

Exploring the Viability of Apparel Exportism in Post Crisis Capitalism: The Case of Kenya

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ABSTRACT

This paper is about the viability of the apparel industry as a launching rack for industrialisation in Kenya, as a low income country, in the light of the post-crisis scenario. It analyses six areas relevant to the topic: volume of apparel exports, role of preferential trade agreements, role of Export Processing Zones (EPZs) apparel firms in exportism, role of apparel firms in manufacturing and national economy, EPZ firms' insertion into the Global Value Chain (GVC) and EPZ firm ownership. The paper adopted a mixed research design: it combined secondary analysis and longitudinal analysis. The overarching research strategy used in the research was inductive analysis. The paper employed triangulation in the sense that it combined quantitative and qualitative methods of data collection and analysis, adopted content analysis of original documents, focused interviews for two purposively sampled informants and informal observation as methods for collecting primary data. Primary data was combined with some secondary data. The paper finds that Kenya's apparel industry is small by global standards, but scores positively and significantly well in the first four fronts within a Sub-Saharan context. It also shows that the firms are inserted into the GVC in a 'captive' way and firms are owned almost entirely by foreigners. It concludes that the Government of Kenya will need to address the challenges surrounding these issues if the apparel industry is to be a viable catalyst to unleash other light manufacturing industries key to Kenya's road to becoming a middle income country by 2030.

Key Words: Apparel, preferences, manufacturing, global value chain