

SYSTEMIC

Your Clothing Donations Are Keeping Africa Poor

Full Narration — Version 2 — AI Voice Script

Every year, the Western world donates billions of pieces of clothing to Africa.

It feels good. It looks good.

Charity organisations celebrate it. Celebrities endorse it.

There's just one problem.

It might be one of the most economically destructive forces on the continent.

But not for the reasons you think.

To understand what is really going on, you first need to understand something about how countries get rich.

Not in theory. In practice. In history.

Because when you look at the actual record — not the textbooks, not the press releases — a pattern emerges so consistent, so universal, that it is almost impossible to ignore.

Every wealthy nation you can name went through the same phase.

A phase where a single, humble industry — the making of clothes — became the engine that pulled an entire country out of poverty.

Textiles first. Industry second. Prosperity third.

This is not a coincidence. It is a mechanism. And once you understand how it works, everything else in this video will make sense.

So why textiles? Why is it always clothes?

Because clothing manufacturing sits at a very specific and very useful intersection of economic conditions.

It requires low starting capital. You do not need to build a steel plant or a semiconductor fab to get started. You need machines, space, and people.

It is labour intensive. Which means it can absorb enormous numbers of workers — many of them women, many of them from rural areas with no prior industrial experience — very quickly.

It generates export revenue almost immediately. Unlike agriculture, which depends on seasons and weather, a garment factory can be producing for international markets within months of opening.

And crucially — it teaches.

The discipline of showing up to a factory at a fixed time. The logistics of managing a supply chain. The quality control of producing a consistent product. The engineering of maintaining and eventually improving machinery.

These are not skills specific to making T-shirts. They are the foundational skills of an industrial economy.

A country that learns to make clothes at scale is quietly building the human infrastructure it will need to make everything else.

There is another dimension to this that is rarely discussed.

Textile manufacturing does not just create jobs. It creates cities.

When a factory opens in a rural area, workers move towards it. Those workers need housing. Housing needs construction. Construction needs materials. Materials need transport. Transport needs roads. Roads attract more businesses.

This is urbanisation. And urbanisation is the precondition for almost everything that follows in economic development — a larger tax base, better infrastructure, more efficient delivery of education and healthcare, and the density of population that allows specialised industries to emerge.

Economists call this agglomeration. The idea that economic activity clusters, and that clusters are more productive than dispersed activity.

Textiles start the cluster.

Britain understood this instinctively in the eighteenth century. The mill towns of Lancashire and Yorkshire were not accidents. They were the nucleus around which an entire industrial civilisation formed.

The same pattern repeated in New England in the nineteenth century, where the textile mills of Lowell and Lawrence became the foundation of American industrial manufacturing.

Japan's Meiji government understood it so clearly that when it needed to demonstrate industrial capability to its own people in the 1870s, it built a model silk filature — a textile factory — as a national showcase.

And in the twentieth century, the pattern repeated again. South Korea. Taiwan. Hong Kong. Singapore. Bangladesh.

Every single one of them started with textiles.

South Korea in 1960 had a GDP per capita of fifty five dollars. Lower than Ghana. Lower than most of sub-Saharan Africa. Within two decades of building a protected textile industry, it was exporting electronics. Within three, it was building ships. Today it designs semiconductors.

Bangladesh began exporting garments seriously in the early 1980s. Today the sector employs four million people — the majority of them women who had never previously participated in the formal economy — and accounts for eighty percent of the country's export revenue.

Taiwan used textile profits to fund the technology companies that would eventually make it one of the most strategically important economies on earth.

The pattern is not a theory. It is the empirical record of how industrialisation actually happens.

But here is the part that matters most for this video.

None of these industrialisations happened through free trade.

Every single one of them required, at the critical early stage, protection.

Britain taxed imported cloth at rates that would be considered extreme by modern standards. The United States, throughout the nineteenth century, maintained average tariffs on manufactured goods of between forty and fifty five percent. Japan used a combination of state-owned model factories, subsidised credit, and diplomatic protection of its markets. South Korea directed state banks to lend cheaply to textile exporters and used tariffs to prevent foreign clothing from undercutting domestic production at home.

In 1841, a German economist named Friedrich List gave this observation its clearest articulation.

He said: "It is a very common clever device — that when anyone has attained the summit of greatness, he kicks away the ladder by which he has climbed up, in order to deprive others of the means of climbing up after him."

He was writing about Britain specifically. Which had industrialised behind tariff walls, achieved global dominance, and then began preaching the virtues of free trade to everyone else.

One hundred and sixty years later, Cambridge economist Ha-Joon Chang documented the same pattern systematically across every major industrialisation in modern history and published it under the title List had effectively already written for him.

Kicking Away the Ladder.

Chang's argument was devastating in its simplicity.

The countries that today insist developing nations open their markets and abandon industrial policy are the exact same countries that built their industrial base behind closed markets and aggressive industrial policy.

They climbed the ladder. Then they kicked it away. And then they told everyone below them that ladders were bad economics.

Now. Let's talk about what this has to do with the bag of clothes you donated last month.

When you drop clothing at a charity bin, the charity sells what it can in its own shops. The rest — and there is always far more than it can sell — gets bundled into large compressed bales and sold to commercial brokers.

Those brokers sell them on to traders in the developing world.

Africa receives approximately one third of all secondhand clothing traded globally. One third of the entire planet's discarded wardrobe, concentrated on one continent.

In Ghana alone, fifteen million garments arrive every single week at Kantamanto Market in Accra — the largest secondhand clothing market in the world. Ghana imported over two hundred and fourteen million dollars worth of used clothing in a single year.

These clothes — already paid for, subsidised by the infrastructure of Western charity, arriving in bulk at negligible cost — then compete directly in African markets with locally produced garments.

And they compete at a price that no local manufacturer can match. Because the local manufacturer has to pay for fabric. For labour. For electricity. For rent. For machinery.

The donated T-shirt has already been paid for by a well-meaning person in Manchester or Minneapolis who thought they were doing good.

The economic effect is the same as if a foreign government were directly subsidising imports into your market to undercut your domestic industry.

In trade economics, that is called dumping. And it is illegal under WTO rules when a government does it deliberately.

When it happens through charity, it is called generosity.

The consequences of this are not abstract. Let's look at Nigeria.

In the 1970s and early 1980s, Nigeria had one of the most promising textile industries on the African continent.

Over one hundred and seventy five mills in operation. More than four hundred and fifty thousand people employed directly in textile manufacturing. Millions more in the cotton farming supply chain that fed those mills.

Cities like Kaduna and Kano in northern Nigeria were genuine industrial centres. Workers were earning wages, learning skills, building lives in the formal economy.

This was the beginning of exactly the pattern we described. Textiles first. Urbanisation. The foundation of something larger.

Then in 1986, under pressure from the IMF, Nigeria entered a Structural Adjustment Programme.

The conditions were standard. Reduce tariffs. Open the market. Remove protections. Let the private sector and global competition decide.

The naira was floated. Its value collapsed almost immediately. Factories that had borrowed in foreign currency suddenly found themselves owing multiples of what they had originally borrowed.

Import tariffs came down. Cheap foreign clothing flooded in — first from Asia, then increasingly from the West's charity and secondhand pipeline.

The Nigerian textile industry did not adapt. It collapsed.

Not because Nigerian workers were incapable. Not because the factories were badly run. But because they were suddenly expected to compete — without any of the protection every successful textile industry in history had required — against the accumulated industrial advantages of countries that had spent a century building exactly that head start.

Today, fewer than twenty thousand people work in Nigerian textiles.

From four hundred and fifty thousand... to twenty thousand. In a single generation.

Sixty four percent of registered textile companies disappeared between 1994 and 2005 alone.

The mills of Kaduna — which might have been the foundation of a Nigerian industrial revolution — are largely abandoned.

The ladder was never climbed. It was kicked away before Nigeria got a foot on the first rung.

Now here is where this story gets particularly revealing.

In 2016, a group of African governments decided they had had enough.

The East African Community — comprising Kenya, Tanzania, Uganda, Rwanda, and Burundi — made a collective decision to phase out used clothing imports entirely by 2019.

The reasoning was straightforward. These countries had cotton. They had labour. They had the conditions to build textile industries that could employ millions and begin the industrialisation journey that had transformed Korea, Bangladesh, and Taiwan.

But they could not do that while being flooded with free Western clothing that no local manufacturer could compete against.

So they decided to stop the flood.

Rwanda went furthest. It raised import tariffs on used clothing by over eleven hundred percent. From twenty cents per kilogram to two dollars fifty, eventually to four dollars per kilogram.

President Kagame was direct about what he was trying to do.

He said: "We have to grow and establish our industries. This is the choice we find we have to make. We might suffer consequences."

He was right about the consequences.

Within months of the EAC announcing its phase-out, a Washington DC lobbying organisation called the Secondary Materials and Recycled Textiles Association — SMART — filed a formal petition with the United States Trade Representative.

SMART represents American used clothing exporters. Their business depends on being able to sell America's secondhand clothing into developing markets.

Their argument was that the EAC ban violated the conditions of AGOA — the African Growth and Opportunity Act.

AGOA is the trade agreement through which the United States grants African countries duty-free access to American markets. It is presented as an act of American generosity toward Africa.

But buried in its conditions is a requirement that beneficiary countries must make progress toward, among other things, eliminating barriers to American trade.

SMART argued that Rwanda and its neighbours trying to protect their own textile industries constituted such a barrier.

Let that sit for a moment.

African countries attempting to use the same industrial policy tools that the United States itself used to build its own textile industry in the nineteenth century were being told this violated the terms of America's generosity toward them.

The total value of American used clothing exports to the entire East African Community at the time of this petition was less than thirty million dollars.

Thirty million dollars.

The United States economy is twenty five trillion dollars.

This was not about the money. The American used clothing lobby was not facing economic ruin. Thirty million dollars is a rounding error in the context of American trade.

This was about precedent. If Rwanda successfully protected its textile industry, other African countries would follow. The model would spread. And the secondhand clothing pipeline — which depends on having somewhere to send the West's unwanted clothes — would be threatened.

The pressure campaign worked almost immediately.

Kenya had the most to lose. It exported hundreds of millions of dollars of goods to America under AGOA — from foreign-owned factories that depended entirely on that market access. The threat of losing AGOA eligibility was existential for those businesses.

Kenya withdrew from the phase-out in May 2017.

Uganda followed. Tanzania followed.

Rwanda did not.

Kagame held. And in March 2018, the Trump administration formally suspended Rwanda's AGOA apparel benefits.

A country of twelve million people — with total apparel exports to the United States of approximately one and a half million dollars — was economically sanctioned by the world's largest economy.

For trying to build a T-shirt industry.

Kagame's response was characteristically direct.

He said: "We are put in a situation where we have to choose. You choose to be a recipient of used clothes with a threat hanging over you. Or you choose to grow your textile industries, which Rwandans deserve."

And then, during the official USTR review process in 2017, something else emerged.

Researchers interviewing East African Community officials documented that the World Bank — the institution whose stated mission is the reduction of global poverty — had, in their words, emerged from the woodwork to lobby against the ban.

The World Bank. Lobbying against a developing country's attempt to protect its own industry.

Lobbying, in effect, to keep the ladder out of reach.

Britain industrialised behind tariff walls and then told the world free trade was the only path.

The United States built its entire manufacturing base under protectionism and then wrote the rules of a global trading system that prohibits the same.

The IMF prescribed open markets to countries that could least afford the consequences.

And when a small landlocked country in East Africa tried to climb the first rung of the ladder that every wealthy nation in history has used...

A lobbying group with thirty million dollars at stake got it sanctioned.

The ladder exists.

Every wealthy country in the world used it.

And there are forces — institutional, political, and commercial — with a strong interest in making sure it stays out of reach.

Your donated clothes are part of that system.

Not because you are cruel.

Because the system is.