### Globalization and Local Dilemmas: Field Survey and Research on Second-hand Clothing in Margalla Bazaar, Islamabad

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#### **ABSTRACT**

In the past forty years, the continuous deepening of capital globalization has enabled second-hand clothing to break through the limitations of time and space and become an important component of global trade. Due to the shortage of daily necessities in developing countries and the surplus of materials in developed countries, coupled with the historical colonial influence, the cross regional flow of second-hand clothing has been achieved and expanded globally. As an economically impoverished country lacking a sound trading system, Pakistan has long been involved in this global trading system. This article takes the perspective of global history and cosmopolitanism, and focuses on the second-hand clothing from Europe and America in the Margalla Bazaar in Islamabad as the research object. Using world system theory and attachment theory, it explores the global operational logic and its impact on local economy and culture. By analyzing the background of second-hand clothing circulation, people can understand its impact on the lifestyle and cultural concepts of the people in Islamabad and its surrounding areas, reveal the economic and cultural changes brought about by globalization, and provide new references for people to understand the world.

**Keywords:** Islamabad, Margalla Bazaar, Second-hand clothing, Field research, Globalization and local dilemmas.

### 1. INTRODUCTION

The market for selling second-hand clothing at low prices worldwide is widely known as a flea market. These markets can be organized in various forms, including daily, weekly, monthly, semiannual, or annual regular markets. The operators of flea markets include families who wish to sell their old items, individuals who purchase second-hand items from other markets and resell them, and staff specifically responsible for managing the stalls. These markets have different names around the world: they are called "tiangge" in the Philippines, "trash and treasure market" in Australia, "car boot sale" in the UK, "chagua", "mitumba" or "salaula" in Africa, "shrukawadi bazar" or "gurjari" in India, and "landa" bazar in Pakistan. In recent years, with the deepening of economic globalization, the trade volume of the second-hand market has significantly increased globally, especially in economically underdeveloped regions such as South Asia. The export of second-hand clothing from developed countries has become a part of the global environmental protection industry, further promoting the high integration of markets around the world and quietly changing people's lifestyles and cultural concepts.

The main export sources of the global secondhand clothing market come from developed Western countries such as the United Kingdom, the United States, and Canada, with the United States being the world's largest exporter of second-hand clothing trade. <sup>1</sup> Although the growth of secondhand clothing trade has attracted some attention, related research is still relatively limited. This article takes the H-9 Margalla Bazaar in Islamabad, the capital of Pakistan in South Asia, as the research object from a globalist perspective, aiming

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<sup>1.</sup> Jinhee Han, Understanding second-hand retailing: A resource based perspective of best practices leading to business success. Iowa State University, 2013.

to fill the academic gap in this field. Through indepth interviews with market managers, shop owners, store clerks, consumers, individuals in the surrounding areas, combined with the theory of the world system,<sup>2</sup> this article explores the global operational logic of the second-hand clothing market and its profound impact on local economy and culture. Margalla Bazaar is located in the H-9 district of Islamabad and is one of the main markets managed by the Directorate of Municipal (DMA) Administration under the Development Authority (CDA). It is open three days a week (Tuesdays, Fridays, and Sundays) and has a large area and high passenger flow. In this market, about one-fifth of the area is dedicated to selling various types of second-hand clothing (Landa Section), with a wide variety of products and affordable prices, meeting the daily needs of Islamabad and surrounding residents.

The author conducted an 11 month field survey of Margalla Bazaar from May to September 2023 and from February to June 2024, conducting indepth interviews with over 100 shop owners and more than ten management personnel, and collecting a large amount of oral and archival materials. These materials provide a valuable foundation for understanding the consumption history and lifestyle of Islamabad residents, as well as new perspectives for studying economic and cultural interactions in the context of globalization. Through this study, this article not only reveals the role of the second-hand clothing market in the global economic system, but also explores its economic and cultural impacts at the local level, providing important insights for people to understand the local difficulties and cultural fission in the process of globalization.

## 2. THE ORIGIN OF SECOND-HAND CLOTHING IN MARGALLA BAZAAR, ISLAMABAD

## 2.1 Establishment of Legitimacy for Global Circulation of Second-hand Clothing

The market circulation of second-hand clothing has a long history. As early as the 13th century, second-hand clothing began to appear in guild markets or black markets in cities such as Venice. With the advancement of the Industrial Revolution, the sharp increase in poverty led to the gradual expansion of the second-hand clothing market, becoming an important way for people to obtain high-quality clothing at low prices.<sup>3</sup> In the early 17th century, second-hand clothing in Europe and the United States was mainly donated for charitable purposes, through some old item recycling or charitable organizations for free transfer. By the second half of the 19th century, the exchange of second-hand clothing had become quite common in Western cities. However, the role of charitable organizations has gradually been commercialized, with originally well intentioned donated items being resold to large multinational traders, who then resell them to economically underdeveloped third world countries to meet the needs of these regions' material shortages and insufficient consumer purchasing power.

In the mid-19th century, during the post industrial revolution period, the second-hand clothing trade began to form a relatively independent market and was protected by national policies.<sup>4</sup>

The First World War marked the beginning of an era in which the United States, Britain, and Europe began to raise national development funds through the exchange of second-hand goods, while the Second World War significantly promoted the expansion of the function and scope of second-hand clothing exchange, leading to the establishment of specialized stores. On the one hand, the support of national taxation and housing policies enabled wartime charity shops such as Oxfam Charity Shop to start operating in 1942 and gradually expand into post-war European reconstruction and broader social construction fields. By the 1970s, the charity store had opened branches in the United States, forming a parallel pattern of physical stores and online platforms. On the other hand, the shortage of daily necessities and surplus of military supplies in the early post-war period prompted the cross-border flow of military clothing, and the profit oriented second-hand clothing trade gradually expanded globally based on the colonial system.5

Overall, the early stages of the global secondhand clothing trade were dominated by charitable

<sup>2.</sup> Wallerstein, The Modern World System, Vol. I: Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century, New York: Academic Press, 1974

<sup>3.</sup> https://www.thepaper.cn/newsDetail\_forward\_13675 235 Query date: June 19, 2024

<sup>4.</sup> Jinhee Han, Understanding second-hand retailing: A resource based perspective of best practices leading to business success, Master's thesis, Iowa State University, 2013.

<sup>5.</sup> https://www.thepaper.cn/newsDetail\_forward\_13675 235 Query date: June 19, 2024.

organizations that collected and distributed secondhand clothing under the guise of helping the poor and those in need. However, with the advancement of globalization and Western style capitalism, charitable projects have gradually evolved into commercial projects. Driven by rationalism and materialism, these charitable actions have begun to shift towards commercialization, reflecting the continuous increase in global demand for goods and the constant changes in the market.

### 2.2 Background and Overview of Secondhand Clothing in Margalla Bazaar

The second-hand clothing market in Margalla Bazaar has a rich background and historical origins. Initially, Linda, an upper class woman from London, UK, initiated a charity poverty relief project with the encouragement of her friends, aimed at distributing donated goods to the impoverished population in the Indian subcontinent to meet their basic living needs. This charity project is locally known as "Linda Market" or "London Market", roughly corresponding to what Islamabad residents today call "landa" bazaar. However, there is currently no detailed historical record of the exact starting time, location (some sources point to Karachi, Quetta, and Islamabad), and when this charity business transformed from "charity" to "business".

By reviewing the old manuscripts preserved by the Bazaar Management Office in the Islamabad Capital Region, it can be learned that since the establishment of the first weekly Bazaar (G-6 Friday Bazaar) by the Capital Development Authority (CDA) in Islamabad in January 1980, a "Landa" sales zone has been in place. Subsequently, similar zones were established for I-9 Tuesday Bazaar, G-9 Sunday Bazaar, and the current H-9 Margalla Bazaar. 6 These special zones have become the main source of second-hand clothing supply in Islamabad, with Margalla Bazaar not only being the largest bazaar in the Islamabad Capital Region, but also gathering the largest supply of second-hand clothing. All clothing mainly comes from developed Western countries, mainly the United Kingdom and the United States.

After a series of processes such as sorting, packaging, and coding, second-hand items from the West are transported to overseas destination countries. Importers from various regions receive and pay import taxes at ports, transport goods to

large warehouses, and then sell them to local large Bazaar traders by kilogram. These traders then retail second-hand clothing to retailers, ultimately reaching consumers. On this supply chain, second-hand clothing usually needs to go through at least three to four suppliers to reach the second-hand clothing area in Margalla Bazaar.

In recent years, Pakistan has faced economic difficulties such as increasing inflation and government restrictions on non-essential imports, making it difficult for people to purchase highquality new products. In order to address this issue, many people have turned to the second-hand clothing areas in various Bazaars, and the secondhand clothing areas in Islamabad are therefore known by local residents as a "paradise for the poor". Due to the economic and political instability in Pakistan, as well as soaring prices and widespread unemployment, second-hand imported goods have become an important choice for people. Not only the middle and lower classes, but even a portion of the upper class often visits these secondhand clothing areas. Since 2005, the demand for second-hand clothing in Pakistan has been increasing year by year, reflecting the importance and growth trend of the second-hand market in the current economic context.

# 3. OVERVIEW OF THE OVERALL OPERATION OF SECOND-HAND CLOTHING TRADE IN MARGALLA BAZAAR

In 1947, Pakistan gained independence from British colonial rule and faced domestic conflicts and market chaos. In the 1960s, inflation and soaring prices caused serious difficulties in the basic lives of the people. In order to address this dilemma, in the 1970s, the government of Zulfikar Ali Bhutto signed an agreement with Britain allowing the import of second-hand clothing from London to partially alleviate the shortage of supplies. So, Pakistan's first region specializing in second-hand clothing was established in Sher Sha Zone in Karachi, with the center of the area known as "London Bazaar". Due to the influence of Urdu pronunciation, "London bazaar" gradually evolved into "Landa bazaar", meaning flea market. In 1980, CDA established the first official weekly bazaar in Islamabad, allowing Western second-hand clothing from Sher Sha Zone to enter major official or private bazaars in Pakistan as "legal". In 1986, the Weekly Bazaar underwent a comprehensive restructuring and management was transferred

<sup>6.</sup> Source: Old manuscript from Weekly Bazaar office.

directly to the Weekly Bazaar Welfare Association. This change allowed for the import of a large number of second-hand Western items and promoted the development of the second-hand

clothing market. The operation mechanism of second-hand clothing from suppliers to consumers is roughly as following "Figure 1":

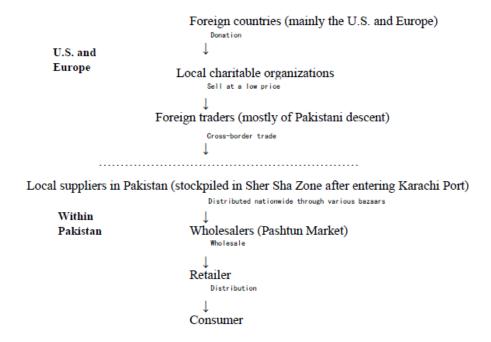


Figure 1 Operation mechanism of second-hand clothing from suppliers to consumers.

According to an interview with the owner of second-hand clothing retail stores in Margalla Bazaar, Islamabad, the cross-border trade of second-hand clothing in Pakistan involves a vast network of enterprises. Many multinational traders earn greater economic benefits by repackaging, modifying, and re-marketing second-hand goods of different categories. Pakistan's second-hand clothing mainly comes from developed Western countries. After entering through Karachi Port, these clothes are transported to Sher Sha Zone and packaged into bundles for sale to wholesalers. Wholesalers purchase these pre-packaged secondhand clothes in full packages according to a clear bidding system. According to a shop owner's introduction, foreign merchants classify clothes by type and compress them into packages of different weights ranging from 25-1000 kilograms. The packages are labeled, which determines the price and quality of the goods. These packages are shipped in containers to Karachi Port, and Pakistani buyers can receive these items after paying the shipping and taxes. In the large warehouse of Sher Sha Zone, retailers can purchase these packaged old items, but cannot open the packaging for inspection. When purchasing, only the approximate country of origin and type of item of the package can be

known, which is similar to gambling. Therefore, labels in Western countries are crucial as they can provide basic information about the item. The luck of retailers greatly affects their final profits. If people purchase high-quality items (A goods), they can earn substantial profits; If they are unlucky, they may face significant losses. In order to reduce risks and gain higher profits, buyers usually partner with shop owners, relatives, or friends in the same industry to purchase large bags, or directly purchase by piece at the Pashtun market in Karachi, despite the higher price. Overall, second-hand clothing usually goes through 2-3 different levels of suppliers in the distribution chain in Pakistan before finally appearing on the weekly Bazaar.

At the second-hand clothing retail store in Margalla Bazaar, Islamabad, a wide variety of second-hand clothing items are available for purchase, including shirts, T-shirts, pants, vests, sweaters, hats, warm coats, boots, sports shoes, slippers, socks, underwear, suit jackets, wool coats, women's dress sets, and more. These clothes are usually classified into three categories based on

<sup>7.</sup> Interview data from the author, conducted in July 2023.

quality: A, B, and C. Class A refers to clothes in good condition, close to brand new; Class B shows obvious signs of use and color fading; Class C is mostly a less popular product.

In addition to Western charitable organizations, second-hand clothing in Pakistan also comes from the local "Bartanwalay" network, where vendors often go door-to-door to collect old clothes. However, the quality of these local clothes is poor and sales are low, mainly sold to people with extremely poor economic conditions. In Islamabad, the second-hand goods area in Bazaar is known as the "paradise for the poor", and for regular customers, prices are very affordable. However, first-time customers are often required to pay higher prices. By bargaining, customers can usually purchase items at half or even lower than the initial asking price. Generally speaking, a good coat can be bought for 250 to 700 rupees, which is more cost-effective than new sweaters on the market priced at 1000 to 1500 rupees.

In recent years, the consumer base of secondhand clothing has undergone changes. Although poor people are still the main customers, due to the economic downturn, women who previously had resistance to second-hand items have also begun to accept second-hand clothing. To avoid feeling ashamed, they usually wear veils. Despite the metaphor of unclean second-hand clothing in Muslim culture, Pakistanis, especially young men, still show a strong interest in British and American fashion trends. They often purchase second-hand A-class products from the US and UK to imitate Western fashion. However, interviews conducted in April 2024 showed that heavy import tariffs, inflation, and rising prices have significantly increased the price of second-hand clothing, making it difficult for even the poorest to afford.

## 4. THE IMPACT OF SECOND-HAND CLOTHING IMPORTS ON PAKISTAN

## 4.1 The Impact on the Local Textile Industry

Since the 1980s, the Pakistani government has allowed the import of second-hand clothing from Europe and America, aimed at meeting the basic living and consumption needs of domestic consumers. Although this policy solved the problem of clothing shortage in the short term, in the long run, it conflicts with promoting the

development of the local textile industry. The largescale influx of imported second-hand clothing into the market has squeezed the market share of local textiles, leading to an increase in local textile production costs and sales prices, thus forming a vicious cycle. This phenomenon not only puts Pakistan's textile industry in a difficult situation, but also further exacerbates the economic weakness.

The Pakistani government has failed to adopt effective tariff policies to address this issue. In contrast, the East African Community of States (EAC) has attempted to impose tariffs on secondhand clothing from the United States<sup>8</sup> in order to gradually phase out the import of second-hand clothing and promote the development of the local textile industry. Despite facing trade sanctions from the United States, this measure demonstrates the profound impact of the second-hand clothing market on the local economy. In Pakistan, the second-hand clothing market has become an important economic sector, providing livelihoods for millions of working people. However, the existence of this market has seriously impacted the long-term development of Pakistan's textile industry.9

Although imported second-hand clothing provides consumers with a low-cost option in the short term, its impact on the local textile industry cannot be ignored. With the influx of imported second-hand clothing, the demand for local textiles has decreased, leading to higher production costs and price pressures for local production enterprises. This situation not only affects the development of the local textile industry, but also further weakens Pakistan's competitiveness in the global textile market.

From a global perspective, the rise of the second-hand clothing market reflects the dual impact of core countries on non-core countries in terms of economy and environment through trade transfer and market opening. As a peripheral country, Pakistan has suffered economic losses and faces the risk of environmental degradation. Pakistan's textile industry is gradually losing competitiveness in the global economic system, while also losing space for local market development. Obviously, Pakistan's second-hand clothing market not only poses a threat to its textile

<sup>8.</sup> https://www.sohu.com/a/361485292\_115207. Query time: June 17, 2024.

<sup>9.</sup> Umair Javed, Profit, Piety, and Patronage: Bazaar Traders and Politics in Urban Pakistan, PH.D thesis, London School of Economics and Political Science, 2018.

industry, but also exacerbates economic difficulties to some extent.

## 4.2 Changes in the Traditional Way of Life in Pakistan

In recent years, the consumer base of secondhand clothing in Pakistan has undergone significant changes. Initially, second-hand clothing was mainly purchased by the poor because it provided an affordable option to cope with the cost of living. However, as the Pakistani economy continues to decline, more and more women who had never visited Bazaar before are also accepting secondhand clothing, especially during the autumn and winter seasons. These women, in order to cope with the cold weather, although sometimes feel ashamed due to social norms and even wear veils to conceal their identity, are still willing to buy second-hand warm clothing and transform it into clothing that conforms to local styles. This phenomenon not only reflects the impact of economic pressure on consumer behavior, but also demonstrates a gradual adaptation to traditional concepts.

The long history of British colonial rule in Pakistan has led many Pakistanis, especially men, to show a strong interest in modern British and American fashion. With the advancement of globalization, European and American trendy brands are gradually integrating into Pakistan's local culture, becoming a way for young men to showcase their personality and socialize. In this context, the influence of the second-hand clothing market is gradually expanding, and more and more people, especially the middle class and young people, are beginning to favor second-hand A-class products imported from Europe and America. Behind this phenomenon is the imitation of Western fashion and the pursuit of modern lifestyle.

Although the second-hand clothing market initially served low-income groups, it has now gained popularity among a wider range of people. This change not only promotes the industrialization of second-hand clothing trade, but also promotes the development of Pakistan's informal economy. However, this industrialization process has had a squeezing effect on the traditional clothing industry, leading to a reduction in the market share of locally produced clothing, while also changing consumers' purchasing habits and lifestyles.

This phenomenon not only changes the traditional way of life, but also has a profound impact on the knowledge structure, values, and

lifestyle habits of Muslim society. The widespread acceptance and use of second-hand clothing has broken the existing social stratification and consumption habits, making Bazaar, which originally only served low-income groups, gradually become more popular and diversified. This change has to some extent promoted the modernization of society and reflected Pakistan's adaptation and transformation in the process of globalization. Overall, the import and consumption of second-hand clothing in Pakistan have not only brought about economic changes, but also profoundly influenced its social culture and way of life.

### 4.3 Destruction of the Ecological Environment in Pakistan

From the perspective of environmental benefits, the global trade of second-hand goods can help reduce the dumping rate of waste materials. This reuse can effectively maintain the geographical environment and help mitigate the risk of global warming. The reuse of second-hand clothing not only extends its lifespan, but also reduces waste generation, preserving valuable resources for potential beneficiaries. In other words, the second-hand clothing trade can be seen as a resource-saving behavior to a certain extent, which has a positive impact on global environmental protection.

However, from a global historical perspective, the second-hand clothing trade in peripheral countries such as Pakistan is actually a transfer of by-products of overproduction in core countries. This trade model has to some extent formed a mutually beneficial and win-win ecological chain, but in the long run, this arrangement also shows a crude exploitation and destruction of the natural and ecological environment of peripheral countries. The United States and other Western countries have not only solved their domestic overproduction problem by dumping second-hand clothing into developing countries such as Pakistan, but also shifted the environmental burden of these countries to peripheral countries. This trade model is actually an excessive consumption and exploitation of the environment of non-core countries.

Barfield<sup>10</sup> pointed out in his research that the world system theory based on national economic conditions indicates that core countries have significant influence over non-core countries. This

<sup>10.</sup> Barfield, Thomas. The Dictionary of Anthropology, Oxford: Wiley Blackwell, 1997.

influence allows core countries to economically exploit non-core countries by setting trade barriers, exploiting cheap labor, and dumping unsafe products. This kind of exploitation not only leads to economic losses, but also carries the risk of environmental degradation. Pakistan is inevitably facing environmental degradation while accepting a large amount of second-hand clothing. For example, in the process of handling second-hand clothing, the accumulation and improper disposal of waste can cause pollution to soil and water sources, exacerbating the local environmental burden.

In addition, the large-scale import of second-hand clothing may also pose challenges to Pakistan's local environmental policies and measures. Due to the lack of sufficient regulation and effective disposal mechanisms, the handling and disposal of many second-hand clothing may lack standardization, which can have a negative impact on the local ecosystem. Therefore, although the second-hand clothing trade can meet demand and bring economic benefits in the short term, its long-term impact on the ecological environment of Pakistan cannot be ignored, and more attention and corresponding measures need to be taken.

#### 5. CONCLUSION

This study reveals the complex impact of the second-hand clothing market on Pakistan's economy and society in the context of globalization through field investigations of European and American second-hand clothing in the Margalla Bazaar market in Islamabad. The flow of global capital has made second-hand clothing an important trade link connecting developed and developing countries, but its impact is far from singular.

Firstly, the import of second-hand clothing has solved Pakistan's material shortage problem in the short term and provided an affordable consumption option. However, in the long run, this market has had a serious impact on the local textile industry. The influx of imported second-hand clothing has squeezed the market share of local textiles, pushed up production costs, and further weakened Pakistan's competitiveness in the global textile market. This phenomenon not only exposes the fragility of Pakistan's economic structure, but also highlights the inequality and exploitation in the process of globalization.

Secondly, the expansion of the second-hand clothing market has changed Pakistan's consumer behavior and social culture. Although second-hand clothing initially served low-income groups, the economic downturn has led to a wider social class, including the middle class and women, accepting second-hand products. This change not only reflects the impact of economic pressure on consumer behavior, but also reveals the gradual adaptation to traditional concepts and the evolution of social structure.

Finally, from an ecological perspective, although second-hand clothing trade contributes to resource reuse and global environmental protection, the handling and disposal of second-hand clothing in Pakistan brings environmental burdens. The transfer of overproduction by-products to peripheral countries not only exacerbates local environmental pollution problems, but also has a negative impact on the ecosystem. This indicates that the economic benefits generated in the process of globalization are often accompanied by environmental costs, and the excessive consumption and resource waste of core countries will ultimately affect the natural environment of developing countries.

In summary, the global operation of the second-hand clothing market not only reveals the economic and cultural changes brought about by globalization, but also exposes its profound impact on developing countries. This study provides a new perspective for understanding local dilemmas in the context of globalization and emphasizes the need for greater attention to economic inequality and environmental protection in global economic interactions. Future research should further focus on the comprehensive impact of global trade on local economies, cultures, and ecosystems, in order to promote a more equitable and sustainable globalization process.

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