US Tariff Hikes Disrupt Global Textile and Apparel Trade | Textile Magazine, Textile News, Apparel News, Fashion News

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The recent unilateral move by the U.S. administration to significantly raise tariffs on imported goods is shaking the foundations of the global trading system, traditionally upheld by multilateral, regional, and bilateral agreements like those of the WTO and FTAs.

K. V. Srinivasan, President of the International Textile Manufacturers Federation (ITMF), warned that these aggressive tariff increases will greatly affect U.S. textile and apparel imports. Currently, 95% of apparel sold in the U.S. is imported—primarily from China (30%), Vietnam (13%), India (8%), Bangladesh (6%), and Indonesia (5.5%). These suppliers, previously subject to 11-12% tariffs, are now facing steep hikes ranging from 38% to 65%.

In light of the new tariffs, U.S. importers are exploring alternate sourcing options in countries with lower duties. However, these alternatives often involve higher production costs and may lack the needed capacity or product variety.

Shifting manufacturing back to the U.S. is also problematic due to high labor costs and a shortage of skilled workers. Moreover, many fabrics still need to be imported—now at inflated rates—further increasing production expenses. Whether through overseas imports or local production, higher prices seem inevitable, further fueling inflation.

Mr. Srinivasan stressed that unilateral trade decisions disrupt supply chains and heighten global market uncertainty. He urged for cooperative international trade strategies through dialogue and policy coordination instead of sweeping tariff hikes.