983, but at a very moderate pace. The expansion of the developing area on the Swiss import market for textiles and clothing came to a halt in 1981. The developed area remained by far the largest area of supply. Exports of textiles and

CHART 10
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS INTO SWITZERLAND



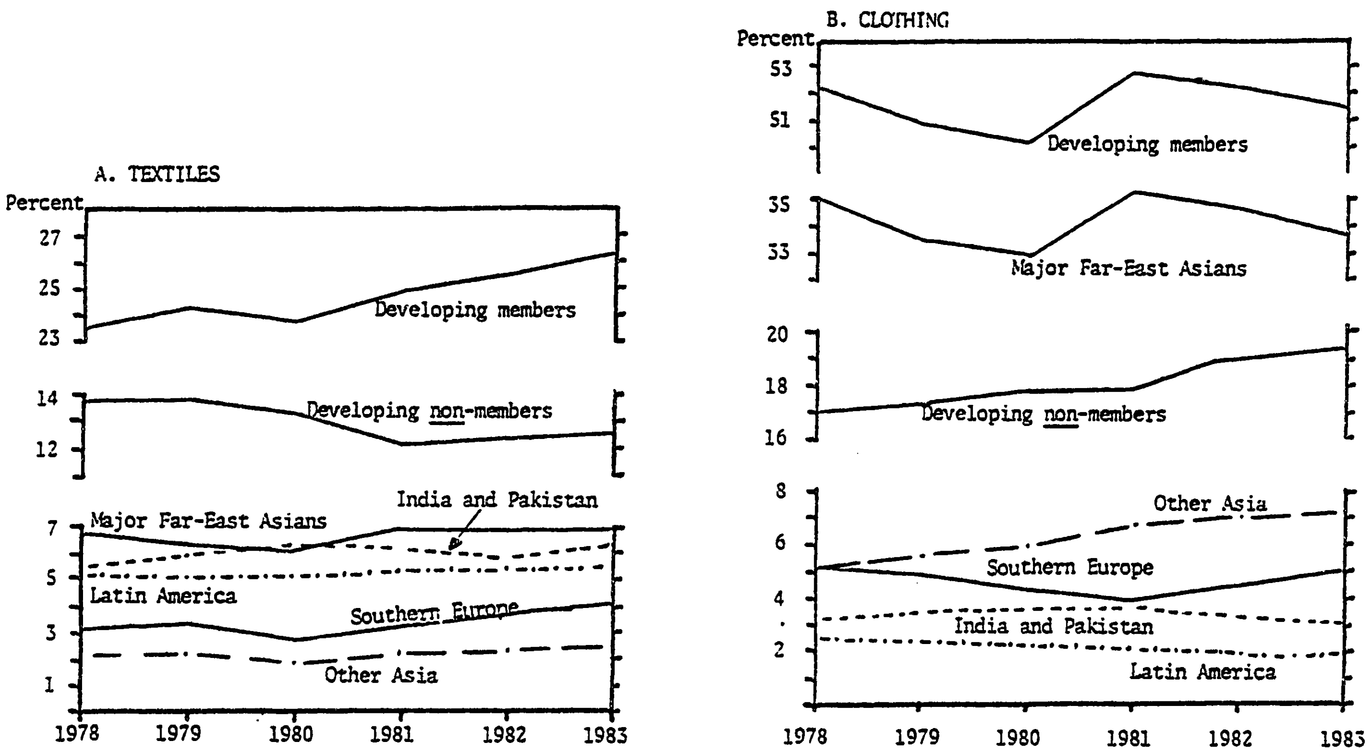
clothing were also in decline from 1981 to 1983. By far the largest proportion of Switzerland's exports were directed towards the developed area, and there was little change in this area's share of total exports. The trade surplus in textiles rose continuously from $0.4 billion in 1978 to $0.5 billion in 1983. For clothing the trade deficit was $1 billion in 1983, up from $0.7 billion in 1978.

(c) Developed members' imports from the developing members and non-members

54. The value of imports of textiles and clothing from the developing area as a whole was $21½ billion in 1983, of which $16 billion represented clothing imports. This area supplied 71 per cent of total developed members' imports of clothing and 38½ per cent of their total textile imports. The bulk of imports from the developing area were supplied by the developing members of the MFA. They supplied $15½ billion of the developed members' textile and clothing imports in 1983, of which clothing imports were $11½ billion. They accounted for 51½ per cent of total developed members' clothing imports and 26 per cent of their total textile imports.

55. The share of the developing members in total imports of the developed members combined is shown in the accompanying chart.

CHART 11
SHARE OF SELECTED GROUPS OF DEVELOPING MEMBERS IN TOTAL IMPORTS INTO THE DEVELOPED MEMBERS



56. The share of the developing members as a group in textile imports by developed members expanded from 1980. Within that group, the most rapidly expanding areas of supply were the smaller developing members in Asia and developing members in Southern Europe.

57. There was a rapid expansion in the share of the developing members in the developed members' clothing imports in 1981, followed by declines in 1982 and 1983. Most of the decline involved the major developing members in far-east Asia. The most rapidly expanding area of supply throughout the review period was "other Asia".

58. The shifts in the pattern of developed member imports originating in the developing area are put in a longer term perspective in Table 6 below, which shows the changes in the composition of the absolute increase in imports during the first two years of MFA 3 as well as the previous phases.

TABLE 6. - IMPORT INCREMENT DURING THE MFA, DEVELOPED MEMBERS
(Billion dollars and percentages)

	MFA 1		MFA 2		MFA 3	
	Increment	Share	Increment	Share	Increment	Share
	between 1973 and 1977		between 1977 and 1981		between 1981 and 1983	
Textiles						
Total	2.45	100	5.20	100	-0.59	
Developing area	1.10	44.9	1.96	37.7	0.05	
Members	0.81	33.1	1.41	27.1	0.04	
Non-Members	0.29	11.8	0.55	10.6	0.01	
Clothing						
Total	5.77	100	9.51	100	1.09	100
Developing area	4.24	73.5	6.95	73.1	0.89	81.6
Members	3.36	58.2	5.01	52.7	0.31	28.4
Major Far-East Asians[a]	2.26	39.2	3.29	34.6	0.02	1.8
Other members	1.10	19.0	1.72	18.1	0.29	26.6
Non-Members	0.88	15.3	1.94	20.4	0.58	53.2
Other Asia[b]	0.43	7.5	1.04	10.9	0.34	31.2

[a]Hong Kong, the Republic of Korea and Macau.

[b]Principally Taiwan.

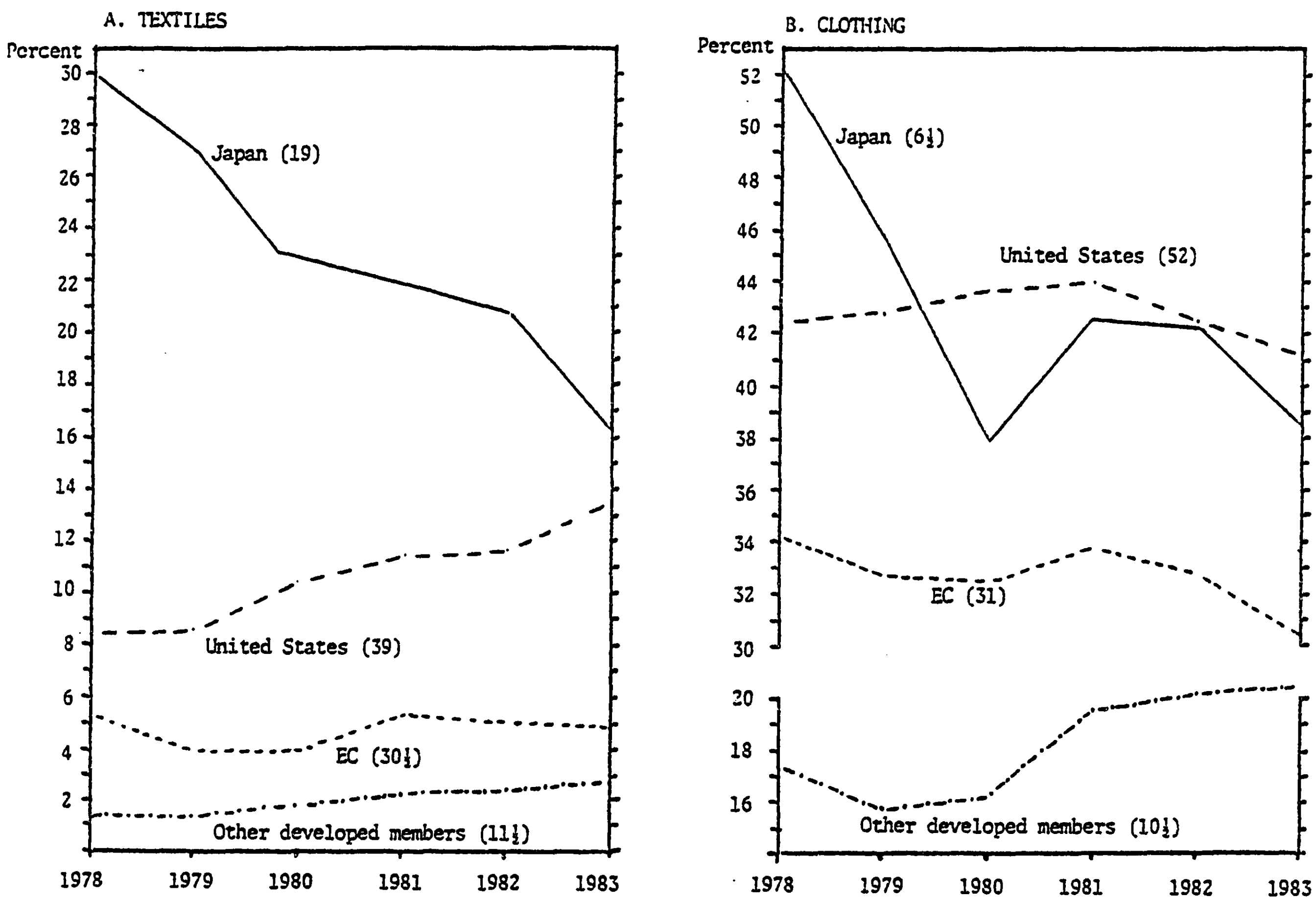
Sources: COM.TEX/W/134, COM.TEX/W/157.

59. Regarding textiles, whereas there was a decline in absolute terms in total imports during the first two years of MFA 3, this was not the case for imports from the developing area. For clothing, although imports from the developing area accounted for a larger proportion of the total import increment in MFA 3 than in MFA 1 and 2, the distribution of that increment within the area changed significantly.

60. The following paragraphs describe the movements in the import shares of various groups of developing member countries of particular interest to delegations, on the main import markets. For a look at movements in the import shares of individual countries on the developed members' import markets, delegations are referred to COM.TEX/W/157.

61. The share of the major <u>Far-East Asian developing members</u> on the developed members' aggregate import market for <u>textiles</u> remained relatively stable during the review period (see Chart 11). As can be seen from Chart 12, this area's share of the individual import markets varied.

CHART 12
SHARE OF MAJOR FAR-EAST ASIANS[1] IN TOTAL IMPORTS INTO SELECTED DEVELOPED MEMBERS



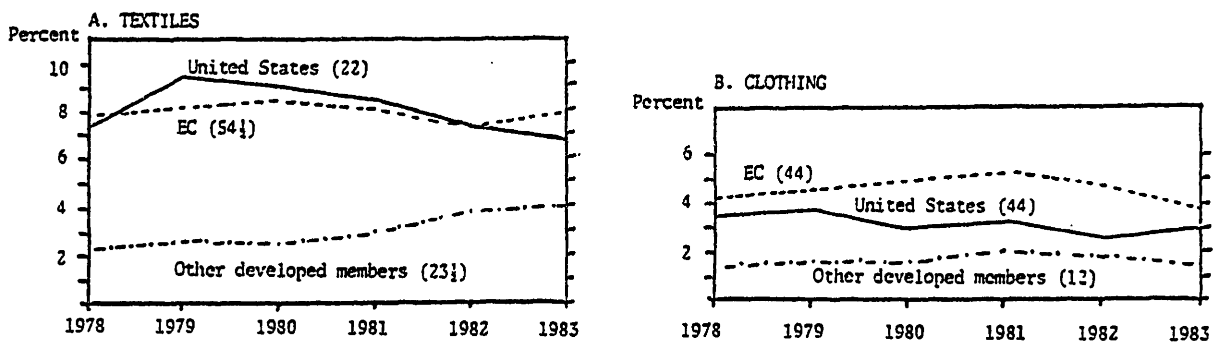
[1]Hong Kong, Republic of Korea, Macau.

<u>Note</u>: Figures in brackets denote the proportion of imports into the developed members from major Far-East Asians which was purchased by the developed member in question in 1983 (for example, in 1983, 19 per cent of developed members' imports of textiles from major Far-East Asians was purchased by Japan).

62. The most significant developments were a marked increase in their share of the US market, and a substantial decline in their share of the Japanese import market (in evaluating the impact of this development, it is important to keep in mind that, for example, the United States is a larger buyer of Far-East Asian textiles than is Japan; thus while this group of exporters had a larger share of Japan's market than of the United States market in 1983, 39 per cent of their exports went to the United States, as against 19 per cent to Japan). Apart from 1981, the share of this area on the developed members' aggregate import market for clothing contracted between 1978 and 1983. Market losses occurred in the United States, the EC and Japan. Their share in the import markets of the other developed members expanded, however.

63. The share of India and Pakistan combined, in total developed members' imports of textiles hardly changed during the period under review (see Chart 11). Developments on the main import markets varied. There was renewed expansion in the share of these two countries in total EC imports in 1983. Their share of the US import market declined from the peak in 1979. The share of India and Pakistan in total developed members' imports of clothing contracted slightly in 1982 and 1983. In 1983 the market losses in the EC and the other smaller developed member market were partly balanced by an increase in their share of US imports.

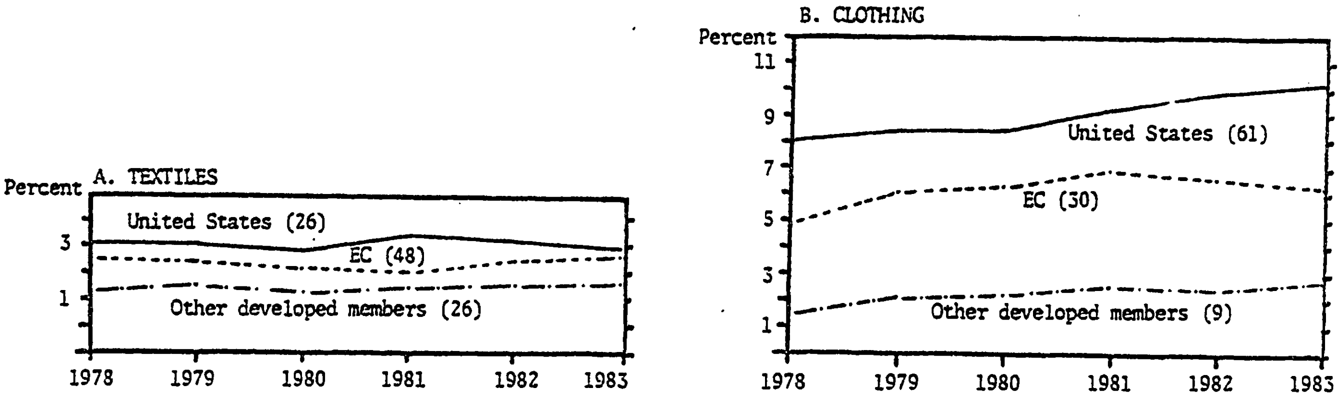
CHART 13
SHARE OF INDIA AND PAKISTAN IN TOTAL IMPORTS INTO
SELECTED DEVELOPED MEMBERS



Note: For a definition of the figures in brackets, see Note to Chart 12.

64. In contrast to the traditional suppliers mentioned above, the share of the other developing member countries in Asia in the developed members' aggregate import market for both textiles and clothing expanded during the review period.

CHART 14
SHARE OF OTHER ASIAN MEMBERS[1] IN TOTAL IMPORTS INTO SELECTED DEVELOPED MEMBERS



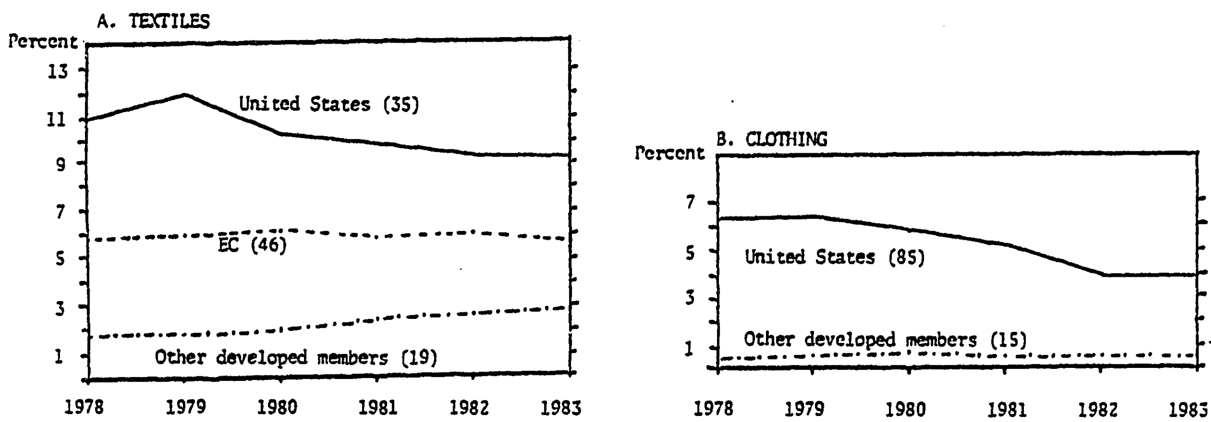
[1]Bangladesh, Indonesia, Malaysia, Maldives, Philippines, Singapore, Sri Lanka, Thailand.

Note: For a definition of the figures in brackets, see Note to Chart 12.

65. In 1982 and 1983, the marginal decline in this area's share of the United States import market for textiles was more than offset by an expansion in the EC, the major market. The marginal expansion in their share of aggregate clothing imports in 1982 and 1983 stemmed almost entirely from developments in the United States.

66. The developing member countries in Latin America expanded marginally on the aggregate developed members' import market for textiles during the review period. There was little change in their share of the EC import market. They lost ground in the United States and expanded on the markets of the other developed members. For clothing the share of this area in the overall developed members' import market contracted slightly over the period mainly due to the decline in their share of total United States imports.

CHART 15
SHARE OF MEMBERS IN LATIN AMERICA[1] IN TOTAL IMPORTS INTO
SELECTED DEVELOPED MEMBERS

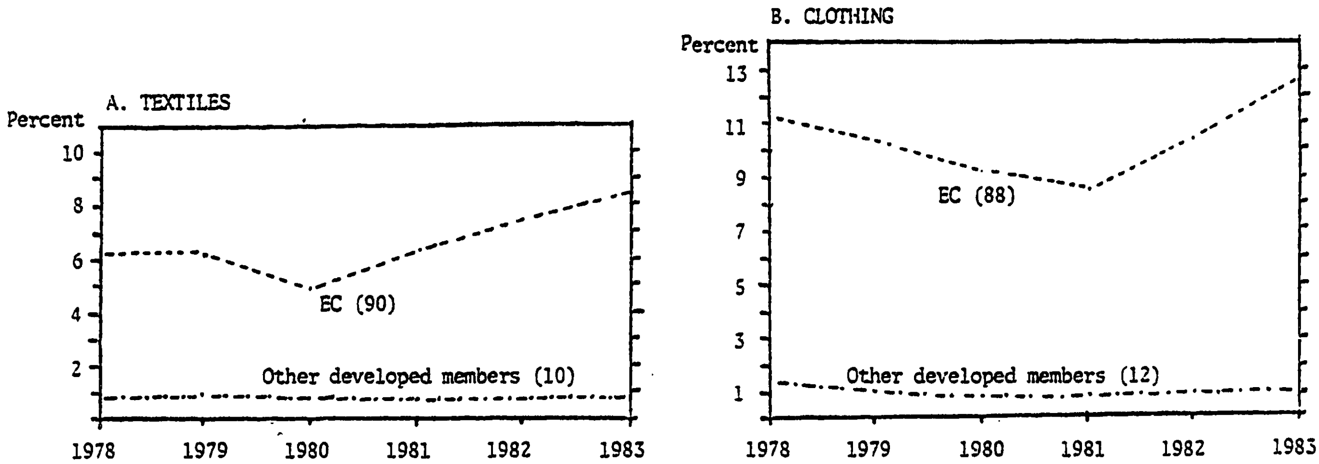


[1]Argentina, Brazil, Colombia, El Salvador, Guatemala, Haiti, Jamaica, Mexico, Peru, Uruguay.

Note: For a definition of the figures in brackets, see Note to Chart 12.

67. The market gains experienced by the developing member countries of Southern Europe from 1980/81 stemmed from the expansion of this area on the EC import market.

CHART 16
SHARE OF MEMBERS IN SOUTHERN EUROPE[1] IN TOTAL IMPORTS INTO SELECTED DEVELOPED MEMBERS

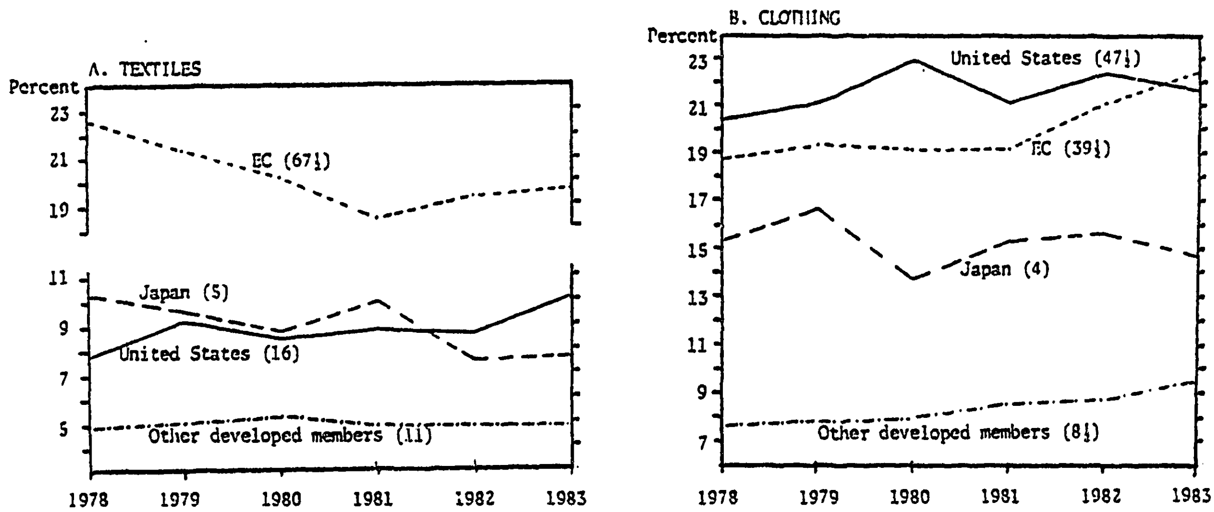


[1] Romania, Turkey, Yugoslavia.

Note: For a definition of the figures in brackets, see Note to Chart 12.

68. The proportion of the aggregate developed members' imports of textiles coming from the developing non-members declined between 1978 and 1981, and increased marginally in 1982 and 1983 (see Chart 11). As can be seen from the accompanying chart, this was largely in line with developments in the EC, this area's largest import market. Throughout

CHART 17
SHARE OF THE DEVELOPING NON-MEMBERS IN TOTAL IMPORTS INTO SELECTED DEVELOPED MEMBERS



Note: For a definition of the figures in brackets, see Note to Chart 12.

the review period, the share of the developing non-members in total developed members' textile imports either declined faster or expanded less rapidly than the import share of the developing members.

69. Most of the increase in the share of this area in total developed members' clothing imports occurred in 1982. Despite fluctuations, the share of this area in total imports into the United States was not much higher in 1983 than in 1978. All the expansion of this area on the EC import market occurred in 1982 and 1983.

70. It should be borne in mind that the major suppliers within the developing non-members as a group differ widely between the various import markets. For example, in the EC, the largest suppliers are non-member countries in Southern Europe and North Africa, whereas in the United States, the largest supplier amongst the non-members is Taiwan. A detailed origin breakdown of the various developed members' imports from non-members is contained in COM.TEX/W/157.

(ii) Trade of the developing members by main areas

71. Trade of the major developing members is summarized in Appendix Tables 4-6. The main developments between 1978 and the latest available year are briefly described below.

72. In the ASEAN, textile exports declined marginally in 1981 and 1982. The growth in clothing exports decelerated between 1978 and 1982 from an increase of 37 per cent in 1979 to an increase of only 7 per cent in 1982. The developing area is the main market for textiles, accounting for 58 per cent of total exports in 1982. The developed area remained the largest market for ASEAN clothing exports, although their share of total exports declined from 84 per cent in 1978 to 77 per cent in 1982. Some 50 per cent of ASEAN textile imports, which are almost double the size of exports, were supplied by the developing area during the review period, with most of the rest (around 40 per cent) coming from the developed area. This area's trade deficit in textiles rose from $½ billion in 1978 to $0.8 billion in 1982. Their trade surplus in clothing doubled during the period to stand at $1.1 billion in 1982.

73. Brazil's textile exports dropped sharply in 1982 to a level only slightly above that of 1978. Between 1978 and 1981, the share of Brazilian exports absorbed by the developed area declined from 64 to 57 per cent, but in 1982, because most of the decline in exports involved the developing area, the share of the developed area rose again to 65 per cent. Clothing exports, which are minor relative to textiles, fluctuated annually, culminating also in a sharp drop in 1982. The trade surplus for textiles and clothing declined in 1982 to $0.4 and $0.1 billion respectively from their peaks in 1981.

74. In Hong Kong, the growth of exports of textiles and clothing decelerated between 1978 and 1981, before declining by 11½ and 5 per cent respectively in 1982. In 1983, textile exports expanded by 16 per cent and those of clothing fell by 1 per cent. There was a drop of around 17 per cent in the proportion of total textile exports going to the developed area during the review period. By contrast, the share of the Eastern trading area (principally China) in total exports expanded markedly to reach 23 per cent in 1983, compared to 5 per cent in 1978. About 90 per cent of Hong Kong's clothing exports are destined for the developed area. This area's share dropped to a low of 88 per cent in 1981 and by 1983 was back up to 92 per cent. An interesting feature of the area pattern of Hong Kong's clothing exports was the inverse relationship between the share of the two principal developed area markets in total exports during the review period. The share of total exports purchased by the United States declined to a low of 36 per cent in 1980 before expanding to reach 49 per cent in 1983, whereas the share of the EC expanded to reach a high of 39 per cent in 1980 before contracting to 29 per cent in 1983. Textile imports (including imports for re-export) which had fallen by 13 per cent in 1982 recovered to grow by 5½ per cent in 1983, and clothing imports which were only $250 million in 1978 were valued at over one billion dollars in 1983. In terms of market shares, there was a marked expansion in the share of total imports of both textiles and clothing supplied by the Eastern trading area (principally China) during the review period. In 1978, this area supplied 22 per cent and 46 per cent respectively of Hong Kong's import requirements. In 1983, the proportion had risen to 34 per cent and 76 per cent. In 1983, Hong Kong's trade deficit in textiles, in which all areas shared, was $2 billion; the overall export surplus in clothing was $3.3 billion and included a deficit of nearly $0.8 billion with the Eastern trading area.

75. In 1980, the last year for which data are available, around 61 per cent of India's textile exports were absorbed by the developed area, down from 67 per cent in the previous year. In 1978, 84 per cent of India's clothing exports went to the developed area. Two years later, this area's share had fallen to 72 per cent. The trade surplus in textiles and clothing in 1980 was $0.7 and $0.6 billion respectively.

76. The main purchasers of textiles from the Republic of Korea, are the developing area which absorbed 56 per cent of total exports in 1981, the latest year for which data are available. Clothing exports go overwhelmingly to the developed area, although its share of total exports had declined to 82 per cent in 1981 from 91 per cent in 1978. The Republic of Korea's trade surplus for textiles and clothing was $1.7 and $3.3 billion respectively in 1981.

77. Exports of textiles from Pakistan which had declined by 9 per cent in 1982 shot up by 40 per cent in 1983 to reach more than one billion dollars. Most of this increase involved the developing area (principally countries in West Asia) which replaced the developed area as the main purchaser, absorbing 52 per cent of Pakistan's total exports in 1983. Clothing exports, which are small relative to textiles, also expanded markedly in 1983 and, as with textiles, most of the increase was purchased by the developing area. In 1983, Pakistan's trade surplus reached a high of just over $1 billion in textiles and $200 million for clothing.

78. Data on the foreign trade of other developing members are shown in Table 3 of COM.TEX/W/157.

(iii) Importance of trade in textiles and clothing to the developing members

79. The share of textiles and clothing in total merchandise trade[10] for the developing members of the MFA for which data are available is given in Appendix Table 7.

80. For textiles, no clear trends emerge. Of the countries heavily dependant on textiles as a means of earning foreign exchange, the share of textiles in total merchandise trade definitely declined in some, for example Egypt, and increased in others such as Turkey, India (but data are only available till 1980) and Macau. In Pakistan, the share of textiles fell until 1981 and then rose again. Amongst the smaller suppliers the picture is even more mixed.

81. For clothing, trends are clearer. The share of clothing in total merchandise trade in the established supplying countries, for example Hong Kong and the Republic of Korea, declined, whereas it tended to increase, in some cases markedly, in a large number of smaller supplying countries.

82. A longer term perspective on the relative importance of trade in textiles and clothing to the developing area as a whole is given in "Textiles and Clothing in the World Economy" pp. 38-40.

(iv) Trade in cotton textiles and clothing

83. This section focuses on developments in the trade in textiles and clothing of the cotton producing developing member exporters.[11]

84. Traditionally, these countries have been largely exporters of cotton yarns and fabrics. Whereas their exports are still largely cotton based[12], the available data for these countries suggest that for a number of them, significant changes have occurred in the product composition of their exports. Table 7 shows that the proportion of yarns and fabrics (of all MFA fibres) in textile and clothing exports of Colombia, Pakistan, Peru and Turkey has been declining, in some cases, for example Colombia and Turkey, quite markedly. To a certain extent the table is misleading in that most of the decline, for example in the share of yarns and fabrics in exports of India and Pakistan, occurred earlier. In 1973 yarns and fabrics accounted for 64 per cent of total Indian exports of textiles and clothing and 86 per cent of Pakistan's exports. Egypt on the other hand, remained predominantly an exporter of yarns and fabrics. In the case of Brazil, yarns and fabrics were of increasing importance viewed as a percentage of total textile and clothing exports during the review period.

TABLE 7. - SHARE OF MFA YARNS AND FABRICS IN THE COTTON PRODUCING DEVELOPING MEMBER EXPORTERS' EXPORTS OF TEXTILES AND CLOTHING, 1978-1983

(Percentages)

	1978	1979	1980	1981	1982	1983
Brazil	49.7	53.6	55.8	58.3	60.6	...
Colombia	47.7	37.9	40.1	33.2	25.2	...
Egypt	83.8	87.5	88.2	82.7	80.3	...
India	33.0	34.5	31.9	...	...	...
Pakistan	60.0	57.8	55.1	53.1	52.2	56.8
Peru	92.4	52.9	67.2	58.5	42.8	...
Turkey	69.3	67.9	54.5	41.6	43.2	...

Source: UN COMTRADE Data Bank.

85. Exports of textiles and clothing from the countries for which data are available are given in Table 8. In terms of the direction of their trade, the developed area provided the major market for these countries' exports, with the exception of Colombia (clothing) and Egypt (textiles), but the proportion of exports absorbed by the developed area varied both between countries and over time.

TABLE 8. - COTTON PRODUCING DEVELOPING MEMBER EXPORTERS' TOTAL EXPORTS OF TEXTILES AND CLOTHING, AND PROPORTION PURCHASED BY THE DEVELOPED AREA, 1978-1983
(Million dollars and percentages)

	1978	1979	1980	1981	1982	1983
Textiles						
Brazil Total	424	588	588	616	468	...
% to developed area	64	62	58	57	65	...
Colombia Total	92	114	133	107	85	...
% to developed area	68	65	63	52	58	...
Egypt Total	323	261	259	211	170	...
% to developed area	23	36	46	39	43	...
India Total	528	678	769	...	...	...
% to developed area	63	67	61	...	...	...
Pakistan Total	579	716	851	914	834	1 165
% to developed area	50	55	51	48	49	42
Peru Total	63	138	150	144	113	...
% to developed area	85	65	77	80	85	...
Turkey Total	263	321	342	569	765	...
% to developed area	86	86	78	72	68	...
Clothing						
Brazil Total	95	88	105	104	77	...
% to developed area	57	62	60	50	61	...
Colombia Total	57	100	109	107	117	...
% to developed area	27	16	11	14	17	...
Egypt Total	35	19	21	20	13	...
% to developed area	3	27	33	49	58	...
India Total	398	522	573	...	...	...
% to developed area	84	84	72	...	...	...
Pakistan Total	41	61	82	118	834	1 165
% to developed area	60	71	66	63	57	43
Peru Total	3	53	39	51	102	...
% to developed area	81	18	34	47	53	...
Turkey Total	46	56	82	234	289	...
% to developed area	98	98	83	47	90	...

Source: UN COMTRADE Data Bank.

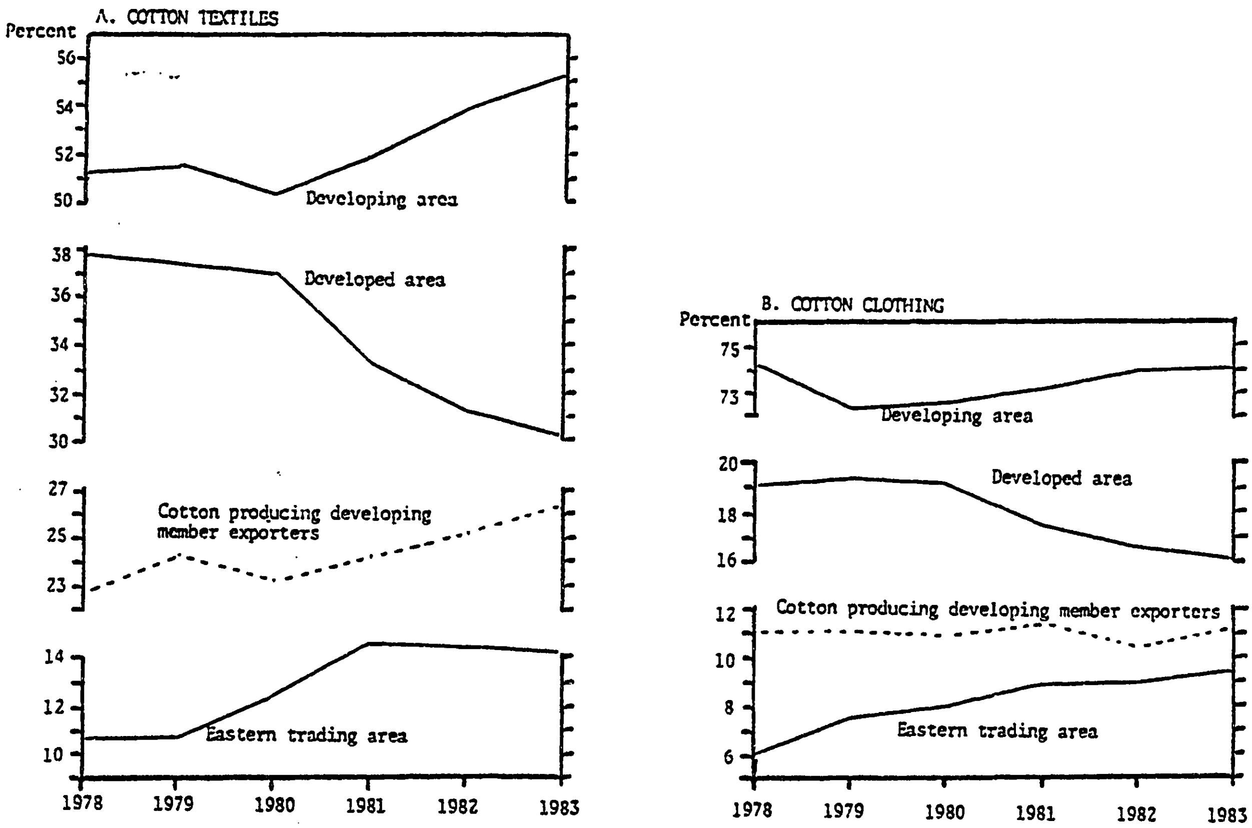
86. Given limitations on the availability of up-to-date data for these countries, their trade with the developed area is examined below from the import side, taking the imports of cotton textiles and clothing of the developed members as the data base. It should be noted at the outset that the commodity classification[13] on which the source material is based does not permit a complete enumeration of all cotton textile products. Moreover, due to the prevalent practice of mixing fibres in the manufacturing process, it is generally difficult to obtain from the data an exact fibre breakdown. In this section, cotton textiles refer as far as possible to yarns, fabrics and made-up articles of pure cotton, as well as those in which cotton is the predominant fibre. For cotton clothing, the product coverage is confined to pure or blended undergarments and outergarments. Data for clothing accessories are not available by fibre. (Under and outergarments accounted for 93 per cent of all clothing imports of the developed members in 1983.) A detailed origin breakdown of the imports of cotton textiles and clothing in value and in terms of market shares is contained in COM.TEX/W/157. Movements in the market shares of the main supplying areas as well as the cotton producing developing member exporters as a group are illustrated by means of the accompanying charts.

(a) Developed members as a group

87. Total imports of cotton textiles expanded by 3½ per cent to reach $4½ billion in 1983. With marginal fluctuations, cotton textiles accounted for around 32 per cent of total textile imports during the review period. The increase of 9½ per cent in total imports of cotton clothing to reach $8 billion in 1983 was twice as fast as total clothing imports. With the exception of 1981, imports of cotton clothing expanded faster than total clothing imports during the review period, and by 1983, accounted for 38½ per cent of total clothing imports, up from 35 per cent in 1978.

88. In contrast to textiles as a whole, the developing area is the main supplier of cotton textiles to the developed members. The accompanying chart illustrates the expansion since 1978 in the share of this area in the developed members' aggregate imports of cotton textiles. Almost two-thirds of this expansion stemmed from the growth in the market share of the cotton producing developing member exporters as a group. Within that group, between 1980 and 1983 the market shares of Brazil, Pakistan and Turkey expanded, especially those of the two latter exporters. The market shares of India, Colombia, Mexico and Peru on the other hand, contracted whereas there was little change in the share of Egypt.

CHART 18
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS OF COTTON TEXTILES AND COTTON CLOTHING INTO THE DEVELOPED MEMBERS



89. In the case of cotton clothing, the aggregate market share of the cotton producing developing member exporters fluctuated around 11 per cent during the period under review and was largely influenced by variations in the shares of India and Turkey, by far the two largest exporters within the group. India's market share which stabilized at around 8 per cent between 1978 and 1981 had dropped to 6 per cent by 1983. By contrast, the market share of Turkey expanded from a low initial level to reach 3 per cent in 1983.

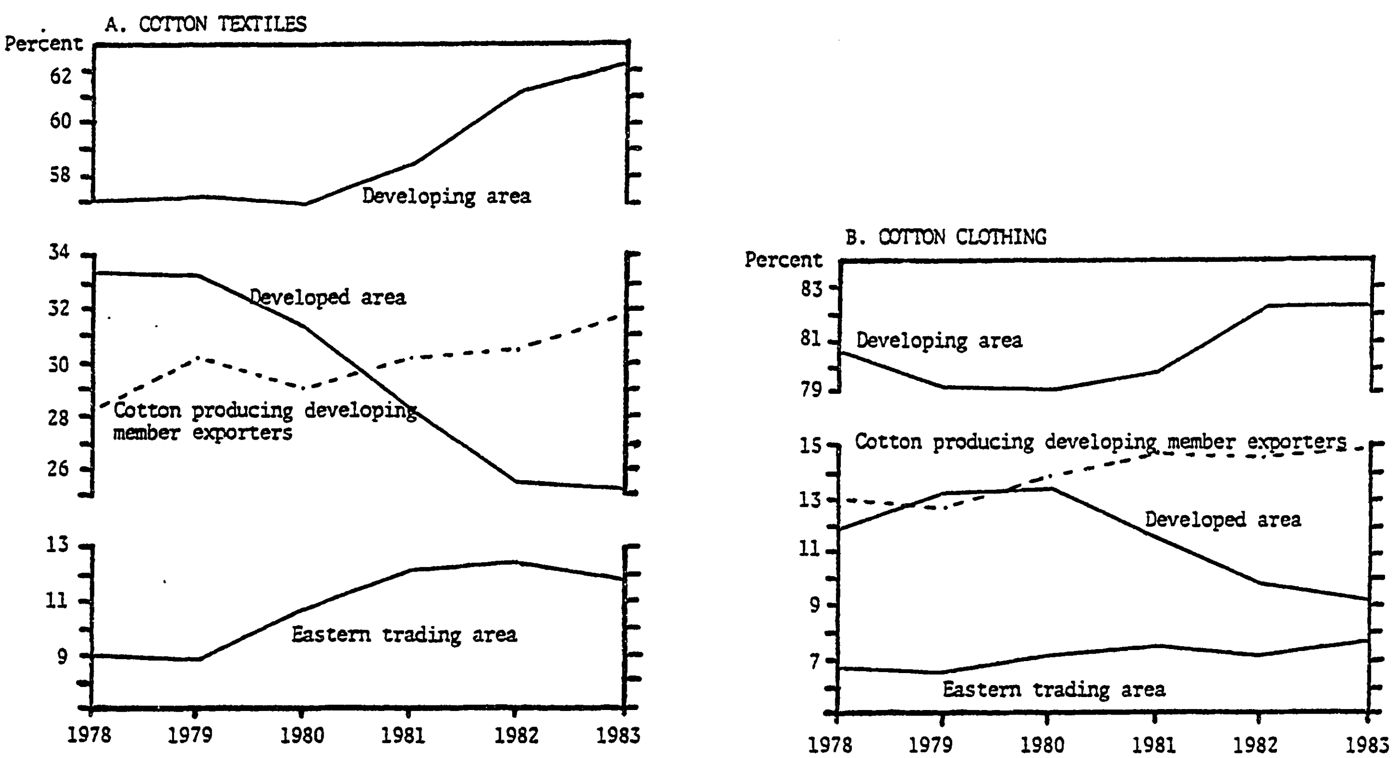
(b) Individual developed members

90. Amongst the developed members, the EC is the largest importer of cotton textiles and clothing from the cotton producing developing member exporters, followed by the United States. In 1983 the EC purchased 64 per cent of the developed members' textile imports from this group, and 54½ per cent of the developed members' clothing imports. The corresponding proportions for the United States were 17½ per cent and 37 per cent respectively.

91. In the EC, total imports of cotton textiles and clothing expanded by 3½ per cent and 7 per cent respectively in 1983. The recovery in the rate of growth was more pronounced than for textiles and clothing as a whole. The share of cotton textiles in total textile imports expanded from a low of 35 per cent in 1981 to 39½ per cent in 1983; for clothing the proportion of cotton increased erratically to reach 46½ per cent in 1983. Imports from the cotton producing developing member exporters expanded by 7½ per cent and 9 per cent respectively in 1983.

92. As can be seen from the accompanying chart, the share of the cotton producing developing member exporters in the EC's total cotton textile imports expanded in 1981, 1982 and particularly in 1983, although for the period as a whole the expansion was less than the aggregate developing areas' share. Within the group, the market share of Turkey (the largest supplier), apart from a sharp drop in 1980, expanded the most rapidly and by 1983 Turkey supplied 12 per cent of EC imports. The other significant development was the contraction in the share of India from a high of 6½ per cent in 1980 to 3 per cent in 1983. The import shares of the other members within the group expanded marginally during the review period, with the exception of Colombia and Mexico.

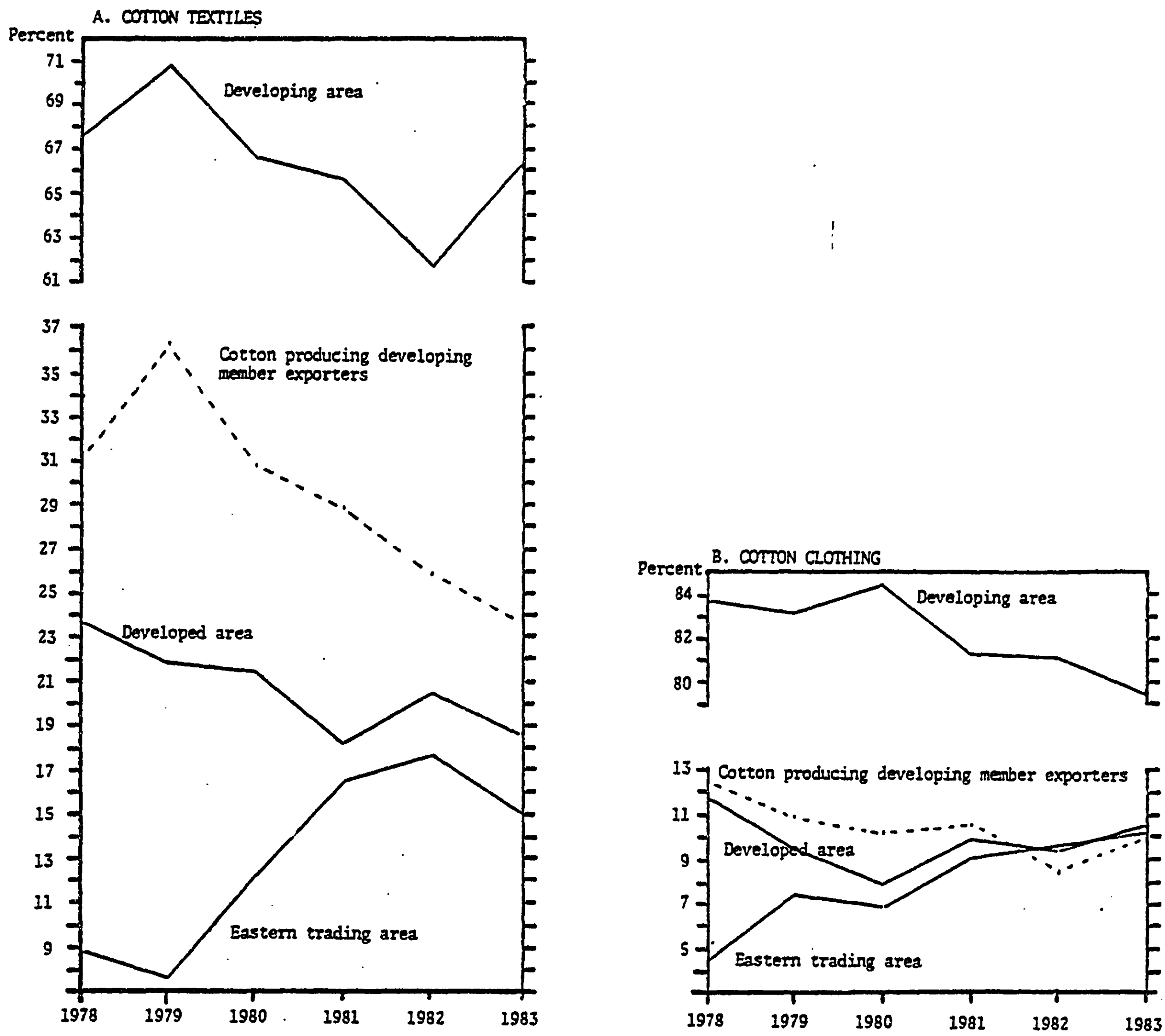
CHART 19
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS OF COTTON TEXTILES AND COTTON CLOTHING INTO THE EUROPEAN COMMUNITIES



93. The share of the cotton producing developing member exporters in total cotton clothing imports was largely influenced by movements in imports from India and Turkey. The share of Turkey, which hovered around 2 per cent between 1978 and 1981 had expanded to 6½ per cent by 1983. India's share declined from a high of 10 per cent in 1981 to just over 6 per cent in 1983.

94. In the United States, total cotton textile imports, which had fallen by 10 per cent in 1982 recovered to increase by 14½ per cent in 1983; the growth in clothing imports accelerated from 6½ per cent in 1982 to 16½ per cent in 1983. In both cases, the growth was less than for imports of textiles and clothing as a whole. Cotton imports accounted for 38½ per cent of textile imports and 37 per cent of clothing imports in 1983. Imports from the cotton producing developing member exporters expanded by 10½ and 35 per cent respectively in 1983.

CHART 20
SHARE OF THE MAIN AREAS IN TOTAL IMPORTS OF COTTON TEXTILES AND COTTON CLOTHING INTO THE UNITED STATES



95. The share of the cotton producing developing member exporters in the United States' cotton textile imports declined continuously from a high of 36 per cent in 1979 to 24 per cent in 1983. Within the group the market shares of Colombia, India and Pakistan contracted during the review period. The share of the other members fluctuated. In 1983, the share of Turkey and Peru contracted and those of Brazil, Egypt and Mexico expanded. For clothing, the behaviour of the import shares of this group illustrated in the accompanying chart, reflected largely the movement in the market share of India, which, amongst the developing members, is the second largest supplier of cotton clothing after Hong Kong.

96. Statistics on the value and import shares for cotton textiles and clothing of the other developed members of the MFA are contained in COM.TEX/W/157.

V. PRICE AND VOLUME MOVEMENTS

(i) Prices

97. The movements in the dollar value of trade examined in the preceding section resulted from changes in (i) domestic prices in national currencies, (ii) the exchange rate of the dollar; and (iii) the volume of shipments. Between 1978 and 1980, when the dollar depreciated, the increase of domestic prices expressed in dollars was accentuated. Between 1981 and 1983, the appreciation of the dollar was so much greater than domestic price increases that dollar prices declined, in some cases considerably.

98. The impact of exchange rate fluctuations on prices was particularly marked in Western Europe. The available data indicate that in 1978 and 1979, dollar price increases for textiles and clothing of between 15 and up to 20 per cent occurred, followed by smaller increases of between 8 and 12 per cent in 1980. The fall in dollar prices was particularly marked in 1981 (around 11 per cent) with smaller price declines of between 5-6 per cent in 1982 and 1983. In the United States, import prices increased by around 9 per cent in 1978 and 1979. There was a deceleration in the rate of increase from 1980 to 1982, followed by a small decline in 1983.

99. Data for the developing countries are more fragmentary. In Hong Kong, the increase in dollar export unit values for textiles and clothing combined accelerated between 1978 and 1980 from 5 to 13 per cent. They stagnated or declined in 1981 and 1982 and in 1983, when the depreciation of the Hong Kong dollar was particularly marked, the declines in US dollar unit values were of the order of 10 per cent for textiles and 17½ per cent for clothing. In the Republic of Korea, export prices increased markedly in 1978 and 1979 and either stagnated or declined marginally thereafter.

(ii) Volume

100. Given the limitations of the available price data (see Explanatory Notes), it has only been possible to make rough estimates of volume movements for world trade in textiles and clothing as a whole and for some of the main countries. Moreover, it has not been possible to present volume data excluding trade between the member states of the EC, due to the lack of adequate price information broken down by origin or destination. Given that intra-trade accounts for a large part of the Communities' overall trade (see GATT, International Trade 1982/83, Appendix Tables A8 and A9) and indeed in world trade in textiles and clothing as a whole, the resulting estimates are not necessarily a close approximation of volume movements in trade as defined elsewhere in this report.

101. The Volume of world trade in textiles and clothing taken together is estimated to have increased by around 4-5 per cent per annum between 1978 and 1980. The growth in world trade accelerated to around 7-8 per cent in 1981, stagnated in 1982, and recovered to increase by around 6-7 per cent in 1983. As far as individual countries are concerned, the volume increases of imports of textiles and clothing combined in 1983 for the United States and Canada were around 19 per cent and 25 per cent respectively. By contrast, imports into the EC (but including intra-trade) increased by an estimated 4 per cent, and imports into Japan declined by around 8 per cent. The volume increase in exports from Hong Kong in 1983 was in the order of 30 per cent for textiles and around 6 per cent for clothing.

FOOTNOTES

[1]The data are from national accounts statistics which refer to current expenditure at the retail stage, deflated by price indices.

[2]For an assessment of the problems involved in measuring demand for textiles and clothing, see "Textiles and Clothing in the World Economy", paragraphs 2.44-2.48.

[3]See "Textiles and Clothing in the World Economy", Appendix Table A3 and footnote 12, p. 59.

[4]According to the World Bank's World Development Report for 1984, GDP growth rates in developing countries averaged 5.2 per cent a year during 1973-79; for 1980-85 the corresponding figure is expected to be around 2.8 per cent.

[5]UN World Population Prospects as assessed in 1980.

[6]The generally used indicator for United States' clothing production is no longer available. Therefore, the current value of manufacturers' shipments, deflated by producer prices, has been taken as a rough indicator of movements in clothing output.

[7]"Textiles and Clothing in the World Economy", Chapter 2, pp. 20-27.

[8]The trade data on which this section is based differ from those presented in "Textiles and Clothing in the World Economy", in that they exclude trade among the member countries of the EC, and cover a narrower range of textile and clothing products.

[9]COM.TEX/W/76, Table 8.

[10]Excluding petroleum.

[11]Brazil, Colombia, Egypt, India, Mexico, Pakistan, Peru and Turkey.

[12]That is, to the extent that the predominance of cotton in these countries' exports of MFA yarns and fabrics reflects the fibre content of other textile and clothing products. See Appendix Table 8.

[13]SITC Rev. 2.

Explanatory Notes

PRODUCTION indices are those published in national statistical publications or in the UN, Monthly Bulletin of Statistics and OECD, Indicators of Industrial Activity. EMPLOYMENT data are from members' responses to the textiles questionnaires issued under the Textiles Committee's statistical reporting scheme. Due to the different definitions and methods of data collection employed at the national level, the degree of inter-country comparability of these statistics is limited. For example, production data either refer to total output or to manufacturers' shipments. They are generally collected from manufacturing establishments, but depending on the scope of the survey, establishments below a certain size or those principally engaged in other activities are not always included. As a result, the figures reported may seriously understate the actual output of the textile and clothing sectors since both the production of "secondary" products by firms classified outside the industry and the output of small establishments not covered by the surveys may represent a non-negligible part of total production. Also, experience in manufacturing censuses shows that comprehensive coverage cannot be achieved even if industrial surveys are directed to all registered establishments. In addition, for the apparel sector, available information seems to point out that output of the small establishments increased during the last decade. If this is the case, the statistics may also, in the long run, understate the growth of clothing output. Employment data are generally collected from establishments, from population surveys or from social insurance records and can therefore differ widely in coverage. In addition different treatment is applied by countries in reporting homeworkers, unpaid family workers, active business partners and the like.

The TRADE data are complied from the United Nations trade data tapes.

The aggregates for textiles and clothing exclude in principle products other than those of cotton, wool and man-made fibres to the extent they can be identified in the SITC Rev.1.[1] In effect it has been possible to exclude from the SITC divisions 65 and 84 only yarns and fabrics other than cotton, wool and man-made fibres, bags and sacks of textile materials, floor coverings of vegetable plaiting materials and clothing of leather, rubber and fur. The definitions adopted here should in no case be considered as an expression of an opinion by the secretariat with regard to the products covered by the Arrangement. Cotton yarn refers to SITC sub-groups 651.3 and 651.4 and woven cotton fabrics to SITC Group 652. Data for cotton textiles and clothing have been compiled according to the SITC Revision 2. Cotton textiles refer to yarns, fabrics and made-up articles of cotton (pure or mixed). Cotton clothing refers only to cotton outergarments and undergarments.

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[1]United Nations, Standard International Trade Classification, Revised, Series M, No. 34.

Values are in current US dollars. Exports are valued f.o.b.; imports are in c.i.f. values with the exception of Canada and Czechoslovakia for which imports are expressed in f.o.b. values.

Data for the European Communities refer to the ten member States as listed below, and exclude intra-community trade. The statistics are aggregated from individual member states' submissions which are not strictly comparable with regard to definitions of trade (special/general) and of countries of origin (provenance) and destination.

The trade values (in terms of US dollars) are the only relatively reliable and comparable statistics on exports and imports in textiles and clothing. Statistical data in this form are obviously insufficient for a thorough analysis of trade developments between different countries and groups of countries. This insufficiency is due to (i) the inflation which proceeded throughout the 1970s at a very high rate in almost all trading countries and which caused export price variations which were highly differentiated not only between different product categories and sub-categories, but also between different exporting countries and (ii) the fluctuations in exchange rates.

The statistical difficulties encountered in trying to progress from trade values to trade volumes can be described as follows:

First, the aggregation of quantities reported in national trade statistics appears unsatisfactory as soon as the composition of the category, or the quality of the products included therein varies in time. Since variations of this kind are frequent in trade in textiles, no comprehensive assessment can be established on the basis of tonnage or alone.

Second, genuine quantum indices are generally not calculated for foreign trade. The available indices are usually derived from current values and price or unit value indices. The price indices are usually based on a sample of commodities. If the sample is representative for the trade flow, these series provide the best basis for the assessment of volume changes. In practice, however, only a small number of countries collect export and import prices and, moreover, none of those calculates price indices by destination or origin. For the assessment of the trade performance under the MFA an area breakdown is required.

Third, the majority of the members of the MFA which publish indices, compile unit value indices for total exports and total imports of textiles or clothing. Only a few of them calculate, in addition, the detail by areas of origin or destination. The absence of the area breakdown in the export or import indices represent a serious weakness since, for textiles and for clothing, the composition and the quality of products traded varies according to the origin (or the destination). It appears, for instance, that the quality of clothing articles traded among developed countries is in general higher than that originating in developing countries.

Fourth, the method of calculation of the unit value indices usually applied by national statistical offices does not make it possible to clearly distinguish between changes in price, quality or product mix. Since both the composition and the quality of textiles and clothing articles entering international trade underwent considerable change during the period under review, the use of unit value data in the calculation of volume indices no doubt introduces a bias in the results.

The AREA definitions of trading partner countries follow those adopted in earlier studies. In addition, the principal countries or areas not members of the Arrangement are individually reported. For reasons of statistical convenience the membership of the Arrangement has been treated as constant throughout and refers to the membership as at the Textiles Committee meeting of December 16 1983. Details are as follows:

Developed area

Members

European Communities - Belgium-Luxembourg, Denmark, France, the Federal Republic of Germany, Greece, Ireland, Italy, the Netherlands, the United Kingdom
United States, Canada
Japan
Austria, Finland, Sweden, Switzerland

Non-members

Iceland, Norway
Australia, New Zealand, South Africa

Developing area

Members

Turkey, Yugoslavia, Romania
Egypt, Israel,
Bangladesh, India, Pakistan, Sri Lanka, Hong Kong, Korea, Macao, Singapore, Malaysia, Maldives, Thailand, Indonesia, Philippines, Argentina, Brazil, Colombia, Peru, Uruguay, Mexico, El Salvador, Guatemala, Haiti, Jamaica.

Non-members

Algeria, Mauritius, Morocco, Tunisia, Africa n.e.s.,
Cyprus, West Asia (countries and territories in the Middle East not elsewhere specified), Other Asia (countries and territories in South and East Asia not elsewhere specified).
Malta, Portugal, Spain, Other Europe n.e.s.
America (countries and territories in north, central and south America).
Oceania.

Eastern trading area

Members

Czechoslovakia, Hungary, Poland

Non-members

China, Bulgaria, Soviet Union
Other ETA (Albania, the Democratic Republic of Germany, Mongolia, North Korea and Viet-Nam)

APPENDIX TABLE 1

TRADE IN TEXTILES OF THE DEVELOPED MEMBERS OF THE MFA BY MAIN AREAS OF ORIGIN, 1978 TO 1983

MILLION DOLLARS

	EXPORTS 1978	1979	1980	1981	1982	1983	IMPORTS 1978	1979	1980	1981	1982	1983
DEVELOPED MEMBERS OF THE MFA												
WORLD	15095	17754	20563	20485	18080	17626	12103	15434	16462	15052	14140	14462
DEVELOPED AREA	7616	9241	9870	9233	8444	8444	6772	8465	9062	8235	7606	7642
DEVELOPING AREA	6276	7102	8694	9131	8016	7621	4540	5885	6102	5554	5343	5603
EAST. TRAD. AREA	1174	1387	1968	2084	1581	1522	752	1015	1201	1204	1139	1172
EUROPEAN COMMUNITIES												
WORLD	6770	7877	8787	8166	7488	7398	5383	7299	8077	6606	6276	6228
DEVELOPED AREA	3233	3904	4100	3741	3508	3528	2129	2949	3348	2775	2536	2444
DEVELOPING AREA	2739	3024	3520	3441	3128	2930	2812	3742	3994	3227	3162	3219
EAST. TRAD. AREA	770	924	1137	946	812	901	402	540	637	546	527	519
UNITED STATES												
WORLD	2127	3041	3457	3446	2635	2223	1970	1943	2141	2655	2509	2891
DEVELOPED AREA	1373	1964	2012	1754	1324	1258	1124	1006	1059	1247	1230	1361
DEVELOPING AREA	743	1025	1296	1389	1176	933	770	861	934	1160	1046	1293
EAST. TRAD. AREA	10	51	149	303	136	32	76	77	148	248	233	238
JAPAN												
WORLD	3718	3879	4966	5672	4905	5115	1058	1498	1236	1280	1312	1182
DEVELOPED AREA	1001	934	1094	1311	1258	1342	401	581	534	511	516	459
DEVELOPING AREA	2436	2648	3346	3694	3146	3317	527	712	498	557	585	487
EAST. TRAD. AREA	281	298	527	666	500	456	131	205	204	212	211	236
CANADA												
WORLD	152	208	262	279	246	236	1048	1331	1253	1382	1104	1360
DEVELOPED AREA	119	165	206	201	191	186	864	1093	1027	1111	881	1059
DEVELOPING AREA	31	40	50	66	53	46	133	162	166	198	163	231
EAST. TRAD. AREA	2	2	6	11	2	4	51	76	60	73	60	70
AUSTRIA												
WORLD	770	912	1034	1052	1000	874	799	998	1125	952	907	873
DEVELOPED AREA	591	720	752	705	673	624	708	882	969	839	797	754
DEVELOPING AREA	125	138	206	266	264	175	67	87	112	80	80	87
EAST. TRAD. AREA	54	54	76	81	63	76	24	29	43	33	29	32
FINLAND												
WORLD	113	145	187	164	159	143	366	525	604	525	500	453
DEVELOPED AREA	93	122	143	110	108	107	318	443	504	440	413	366
DEVELOPING AREA	4	6	9	6	6	6	29	53	64	50	61	63
EAST. TRAD. AREA	15	17	35	48	45	30	19	29	36	35	25	24
SWEDEN												
WORLD	267	331	387	349	318	322	689	864	925	734	676	635
DEVELOPED AREA	233	293	340	306	280	285	544	674	711	569	523	490
DEVELOPING AREA	24	27	36	37	32	30	113	147	165	128	120	110
EAST. TRAD. AREA	10	11	11	6	6	7	32	42	48	38	33	34
SWITZERLAND												
WORLD	1178	1361	1483	1357	1329	1314	790	975	1103	918	856	841
DEVELOPED AREA	974	1139	1223	1104	1101	1113	684	836	910	743	710	709
DEVELOPING AREA	174	193	233	231	210	184	89	121	169	155	127	113
EAST. TRAD. AREA	31	29	28	22	17	17	17	18	24	20	20	19

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 2

TRADE IN CLOTHING OF THE DEVELOPED MEMBERS OF THE MFA BY MAIN AREAS OF ORIGIN, 1978 TO 1983
MILLION DOLLARS

	EXPORTS 1978	1979	1980	1981	1982	1983	IMPORTS 1978	1979	1980	1981	1982	1983
DEVELOPED MEMBERS OF THE MFA												
WORLD	5549	6617	7809	7806	7219	7138	14861	18337	20823	21289	21430	22381
DEVELOPED AREA	3886	4746	5332	4901	4794	4876	3737	4594	5187	4657	4384	4471
DEVELOPING AREA	1412	1643	2127	2436	20-6	1888	10279	12492	14114	14991	15222	15876
EAST. TRAD. AREA	208	199	332	444	353	307	824	1201	1489	1585	1775	1980
EUROPEAN COMMUNITIES												
WORLD	3167	3862	4374	4315	4170	4233	5582	7559	9003	8455	8006	7668
DEVELOPED AREA	2182	2695	2886	2614	2769	2901	795	1093	1377	1177	960	883
DEVELOPING AREA	896	1065	1345	1595	1305	1204	4242	5741	6787	6492	6318	6030
EAST. TRAD. AREA	88	101	142	113	95	127	523	673	806	731	678	701
UNITED STATES												
WORLD	632	833	1055	1102	849	765	5313	5536	6268	7407	8005	9468
DEVELOPED AREA	196	351	446	428	279	218	783	672	645	716	721	938
DEVELOPING AREA	386	452	590	646	531	476	4400	4639	5309	6205	6578	7677
EAST. TRAD. AREA	8	4	3	4	5	6	130	225	313	486	706	852
JAPAN												
WORLD	460	334	476	556	530	640	1061	1540	1323	1493	1518	1246
DEVELOPED AREA	334	224	301	372	341	459	233	359	361	335	325	272
DEVELOPING AREA	97	93	145	154	162	164	746	1019	733	915	928	701
EAST. TRAD. AREA	29	17	30	30	27	17	81	162	229	243	265	273
CANADA												
WORLD	52	65	87	102	102	90	545	676	653	784	785	959
DEVELOPED AREA	47	57	72	88	91	81	161	191	176	194	187	216
DEVELOPING AREA	4	7	13	13	10	8	349	415	419	533	534	656
EAST. TRAD. AREA	-	1	1	-	-	-	35	71	58	57	63	88
AUSTRIA												
WORLD	374	477	557	509	511	496	570	732	853	696	700	742
DEVELOPED AREA	354	452	530	478	481.	464	480	622	712	565	565	599
DEVELOPING AREA	12	13	18	19	19	16	82	102	130	122	125	131
EAST. TRAD. AREA	8	12	10	12	12	16	8	8	11	9	11	11
FINLAND												
WORLD	398	517	657	697	588	457	92	145	199	181	192	182
DEVELOPED AREA	326	455	514	414	377	318	55	83	105	91	91	89
DEVELOPING AREA	-	-	1	1	1	1	28	45	70	69	82	73
EAST. TRAD. AREA	72	61	143	282	210	138	8	17	24	22	19	21
SWEDEN												
WORLD	200	240	273	235	199	196	787	1047	1229	1068	1003	881
DEVELOPED AREA	197	237	271	231	195	193	507	678	778	657	594	518
DEVELOPING AREA	2	3	2	3	4	3	264	347	426	392	391	346
EAST. TRAD. AREA	-	-	-	-	1	1	16	22	26	20	18	17
SWITZERLAND												
WORLD	266	290	330	292	270	260	912	1103	1295	1205	1722	1236
DEVELOPED AREA	249	276	312	274	252	242	723	897	1033	922	940	957
DEVELOPING AREA	14	10	14	15	15	15	168	183	241	264	267	262
EAST. TRAD. AREA	3	4	4	2	3	3	22	23	22	18	15	17

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 3

NET TRADE IN TEXTILES AND CLOTHING OF THE DEVELOPED MEMBERS OF THE MFA BY MAIN AREAS OF ORIGIN AND DESTINATION, 1978 TO 1983
MILLION DOLLARS

	TEXTILES						CLOTHING					
	1978	1979	1980	1981	1982	1983	1978	1979	1980	1981	1982	1983
DEVELOPED MEMBERS OF THE MFA												
WORLD	2992	2320	4101	5433	3940	3164	-9312	-11720	-13014	-13482	-14211	-15243
DEVELOPED AREA	844	776	808	998	838	802	149	153	145	244	400	406
DEVELOPING AREA	1737	1216	2593	3577	2672	2018	-8867	-10849	-11986	-12555	-13176	-13989
EAST. TRAD. AREA	422	371	767	880	442	350	-615	-1001	-1156	-1141	-1422	-1673
EUROPEAN COMMUNITIES												
WORLD	1387	578	710	1561	1212	1170	-2415	-3697	-4629	-4140	-3836	-3435
DEVELOPED AREA	1104	955	752	967	972	1084	1387	1601	1510	1437	1808	2018
DEVELOPING AREA	-74	-718	-475	214	-33	-289	-3346	-4676	-5442	-4907	-5013	-4826
EAST. TRAD. AREA	367	384	499	401	285	381	-435	-573	-664	-617	-583	-574
UNITED STATES												
WORLD	157	1097	1316	791	126	-668	-4681	-4703	-5212	-6305	-7156	-8703
DEVELOPED AREA	249	958	954	507	94	-103	-587	-321	-199	-288	-442	-720
DEVELOPING AREA	-27	165	362	229	129	-360	-4013	-4187	-4719	-5559	-6047	-7202
EAST. TRAD. AREA	-65	-25	-	55	-97	-205	-122	-221	-310	-482	-702	-847
JAPAN												
WORLD	2660	2381	3731	4392	3593	3933	-601	-1206	-846	-937	-988	-605
DEVELOPED AREA	600	353	560	800	742	983	100	-135	-60	38	15	188
DEVELOPING AREA	1909	1935	2848	3138	2562	2830	-649	-926	-588	-761	-766	-537
EAST. TRAD. AREA	151	93	322	453	289	220	-52	-145	-198	-713	-237	-255
CANADA												
WORLD	-896	-1124	-991	-1103	-858	-1124	-493	-612	-567	-682	-683	-869
DEVELOPED AREA	-745	-928	-821	-910	-690	-874	-114	-134	-104	-106	-96	-134
DEVELOPING AREA	-102	-122	-116	-132	-110	-185	-344	-408	-405	-519	-574	-647
EAST. TRAD. AREA	-49	-74	-54	-62	-58	-65	-35	-70	-57	-56	-63	-87
AUSTRIA												
WORLD	-29	-86	-90	100	93	1	-197	-255	-296	-187	-189	-245
DEVELOPED AREA	-117	-162	-217	-134	-124	-130	-126	-170	-182	-87	-84	-135
DEVELOPING AREA	58	51	94	186	184	88	-71	-90	-112	-103	-106	-115
EAST. TRAD. AREA	30	25	33	48	34	44	-	4	-1	3	1	5
FINLAND												
WORLD	-253	-380	-417	-360	-340	-310	307	372	458	515	396	274
DEVELOPED AREA	-225	-321	-362	-330	-305	-259	271	372	408	324	286	229
DEVELOPING AREA	-24	-47	-55	-44	-55	-57	-28	-45	-69	-68	-81	-72
EAST. TRAD. AREA	-4	-12	-1	14	19	6	64	44	119	260	191	117
SWEDEN												
WORLD	-422	-534	-538	-385	-358	-313	-587	-807	-956	-834	-803	-685
DEVELOPED AREA	-312	-382	-371	-262	-243	-205	-310	-441	-507	-426	-399	-325
DEVELOPING AREA	-89	-120	-130	-91	-88	-81	-261	-345	-424	-389	-387	-343
EAST. TRAD. AREA	-22	-32	-37	-32	-27	-27	[illegible]	-21	-26	-19	-17	-17
SWITZERLAND												
WORLD	388	386	381	439	473	474	-646	-813	-966	-913	-952	-976
DEVELOPED AREA	290	303	313	361	397	405	-474	-671	-721	-648	-688	-715
DEVELOPING AREA	85	72	64	76	84	71	-154	-173	-227	-249	-252	-247
EAST. TRAD. AREA	13	12	4	3	-3	-2	-19	-19	-18	-16	-12	-15

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 4

TRADE IN TEXTILES OF SELECTED DEVELOPING MEMBERS OF THE MFA BY MAIN AREAS OF ORIGIN, 1978 TO 1983

MILLION DOLLARS

	EXPORTS 1978	1979	1980	1981	1982	1983	IMPORTS 1978	1979	1980	1981	1982	1983
ASEAN												
WORLD	612	840	899	860	857		1154	1471	1628	1721	1626	
DEVELOPED AREA	252	351	343	326	341		450	545	625	661	644	
DEVELOPING AREA	351	473	533	506	494		594	752	863	870	829	
EAST. TRAD. AREA	9	16	22	28	21		110	123	160	182	152	
BRAZIL												
WORLD	424	588	589	616	468		80	68	71	67	63	
DEVELOPED AREA	270	363	341	349	307		67	49	56	57	54	
DEVELOPING AREA	125	180	181	185	112		14	19	15	10	9	
EAST. TRAD. AREA	28	44	65	81	50		-	-	-	-	-	
HONG KONG												
WORLD	594	766	865	904	798	923	1754	2253	2835	3213	2791	2939
DEVELOPED AREA	343	420	413	476	354	385	650	770	942	955	866	930
DEVELOPING AREA	213	293	368	366	288	330	712	941	1174	1388	1097	1005
EAST. TRAD. AREA	28	53	84	112	155	208	393	543	720	870	827	1005
INDIA												
WORLD	528	678	769				49	54	69			
DEVELOPED AREA	332	452	472				42	40	52			
DEVELOPING AREA	143	156	175				5	8	12			
EAST. TRAD. AREA	53	69	123				1	5	5			
KOREA												
WORLD	1245	1511	1930	2194			388	425	391	465		
DEVELOPED AREA	566	717	720	771			349	372	345	395		
DEVELOPING AREA	676	789	1044	1234			38	50	40	53		
EAST. TRAD. AREA	2	5	6	-			-	3	1	-		
PAKISTAN												
WORLD	579	716	851	914	834	1165	95	161	159	171	157	151
DEVELOPED AREA	289	396	433	439	407	489	44	71	81	100	92	91
DEVELOPING AREA	246	264	355	405	368	608	47	86	73	64	61	56
EAST. TRAD. AREA	44	56	63	70	60	67	3	5	5	7	4	.3

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 5

TRADE IN CLOTHING OF SELECTED DEVELOPING MEMBERS OF THE MFA BY MAIN AREAS OF ORIGIN, 1978 TO 1983
MILLION DOLLARS

	EXPORTS 1978	1979	1980	1981	1982	1983	IMPORTS 1978	1979	1980	1981	1982	1983
ASEAN												
WORLD	682	937	1166	1365	1375		140	138	179	248	307	
DEVELOPED AREA	570	758	916	1075	1064		28	25	36	51	72	
DEVELOPING AREA	107	174	241	281	297		98	100	126	173	205	
EAST. TRAD. AREA	4	4	9	10	14		14	13	17	25	30	
BRAZIL												
WORLD	95	88	105	104	77		5	7	7	6	7	
DEVELOPED AREA	54	54	63	52	47		4	6	5	4	4	
DEVELOPING AREA	40	33	40	48	26		1	1	1	2	3	
EAST. TRAD. AREA	1	1	2	4	4		-	-	-	-	-	
HONG KONG												
WORLD	3126	3696	4341	4698	4452	4417	245	338	622	878	1004	1107
DEVELOPED AREA	2816	3367	3886	4153	4006	4052	90	110	135	152	171	167
DEVELOPING AREA	296	300	401	485	384	288	41	50	82	98	96	101
EAST. TRAD. AREA	15	29	54	60	62	77	114	178	405	627	737	838
INDIA												
WORLD	398	522	573				-	-	-			
DEVELOPED AREA	333	437	415				-	-	-			
DEVELOPING AREA	25	26	42				-	-	-			
EAST. TRAD. AREA	39	58	116				-	-	-			
KOREA												
WORLD	2165	2397	2511	3309			11	15	11	9		
DEVELOPED AREA	1980	2192	2152	2698			11	15	11	8		
DEVELOPING AREA	182	201	334	531			-	-	-	-		
EAST. TRAD. AREA	2	4	11	-			-	-	-	-		
PAKISTAN												
WORLD	41	61	82	119	126	201	-	-	-	-	-	1
DEVELOPED AREA	25	43	54	75	72	87	-	-	-	-	-	1
DEVELOPING AREA	9	6	11	22	31	91	-	-	-	-	-	-
EAST. TRAD. AREA	7	11	17	21	22	23	-	-	-	-	-	-

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 6

NET TRADE IN TEXTILES AND CLOTHING OF SELECTED DEVELOPING MEMBERS OF THE MFA BY MAIN AREAS OF ORIGIN AND DESTINATION, 1978 TO 1983
MILLION DOLLARS

	Textiles 1978	1979	1980	1981	1982	1983	Clothing 1978	1979	1980	1981	1982	1983
ASEAN												
WORLD	-543	-580	-729	-861	-769		542	799	988	1117	1068	
DEVELOPED AREA	-199	-194	-281	-335	-303		542	733	881	1024	992	
DEVELOPING AREA	-243	-279	-309	-373	-335		9	75	115	108	92	
EAST. TRAD. AREA	-101	-108	-139	-154	-131		-10	-9	-8	-15	-17	
BRAZIL												
WORLD	343	520	517	549	405		90	80	99	99	70	
DEVELOPED AREA	204	315	285	292	252		50	48	58	48	43	
DEVELOPING AREA	112	162	166	176	103		39	32	38	47	24	
EAST. TRAD. AREA	28	44	65	81	50		1	1	2	4	4	
HONG KONG												
WORLD	-1169	-1487	-1970	-2309	-1993	-2016	2881	3358	3719	3820	3448	3310
DEVELOPED AREA	-307	-350	-529	-529	-512	-545	2726	3257	3751	4000	3835	3885
DEVELOPING AREA	-498	-647	-806	-1022	-809	-675	255	250	319	387	287	187
EAST. TRAD. AREA	-364	-490	-635	-758	-672	-797	-99	-149	-351	-567	-674	-762
INDIA												
WORLD	479	624	700				398	522	573			
DEVELOPED AREA	290	412	420				333	437	415			
DEVELOPING AREA	138	148	162				25	26	42			
EAST. TRAD. AREA	52	64	118				39	58	116			
KOREA												
WORLD	856	1086	1539	1729			2153	2392	2500	3300		
DEVELOPED AREA	217	346	375	376			1969	2177	2142	2689		
DEVELOPING AREA	638	738	1005	1182			182	201	334	531		
EAST. TRAD. AREA	2	2	5	-			2	4	11	-		
PAKISTAN												
WORLD	485	555	692	744	677	1014	41	61	81	117	125	200
DEVELOPED AREA	245	325	352	339	315	398	25	43	53	75	72	86
DEVELOPING AREA	198	178	282	341	307	552	9	6	11	22	31	91
EAST. TRAD. AREA	41	52	58	64	55	64	7	11	17	21	22	23

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 7

SHARE OF TEXTILES AND CLOTHING IN TOTAL MERCHANDISE TRADE OF THE MEMBERS OF THE MFA, 1978 TO 1983

(PERCENT)

		TEXTILES						CLOTHING					
		1978	1979	1980	1981	1982	1983	1978	1979	1980	1981	1982	1983
E.C.	EXP	3.20	3.16	3.02	2.94	2.87	2.91	1.50	1.55	1.50	1.55	1.60	1.66
	IMP	3.14	3.33	3.08	2.91	2.90	2.92	3.25	3.45	3.44	3.72	3.70	3.60
U.S.A.	EXP	1.54	1.77	1.65	1.55	1.32	1.17	.46	.49	.50	.50	.42	.40
	IMP	1.40	1.23	1.23	1.38	1.31	1.35	3.78	3.51	3.62	3.84	4.18	4.43
JAPAN	EXP	3.82	3.77	3.84	3.74	3.55	3.49	.47	.32	.37	.37	.38	.44
	IMP	2.00	2.08	1.51	1.56	1.66	1.49	2.00	2.13	1.61	1.82	1.92	1.57
CANADA	EXP	.36	.39	.43	.42	.38	.34	.12	.12	.14	.15	.16	.13
	IMP	2.71	2.69	2.38	2.36	2.19	2.34	1.41	1.37	1.24	1.34	1.56	1.65
AUSTRIA	EXP	6.35	5.91	5.94	6.66	6.40	5.69	3.08	3.09	3.20	3.22	3.27	3.23
	IMP	5.38	5.42	5.22	5.20	5.23	5.00	3.84	3.98	3.96	3.80	4.03	4.25
FINLAND	EXP	1.35	1.33	1.38	1.22	1.26	1.20	4.77	4.73	4.64	5.19	4.65	3.85
	IMP	5.65	5.96	5.16	4.95	4.83	4.57	1.41	1.64	1.70	1.71	1.85	1.84
SWEDEN	EXP	1.24	1.23	1.31	1.27	1.25	1.25	.93	.89	.92	.86	.78	.76
	IMP	3.96	3.82	3.60	3.34	3.19	3.11	4.53	4.63	4.78	4.87	4.74	4.31
SWITZERLAND	EXP	5.01	5.16	5.04	5.08	5.19	5.21	1.13	1.10	1.12	1.09	1.06	1.03
	IMP	3.59	3.74	3.41	3.39	3.36	3.25	4.15	4.24	4.01	4.44	4.80	4.78
HUNGARY	EXP	3.16	2.73	2.99	2.89	2.79		4.69	4.43	4.14	3.87	3.81	
	IMP	3.39	2.98	3.39	3.86	3.56		1.23	1.11	1.26	1.53	1.69	
CZECHOSLOVAK	EXP	2.80	2.98	2.67	2.77	3.24		2.71	2.78	2.68	2.54	2.85	
	IMP	1.12	1.08	.82	1.02	1.15		1.35	1.30	1.01	1.01	.97	
POLAND	EXP			3.05	2.98					4.31	3.89		
	IMP			1.98	1.39					1.02	.50		
TURKEY	EXP	11.50	14.22	11.91	12.38	14.16		2.01	2.48	2.85	5.08	5.35	
	IMP	1.19	1.04	1.75	1.29	1.90		.01					
YUGOSLAVIA	EXP	3.89	4.02	4.13	4.82	4.42		3.71	3.30	3.96	5.17	4.93	
	IMP	2.74	2.55	2.57	2.72	2.70		.29	.25	.18	.17	.17	
ISRAEL	EXP	2.17	2.73	3.55	2.19	1.99		3.41	4.02	4.28	3.51	3.94	
	IMP	2.34	2.66	2.69	3.04	3.17		.33	.35	.22	.34	.54	
EGYPT	EXP	25.76	24.26	23.73	18.35	16.14		2.81	1.79	1.50	1.72	1.24	
	IMP	1.07	1.06	.86	1.16	1.17		.27	.14	.05	.13	.13	
BANGLADESH	EXP	.27	.27	.73	1.35	.92				.23	.71	1.74	
	IMP	6.67	4.29	5.10	6.20	4.56		.01	.02	.01	.01	.01	
INDIA	EXP	8.59	9.71	10.28				6.46	7.48	7.66			
	IMP	.88	.87	.90									
PAKISTAN	EXP	41.34	37.72	35.39	35.74	37.73	3.77	7.95	3.21	3.39	4.60	5.68	6.69
	IMP	3.68	4.76	4.05	4.36	4.30	3.90	.02	.01		.01	.01	.02

APPENDIX TABLE 7 (cont'd)

SHARE OF TEXTILES AND CLOTHING IN TOTAL MERCHANDISE TRADE OF THE MEMBERS OF THE MFA, 1978 TO 1983

(PERCENT)

		TEXTILES						CLOTHING					
		1978	1979	1980	1981	1982	1983	1978	1979	1980	1981	1982	1983
SRI LANKA	EXP	.07	.16	.19	.45	.35		3.83	8.02	12.35	17.42	19.09	
	IMP	7.06	10.49	8.27	10.93	11.13		.02	.06	.08	.21	.27	
HONG KONG	EXP	6.73	6.86	6.32	6.32	5.84	6.47	36.00	33.12	31.75	32.83	32.58	30.97
	IMP	13.70	13.92	13.59	14.11	12.85	12.99	1.91	2.09	2.58	3.66	4.62	4.89
KOREA	EXP	9.86	10.12	11.08	10.42			17.15	16.05	14.42	15.72		
	IMP	3.07	2.52	2.43	2.43			.09	.09	.07	.05		
MACAU	EXP	4.54	5.77	7.87	17.64			82.29	80.43	77.75	61.51		
	IMP	19.76	30.91	27.53	45.13			1.50	1.60	1.87	2.51		
SINGAPORE	EXP	3.51	3.21	2.43	2.16	2.19	2.33	4.01	3.40	2.50	3.04	3.02	2.59
	IMP	6.04	5.59	4.78	4.66	4.48	4.76	1.08	.80	.61	1.08	1.36	1.48
MALAYSIA	EXP	1.44	1.28	1.83	1.70	1.76		1.26	1.16	1.28	1.50	1.66	
	IMP	3.33	3.32	3.17	2.99	2.60		.46	.37	.36	.39	.39	
THAILAND	EXP	5.61	5.42	4.12	4.20	4.25		3.36	3.47	3.84	4.84	5.28	
	IMP	2.68	2.34	2.53	2.85	3.16		.06	.03	.03	.04	.07	
INDONESIA	EXP	.08	.66	.42	.40	.52		.35	.98	1.08	1.20	1.69	
	IMP	2.89	3.19	2.22	1.93	1.32		.07	.04	.03	.06	.02	
PHILIPPINES	EXP	1.11	1.06	1.17	1.10	.98		4.83	4.76	4.65	6.05	6.03	
	IMP	2.24	2.33	2.50	2.73	2.48		.04	.05	.04	.05	.06	
ARGENTINA	EXP	1.41	.72	.92	.73	1.03		.51	.42	.38	.08	.07	
	IMP	.48	1.60	2.08	2.10	1.32		.12	.58	1.55	1.84	.52	
BRAZIL	EXP	3.40	3.91	2.97	2.78	2.50		.76	.58	.53	.47	.41	
	IMP	.77	.53	.48	.54	.61		.05	.06	.04	.05	.07	
COLOMBIA	EXP	3.15	3.58	3.46	3.66	2.97		1.94	3.14	2.84	3.65	4.09	
	IMP	1.17	1.41	1.39	1.23	1.05		.26	.46	.35	.40	.27	
PERU	EXP	3.89	4.62	5.80	8.32	5.63		.19	1.84	1.51	2.55	5.08	
	IMP	.40	.54	.76	.81	1.00		.01	.01	.05	.15	.21	
URUGUAY	EXP	11.38	11.23	12.33	11.65			3.97	4.84	4.11	3.85		
	IMP	1.49	1.73	2.02	2.31			.03	.11	.34	.61		
EL SALVADOR	EXP	8.19	5.28	7.98	8.49	8.87		3.55	2.55	4.40	4.42	5.17	
	IMP	3.43	4.64	5.85	3.97	3.30		1.28	1.42	2.41	1.46	1.09	
GUATEMALA	EXP	2.86	3.88	3.95	4.09			1.22	1.22	1.16	.76		
	IMP	3.44	3.15	2.44	3.08			1.81	1.56	1.41	1.74		
HAITI	EXP	2.20	3.28					4.20	6.40				
	IMP	6.57	6.20					1.45	1.42				
JAMAICA	EXP	.10	.34	.13	.20	.07		.51	.66	.76	.78	2.66	
	IMP	7.32	6.08	4.79	4.80	4.59		.75	.80	.77	.59	.51	

Source: UN COMTRADE Data Bank.

APPENDIX TABLE 8. - COTTON PRODUCING DEVELOPING MEMBER EXPORTERS SHARE OF COTTON YARNS AND FABRICS IN EXPORTS OF MFA YARNS AND FABRICS, 1978-1983

(Percentages)

	1978	1979	1980	1981	1982	1983
Brazil	72.1	74.3	76.2	71.7	78.5	...
Colombia	91.5	95.1	94.8	94.4	90.2	...
Egypt	99.7	100.0	100.0	99.0	100.0	...
India	85.6	87.4	88.6	...	...	...
Pakistan	97.6	98.2	87.4	86.3	98.2	82.9
Peru	83.6	77.2	77.2	79.8	85.9	...
Turkey	93.5	92.2	87.9	81.4	71.6	...

Source: UN COMTRADE Data Bank.