

# US Reduces Garment Imports From China, Benefiting Other Asian Nations

Trade wars and China's human rights violations mainly contribute to the slump, with experts watching how Trump's new tenure will impact it further.

↪ 3

💬 4

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Workers produce garments at a textile factory that supplies clothes to fast fashion e-commerce company Shein



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Beijing's lead in apparel exports to the United States has been reduced in favor of other Asian nations, with reports and experts attributing the decline to a number of factors, including human rights abuses and the U.S.-China trade war.



China, the largest exporter of apparel to the United States, lost 16.4 percent of its share of the market from 2013 to 2023, while other exporters's shares increased, particularly countries like Vietnam, Bangladesh, India, and Cambodia, according to a recent [report](#) by the United States International Trade Commission (USITC).

The report, published in September, found the decrease in the Chinese share of the market happened due to several reasons, the most important being tariffs imposed by Washington and China's human rights violations against Uyghurs in forced labor camps in Xinjiang.

Experts have predicted President-elect Donald Trump's second term will further impact the U.S. market not only for big exporters and geopolitical adversaries like China but also for smaller countries.

In his first term, Trump slapped tariffs on hundreds of billions of dollars worth of Chinese goods in response to Beijing's unfair trade practices. This led to a significant drop in China's share of U.S. imports starting in 2018.

The tariff war and trade tensions were so impactful that many U.S. firms at least partially moved away from China, according to the USITC report.

Human rights concerns in the Xinjiang region also pushed Congress to pass the Uyghur Forced Labor Prevention Act in 2022, which

prohibited importing goods produced wholly or in part with Uyghur forced labor, according to the report.

Priyajit Debsarkar, a British-based author and geopolitical analyst, told The Epoch Times that the pandemic also contributed to the decrease in Chinese garment exports to the U.S., and he agreed with the report's findings that China's negative track record on human rights further convinced the U.S. market to look for exporters that hold compliance with its standards.

“I think there is an underpinning cause of violence and exploitation of the East Turkmenistan or the Uyghur region in China, and there's forced labor. So those have contributed to this drop, definitely,” Debsarkar said.

The USITC report found rising wages inside China also made products more expensive and contributed to fewer exports to the United States. Especially between 2016 and 2018, U.S. importers increasingly became aware of the importance of sourcing products outside of China, the commission said.



A worker wearing a face mask while working at the Maxport factory, which makes activewear for various clothing brands, in Hanoi, Vietnam, on Sept. 21, 2021. Nhac Nguyen/AFP via Getty Images

# Other Asian Nations Make Gains

The United States, the largest single-country apparel importer in the world with total imports of \$79.3 billion in 2023, increased imports from South Asia and Southeast Asia between 2013 and 2023.

While China's share dropped from 37.7 percent to 21.3 percent, Vietnam, the second-largest supplier during the same period, witnessed its imports increase from 10 percent to 17.8 percent, according to the USITC report.

The apparel industry continues to expand in the Southeast Asian nation this year.

Vietnam National Textile and Garment Group (Vinatex) [reported](#) a 7 percent increase in its overall textile export value in the first nine months of 2024, meeting 73.6 percent of its annual production goals in the first three quarters alone. The company expects Christmas and New Year orders to fuel further growth by year's end.

According to a 2023 [paper](#) published in the Dublin-based Centre for Economics, Policy and History, Vietnam gained the most from the U.S.-China trade war. While China's share of overall exports to the U.S. decreased from 20 percent to 17.5 percent between 2018 and 2019, the share of Vietnamese exports increased from 21.5 percent to 26 percent.

Vietnam and China "share similar comparative advantages in specific industries, such as textiles and clothing, and machinery and electronics," the paper said. "This suggests that Vietnam is a good candidate for a second-best source country for U.S. imports, as tariff hikes increase the cost of importing from China."

Other countries that profited from the Chinese plunge include Bangladesh, which gained the most in the garment industry to capture 9 percent of U.S. imports in 2023. India had 6 percent of the market, Indonesia 5 percent, Cambodia 4 percent, and Pakistan 3 percent, per the USITC report.

Debsarkar, who has special expertise in Bangladesh affairs, said that Bangladesh has been able to benefit most from the Chinese export slump because it has a huge pool of labor, both skilled and unskilled, for the RMG (ready-made garment) industry.

“Another key driving force is that a lot of the establishments in Bangladesh and the units, the factories, they are compliant with Western regulation, be it the European or UK or North America or Australia or New Zealand,” he said.

Many of the countries that gained from China’s loss, including Bangladesh, have focused on improving their industry infrastructure in the last decade or more to make it compliant, according to Debsarkar.



Garment employees work in a sewing section of the Fakhruddin Textile Mills Limited in Gazipur, Bangladesh, on Feb. 7, 2021. Mohammad Ponir Hossain/Reuters

## Trump’s Second Term

Since the trade war between the United States and China during Trump’s first tenure significantly impacted the textile exports to the United States, industry experts and geopolitical analysts are closely

watching how the president-elect's incoming tariff policies against China and other nations will impact the global market.

During his campaign, Trump **threatened** to impose up to 60 percent tariffs on all Chinese imports and at least 10 percent universal tariffs. Last month, he **vowed** to add another 10 percent tariff on Chinese goods, citing Beijing's lack of response to address fentanyl trafficking.

Debsarkar said while the pandemic didn't impact the Bangladesh textile industry, the new Trump administration could do so.

"The challenge is that, since the American election, President Trump has announced that he's going to impose a blanket import duty tariff. Of course, China is the primary target. But he's also said that he's going to include other countries," said Debsarkar, adding that it remains to be seen how South Asian and Southeast Asian countries will be impacted.

Sayedad Hossain, director of the National Institute of Strategic Strategies, a Bangladesh-based think tank, told The Epoch Times that Bangladesh is preparing to face the potential trade challenges likely to arise due to new U.S. tariffs.

"While such measures could disrupt global trade, Bangladesh views this situation as an opportunity to deepen its trade ties with the US and gain competitive advantages in specific sectors, particularly ready-made garments," Hossain said in an email.

According to Hossain, historically Trump's trade policies have been focused on bilateral trade deals in contrast with Democrats' preferences for multilateral trade negotiations. Bangladesh, he said, can leverage this situation by proposing a reciprocal trade agreement to secure tariff-free access for its goods in the U.S. market.

This could include offering zero-tariff access to U.S. goods in return, which would be workable because U.S. products are expensive and would be unlikely to flood the Bangladeshi market, he said. Another measure could involve expanding the market share for Bangladeshi products in the U.S. market.

“Securing tariff-free or reduced-tariff access could significantly enhance the competitiveness of Bangladeshi exports, particularly in ready-made garments, which currently faces an average 15.70% tariff in the US,” he said.

For Vietnam, Trump’s tariff plans could present a “mixed bag,” according to a Nov. 7 [note](#) by research company BMI, part of Fitch Solutions.

“Vietnam could become an alternative exporter for some products such as textiles, but also face risks from China shifting its exports of some products such as steel to Vietnam, worsening its trade deficit with China,” it said.

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