**Globalization and the production of fashion clothing in Denmark**

# 1.0 Introduction

The manufacturing of clothing has been a consistent occupation throughout the history of mankind. Since the first primitive humans needed to cover their bodies to protect themselves from the elements of nature, until today’s modern society where clothing is also a product to express personality and social status in addition to its practical applications, clothing has been a vital necessity to human life.

The production of clothing, and textiles in general, were the main accelerator of the industrial revolution, which marked the creation of modern society with mass-urbanisation, automation of production and the rise of a middle class. As a consequence of the industrial revolution, the Western World[[1]](#footnote-1) globally dominated the textile production by the beginning of the nineteenth century, with Britain as the world-leading nation in textile production, and Manchester, nicknamed “Cotonopolis”, as the global center of cotton trade (Hillstrom, 2009, p. 18).

Looking at the textile industry in the Western World today, it is evident that the industry has changed drastically. From what was once an industry that dominated the export of textiles and clothing, Europe now imports about half of the total produced clothing in the world, while China holds approximately 65% of the worlds’ total produced textiles (Ditty, 2015, para. 3). This trend is not exclusive for the textile and clothing industry, as the industrial sector in Europe, as a whole, has been declining from 35,3% of global industrial gross value added in 1995, to 28,9% in 2011, while the industrial sector in the emerging economies of Asia has risen from 9,5% to 29,1% of the global industrial gross value added in the same period (Heymann & Vetter, 2013, p. 7).

The European Commission launched in January 2014 a new approach for the future European industry, called “European Industrial Renaissance”, which aims to make the European member states recognise the importance of the industry for creating growth and to enhance and strengthen the competitiveness of the European industry (European Commission, 2014, p. 22). The aim of the European Commission is to raise the industries’ percentage of the EU GDP from the 16% of 2014 to 20% by 2020 (European Commission, 2014, p. 23)

At the Conference “Masterclass-insourcing” 23rd of October 2014 in Copenhagen, the Danish education- and research minister Sofie Carsten Nielsen spoke to a crowd of stakeholders from different parts of the Danish fashion industry, about the importance of bringing back parts of the production of Danish clothing back to Denmark and to Danish workers in the future. This point of view was received positively by the vast majority of the stakeholders, who were prepared to investigate the possible feasibility of insourcing production back to Denmark.

It is from the paradox, that the industrialization and mass production of apparel started in the Western World and was a cornerstone of the Western economy - to the reality of today, where the textile industry and the production of apparel now has a minor significance in the Western industry and instead is situated in countries outside of the West, that this thesis takes its offset. A perfect example to study in relation to this paradox is the fashion industry of Denmark – a country known worldwide for its design traditions and skills - as the Danish fashion industry, with a turnover of 62 bn. DKR and export of fashion apparel of 26 bn. DKR in 2014, practically has almost no production of fashion apparel inside the Danish borders, despite the enormous scale of the industry (WEAR, 2014, p. 2). Therefore, this thesis will examine the following research question:

## 1.1 Research question

*Why is there practically no production of clothing in Denmark? – and how would it be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark?*

This research will focus entirely on the fashion industry, as the textile industry is a gigantic and diverse area to cover, with products ranging from runway-fashion clothing to curtains, car-airbags and everything in between.

In order to answer the research question thoroughly and reflectively, a number of factors have to be addressed and analysed.

To have a clear overview of the researched situation, it is crucial to know the context in which it has occurred – therefore, this research will examine the history of the western textile industry with an emphasis on the development of the textile and fashion industry in Denmark.

Furthermore, as this research will be examining the political actions from both the EU and Denmark, these actions will be described and analysed, as it is essential to obtain an overview of the legislative frameworks in which the fashion sector in Europe and in Denmark is operating, in order to properly understand the researched subject and the circumstances surrounding it.

Qualitative interviews with key stakeholders, both from Danish fashion companies and from interest groups of the Danish fashion industry, will be conducted in order to obtain knowledge about the strategic- and the framework-conditions issues, in relation to the minimal amount of fashion clothing being produced in Denmark currently. These stakeholders are Betina Simonsen, CEO of Innovationsnetværket Livsstil - Bolig & Beklædning, Nikolai Bo Klausen, Chairman of the board at Wear and Dorthe Brügger, creative consultant at Kreativ Coach.

This research will also contain a section about the scholarly work that has previously been carried out about the subject of outsourcing of production, as knowledge about the discourse in academics is crucial to relate to – both in order to ensure the reflectiveness of this research, and in order to obtain awareness of where in the academic world this piece of scholarly work is going to be placed.

When having analysed and discussed the historical context, the legislative framework, examples from both the Danish fashion industry where there are no producing taking place, while also having obtained knowledge about the academic discourse about the researched subject, this research will be able to produce a thorough analysis, which will provide a reflective and comprehensive answer to the research question.

## 1.2 Background: The development of the textile- and clothing industry in Denmark and the West.

In this chapter, the development of the textile- and clothing industry in Denmark and in the West will be described, in order to provide the historical context for the researched subject. The reason that both the development of the textile industry and the clothing industry will be described, is that the clothing industry is a section of the textile industry, and therefore the development of the two industries are naturally very much intertwined. This is also the reason why both the development of the textile- and clothing industry in Denmark and in the West is being analysed, as the development in Denmark and in the West reflects and influences each other, and a separation of the two would result in a lack of reflectiveness within this research.

The western textile industry had traditionally been based on individual workers taking small amounts of fabric to their homes or shops for blankets, garments and other textile goods (Hillstrom, 2009, p. 15-16). These finished goods would then be modestly compensated on a piecework basis when delivered back to the manufacturer (Hillstrom, 2009, p. 15).

In 1764, James Hargreaves, a poor and uneducated weaver and spinner living in the village of Standhill in Lancashire, England, had an idea. His spinning wheel was accidentally knocked over on its side, but it continued to spin, rotate and function normally (Allen, 2009, p. 905). Hargreaves had previously been experimenting with operating several spinning wheels simultaneously, but it had proved impossible when the spindles were in a horizontal position – but by putting the spinning wheel on its side, and thereby making the spindle work vertical, it became possible to twist and draw several spindles at a time (Allen, 2009, p. 905). This discovery resulted in Hargreaves constructing the world’s first mechanical machine that provided an automated process for spinning either cotton or wool into yarn (Allen, 2009, p. 905). Hargreaves named his invention the “Spinning Jenny”, and the introduction of his spinning machine, which increased productivity while decreasing the use of human energy, marked the beginning of a new era - the industrial revolution.

The textile industry, following the invention of the Spinning Jenny, was the backbone and the accelerator of the industrialization of initially Britain, and then Western Europe. In a period of twenty years, from 1765 – 1785, the total production of cotton-thread produced in Britain rose from 250.000 kg. to 8.000.000 kg. annually, and shifted from being produced in private homes, to being produced primarily in factories (Hillstrom, 2009, p 18). By the beginning of the nineteenth century, Britain had become the world leader in textile production, with Manchester, nicknamed “Cotonopolis”, as the global center of cotton trade (Hillstrom, 2009, p. 18).

The first countries to be industrialized in Europe after Britain was France, Belgium and Germany and in North America it was the United States – it was not until after 1850 that the industrialization spread to the rest of Europe, including Denmark (Spielvogel, 2009, p. 613). In Denmark’s case, although the industrialization of the textile industry had begun, the first significant acceleration of large-scale industrialized textile production first happened in the beginning of the 1880’s, as a result of an increased mechanisation of the farming industry (Christensen, 2011, p. 19). Between 1897 and 1914, as a result of the introduction of new power sources in the industry such as petrol, oil and electronic motors, the share of machine power in the textile factories tripled, while the number of workers on the other hand only increased by 16% (Christensen, 2010, p. 147). At the beginning of the 1900’s, the Danish textile industry was a significant part of the Danish industry, and were on average accounting for 5% of the industrial workforce in the period between 1897 and 1951 (Christensen, 2010, p. 149). Although these figures could suggest that the Danish textile industry primarily was prosperous in this period, it did face many obstacles and challenges up until after the Second World War - from both increasing competition from major producers of textiles such as Britain and Germany to the Danish manufacturers inability to adapt to changes in the demands of the consumers (Christensen, 2010, p. 150).

The post-war period laid the ground works for the historical climax of the Danish textile industry, due to the fact that Denmark went through the war relatively unharmed, compared to other Nazi-occupied nations (Christensen, 2010, p. 152). The result of this was, that the competition from other countries had plummeted, and was far from the level it had been before the war, and therefore, the Danish textile industry was now expanding, as many people, both nationally and internationally, were in need of textile goods (Christensen, 2010, p. 152). The peak of the Danish textile industry was reached in 1950 in terms of number of factories and the number of employed people in the industry – but as a newly elected government of liberals ended trade policies that had protected the national industry, and other foreign textile producers had regained their feet after the second world war, the production of fabrics started to decline (Christensen, 2010, p. 152). During the 1950’s and 1960’s, several mills were forced to close, including Mogensen & Dessau, a large company in Odense, who in 1949 had built Northern Europe’s largest single cotton weaving shed (Christensen, 2010, p. 152). The reaction to this crisis was to rationalize and optimize the production processes, which resulted in a drop of 50% during the 1950’s of the total number of people working in the textile industry, while productivity in the same period only dropped 15% (Christensen, 2010, p. 152).

The period between 1970 until the mid 1990’s marked an era where the globally escalating competition and growing consumption of fashion apparel demanded a further increase in the production of fashion apparel (Hilger, 2008, p. 9). This, combined with an increase in margin-expectations, rising labour costs and the standardized nature of the production processes, made a move of the production facilities to cheap-labour countries increasingly interesting for the fashion companies (Hilger, 2008, p. 9). Globalization[[2]](#footnote-2) influenced the western textile industry, and the industry saw an accelerated movement of the production to low-cost countries - primarily to the east and southeast of Europe and into Asia, which consequently drove the textile manufacturing industry in Western Europe and Northern America into a continuous decline in the period from the 1970’s and onwards (Hilger, 2008, p. 9). An example to demonstrate the scale of this development can be seen in Germany, where there were 400.000 people employed in the apparel industry in 1970, but in 2004, this number had decreased to 50.000 – a development very similar to what was happening in the rest of Western Europe (Hilger, 2008, p. 10).

During the last half of the 1990’s, as the use of the Internet grew rapidly and further accelerated the already on-going technological globalization of the world, the fashion market had become increasingly competitive (Hilger, 2008, p. 10). As part of this development, the fashion companies started to add more and more collections to their yearly product output, which increased the demand for a diverse mix of suppliers, as more collections generally demanded a greater product variety (Hilger, 2008, p. 14).

In 2005, the “Agreement on Textiles and Clothing” of the World Trade Organization was phased out, which meant that the clothing industry, to a much higher degree, became open for the global markets, as the fabric and garment trade now operated without quotas (“World Trade Organization, n.d., para. 3). This opening of the clothing market had a profound impact on the Danish clothing industry, as 80% of the manufacturing jobs within the industry were lost in the period between 2005-2012 (European Sector Skills Council, 2014, p. 25). Denmark was not alone with this development, as Ireland also suffered the same high percentage of loss of manufacturing jobs within the clothing industry in the same period, and Europe as a whole lost one third of the manufacturing jobs within the Textile, Clothing, Leather and Footwear industry (European Sector Skills Council, 2014, p. 25).

This chapter will serve as a reference point for basic knowledge and facts about the context in which the researched phenomenon will be assessed. When doing a research, it is of great importance to understand the context in which the phenomenon in question has emerged, in order to obtain a full and complete understanding of it.

# 2.0 Theoretical framework

## 2.1 Outsourcing

The concept of “outsourcing” is central to this research, as this activity is the primary reason behind the transfer of manufacturing jobs from Denmark to foreign countries, as established in the background section. Due to the importance of this concept, this chapter will analyse the nature and the considerations behind the activity of outsourcing, in order to gain a thorough understanding of the concept. This chapter is not seeking a definition of the concept in a broader term – it is instead the reasoning and dynamics behind the choice of outsourcing production that will be the primary focus. An understanding of this will allow this research to provide a more comprehensive and thorough answer to the research question.

As established in the background-section of this research, outsourcing started gaining a foothold in the business-world in the early 1970’s – but the word and the concept itself was not established until 1989, when Kodak signed a deal with IBM to handle their IT-activities, allowing Kodak to allocate more resources to focusing on their core competencies (Dickson, 2011, para. 1-2). This outsourcing-agreement gained worldwide attention, and while the decision was being heavily criticized, it would prove to be a success for Kodak, which from then on made outsourcing a permanent tool in the toolbox of the global business world (Dickson, 2011, para. 2-3).

The theory about outsourcing is a diverse field, with numerous theoretical models that explain outsourcing and the reasoning behind the decision-making of this phenomenon. This diverse nature of the theories of outsourcing can be seen in the many different disciplines where theories used to explain outsourcing can be found, which includes disciplines such as organization theory, economic theories, business strategy theories and general management theories (McIvor, 2009, p. 45). In acknowledgement of the complex nature of the theories used to describe the concept of outsourcing, this research will be obtaining the approach described in the work “How the transaction cost and resource-based theories of the firm inform outsourcing evaluation” from 2009 by Ronan McIvor, which is a combination of two theories, in order to explain the concept of outsourcing thoroughly. These theories are the resource-based view (RBSV) and the transaction cost economics (TCE).

### 2.1.1 Resource-Based View (RBV)

The resource-based view holds that a business is a collection of unique resources and assets, which can create competitive advantage if they are being employed in certain ways (McIvor, 2009, p. 47). In order for one of these resources to be deemed as a resource that can create competitive advantage, it has to live up to the following criteria: value, organization, rarity and imitability (McIvor, 2009, p. 47). Value is a criterion used to describe a resource that makes it possible for a company to take advantage of opportunities and work around threats, making the resource a valuable resource (Barney, 1991, p. 106). The organization criterion holds that it is crucial for a company to be organized in order to take advantage of its resources and capabilities – this can be achieved by looking into different elements, including management control systems, compensation policies and reporting structure (Barney, 1991, p. 111).

The criterion of rarity is used to describe the uniqueness of a resource compared to whether or not the competitors have a valuable resource as well, as a company would not hold a competitive advantage if several competitors possess a similar valuable resource (Barney, 1991, p. 106). The last criterion, imitability, describes to what degree the valuable and rare resource of a company can be replicated by a competing company (Barney, 1991, p. 107). One of the key elements in RBV is the development of the capabilities of a company, and how this development affects the performance and competitive position of the company (McIvor, 2009, p. 47). Using the theory of resource-based view, a company decides whether or not to outsource due to a comparison between the internal capabilities of the company relative to the capabilities of competitors (McIvor, 2009, p. 47). The choice of outsourcing is affected by the ability of a company to sustain a competitive edge in comparison to its competitors through investment in the capability, while realising which capabilities in the company are lacking, internal capabilities or resources, and therefor should be considered to be outsourced (McIvor, 2009, p. 47).

### 2.1.2 Transaction cost economics (TCE)

In the transaction cost economics, the nature of a given transaction establishes what the most efficient governance structure – Market, Hierarchy or Alliance (McIvor, 2009, p. 47). The reasons behind transactional difficulties can be found among the following factors – opportunism, bounded rationality, information impactedness and small numbers bargaining (McIvor, 2009, p. 47). Decision-makers acting on the basis of self-interest or guile characterize opportunism, while the concept of bounded rationality states that the cognitive limits of the human mind, increases the problems of understanding the complexity of all feasible decisions completely (McIvor, 2009, p. 47). Information impactedness describes a mismatch in the amount of information between the supplier and the buyer, where one or the other may have more information than the other (McIvor, 2009, p. 47). Small numbers bargaining is a concept that describes the degree to which a buyer has access to different sources of supply that would meet its requirements (McIvor, 2009, p. 47). These four transaction complications and connected costs increase, when transactions are subject to asset specificity, infrequency and uncertainty (McIvor, 2009, p. 47). Although all three variables are important, asset specificity is considered to be the most essential variable, as a substantial amount of explanatory power derives from the asset specificity variable (McIvor, 2009, p. 47).

Asset specificity describes the degree of customization connected with the transaction – investments that are highly asset-specific represent expenses with little or no existing value apart from the transaction (McIvor, 2009, p. 47). Infrequency describes transactions that are rarely being undertaken, while uncertainty covers the notion when a transaction is being viewed with some degree of ambiguity in relation to the performance and the definition of a transaction (McIvor, 2005, p. 41).

In an example of a transaction where uncertainty and asset specificity is low, and the transactions happen rather frequent, markets will be governing the transactions (McIvor, 2005, p. 41). The government by markets of a transaction is characterized by short-term, discrete contracts, which are relationships of bargaining between vastly independent suppliers and buyers designed to expedite an economically viable transfer of property rights (McIvor, 2005, p. 41). This governance structure is often used by manufacturing companies in a situation where the products the company wants to have produced through an external manufacturer are standardized products, which can be produced by several different suppliers (McIvor, 2005, p. 41). In a situation where a transaction is characterized by high asset specificity and high uncertainty, this mixture would lead to transactional difficulties, as the transaction would be kept internally, and therefore the governance structure would be hierarchical (McIvor, 2005, p. 41). A transaction characterized by a medium level of asset specificity, would lead to alliances between two companies – this could for example be two companies that wants to engage in a strategic alliance with each other in order to market and design a new product (McIvor, 2005, p. 41).

Vertical integration or outsourcing are the two extremes in relation to the sourcing decision – it is the determination of the boundaries between the two extremes that is critical in relation to the sourcing decision (McIvor, 2005, p. 42). The decision will be made by considering the asset specificity and the cost reduction – this means that, a company should outsource processes and activities that would need excessive investments to do internally in order to get the lowest unit cost (McIvor, 2009, p. 42).

### 2.1.3 The merging of resource-based view and transaction cost economics

The motivation behind combining the theories of resource based view and transaction cost economics is based on the notion, that the two theoretical perspectives individually cannot fully explain the reasons behind the outsourcing decision – instead, a far more comprehensive approach to explaining the outsourcing decision is to let the two theories complement each other, which a growing body of scholarly work also suggests (Viviek et al., 2008; Ellram et al., 2008; Holcomb and Hitt; 2007, as cited in McIvor, 2009, p. 47). The focus of TCE is primarily on the function of efficient governance, through analysing transactions, in order to explain companies as institutions for systematising economic activity (McIvor, 2009, p. 48). The focus of RBV is, on the contrary, primarily on the production skills of a company, through a search for competitive advantage by analysing the resources of a company (McIvor, 2009, p. 48). It is in this difference between the approaches of these two theories, that the strength of combining them surface, as the decisions of outsourcing in practice are subject to considerations of both governance skills and production skills (Madhok, 1996; McNally and Griffin, 2004; as cited in McIvor, 2009, p. 48). TCE brings a potent theoretical basis for analysing hierarchical mechanisms versus market in relation to an outsourcing decision, while the RBV-perspective provides a basis for understanding which inter-organizational collaborations that can be employed in order to develop corresponding assets that adds to competitive advantage (McIvor, 2009, p. 48).

Although the merging of the two theories provides a more complex and thorough approach to analysing an outsourcing decision, the drawback is that the two theories, in some cases, contradict each other. This is for example true in cases where a company has a superior resource position and the potential for opportunism is low, or when a company is in a weaker resource position and the potential for opportunism is high (McIvor, 2009, p. 61). On the other hand, the two theories complements each other well in cases where a company is at a weaker resource position and the potential for opportunism is low, as well as in instances where a company is in a superior resource position and the potential for opportunism is high (McIvor, 2009, p. 61). The use of the two theories combined is, although, still highly relevant for this research, as the contradictory cases has a reflective nature to them, even though they do not provide any definitive answer in relation to an outsourcing decision. This makes room for future discussion and analysis of the decision, where it would be relevant to look at for example which parameters a company value highest in relation to a given resource decision (TCE or RBV parameters). The use of the merging of the two theories will provide this research with a comprehensive theoretical basis in order to understand and categorize the different considerations behind why companies decide to outsource production activities in general, which then can be applied to the context of Danish fashion companies and their outsourcing activities. This will provide this research with reflections, anchored in theory, to why almost no clothing is being manufactured in Denmark, and through this understanding address how it would be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark.

## 2.2 The Global Division of Labour

The theory of the global division of labour will be presented and discussed in this chapter. The theory is essential for this research, as it conceptualises the division of labour in the world, which is a central theme for this research due to its focus on the division of industry-jobs in the clothing industry.

The conceptualisation of the division of labour can be found as early as in the work of Plato, who has been credited by historians of economics as an early advocate of the division of labour, due to arguments put forward in his work “Republic” (Silvermintz, 2010, p. 747). A great number of influential philosophers, economists, sociologist and historians have since worked on the conceptualisation of the division of labour, including for example William Petty, Adam Smith, Karl Marx and Max Weber (Janoski et al., 2014, p. 4-6). This underlines both the diverse and complex nature of the concept, but it also underlines the importance of the concept in relation to understanding the national and international labour market.

The concept can roughly be separated into two traditionally and well-established categories, which are the Old Division of Labour and the New International Division of Labour. This research will be using an approach called the Global Division of Labour from the work “Rethinking the international division of labour in the context of globalisation” from 1995 by Mittelman, which is an alternative explanation to the concept that combines aspects of the two traditional theories in a critical manner in order to explain the modern, global division of labour. This approach has been chosen in recognition of the fact that much of the theory regarding the division of labour has been shaped in a context where globalization have not had the same impact as it has had in the last few decades - and therefore, it is more appropriate for this research to use a theoretical approach that has been constructed in a context more similar to that of today, as this research is focused on a phenomenon happening today. Furthermore, this approach considers a vast array of aspects in its approach to explaining the global division of labour, which includes the knowledge of the two traditional theories just mentioned above.

In order to provide a comprehensive theoretical point of departure regarding the theory of the global division of labour, the following pages will explain bot the theory of the old division of labour, the new international division of labour and the global division of labour.

### 2.2.1 The Old Division of Labour

The first modern scientific treatment of the division of labour was published by William Petty in his work “Political Arithmetik” from 1690, where he explained the advantages in relation to productivity when adopting a division of labour in cloths manufacture, shipbuilding and watchmaking (Sun, 2012, p. 40). The most notable pieces of work about the old division of labour were conducted by Adam Smith, Karl Marx, David Ricardo, Max Weber and Emile Durkheim (Mittelman, 1995, p. 275-276).

Smith argued, that the emerging form of production of division of labour was undermining artisan skills, but on the other hand enabled one person to do the work of many due to a high degree of specialisation (Smith, 1776, chpt. 1-2). Smith was generally optimistic about the division of labour and saw it as an accelerator for achieving higher standards of living. The benefits from specialisation in a specific work-process were plentiful, according to Smith, as it increased productivity, saved time and enhanced the inventiveness of the workers due to an increased familiarity with a certain function – on the other hand, Smith also recognized the potential destructive nature of overspecialisation and repetition to the human mind (Mittelman, 1995, p. 275). Smith also stressed the importance of the ability of the state to facilitate trade, secure private property rights, uphold an effective justice system, fight off foreign invaders, but at the same time be separated from economics (Mittelman, 1995, p. 275).

Ricardo states a basic comparative advantage law, as he argues that, in a trade relation between two countries manufacturing the same products, one country would sell the specific products that it produces for a relative lower cost compared to the other country, and the other way around (Ricardo, 1817, chpt. 7, para. 11-31). Ricardo’s theory, like Smith’s, depends on the ability of the state to uphold the tasks mentioned in the previous paragraph, and on the separation of economics and politics (Mittelman, 1995, p. 275-276). Ricardo also, like Smith, generally perceives the division of labour as a beneficial evolution in the manufacturing sector (Mittelman, 1995, p. 276).

Marx disagreed with Smith and Ricardo, as he did not perceive the division of labour as a concept of general positive consequences due to the notion that it is crippling for the mind and body of the worker (Mittelman, 1995, p. 276). This notion is based on Marx’ view, that knowledge, will and judgement are only being exercised for the factory as a whole, thus diminishing the worker into a detail labourer (Mittelman, 1995, p. 276). The concept that workers should only work on a specialized process is very much opposed to Marx’ perception of how the production of a society should work, as the approach of Marx is that society should regulate the general production, and thereby enabling the workers to do one task one day, and another task the next day (Marx and Engels, 1932, p. 44-45).

Max Weber, whose position towards the division of labour is dominantly a sociological approach, as he argued that the division of labour could be understood as part of the general sociologic trend of the time (Mittelman, 1995, p. 276). Weber stated, that the division of labour was a part of the general tendency towards organisational specialisation in all aspects of social life – as seen for example in the rise in centralised administration of the time (Mittelman, 1995, p. 276).

Durkheim is concerned about the structural disruption that the division of labour brings with it, as societies dominated by the division of labour are held together by the complementarity of individual specialised functions (Durkheim, 1964). This is contrasting with the previous mechanical social orders, as these are resting on values and common beliefs (Mittelman, 1995, p. 277). The concern of Durkheim is, that if a transition from the mechanical social order to the social order that the division of labour brings along, could possibly happen without fully developing the morality, which would result in economic crises, crime, emigration and conflicts between capital and labour, as the social tensions would be too high (Mittelman, 1995, p. 277). Durkheim, however, notes that the social tensions will also lessen, as an increase in the division of labour brings along individual freedom and flexibility, which ultimately encourages an integration of society (Mittelman, 1995, p. 277).

This walkthrough of the central theories about the old division of labour provides a basis for understanding the expansion of the market, modern capital accumulation and the social impacts of the division of labour. Although the theory of the old division of labour generates some degree of understanding of the concept of the division of labour, it fails to address the issues relating to applying division of labour into different cultures – therefore, the criticism that can be raised about the theory of the old division of labour can be seen in its inability to address the spatial dimensions of the theory (Mittelman, 1995, p. 277). This inability could be a result of the contexts in which the theory has been sought explained by the before-mentioned authors, as the reality roughly from the 1960’s and onwards has seen an increase in the importance of the spatial dimensions of the theory of the division of labour. This knowledge-gap within the theory has been sought addressed through a theoretical approach called the new international division of labour, which will be explained on the following pages.

### 2.2.2 The New International Division of Labour

The theorists of the new international division of labour started in the 1960’s to try to explain the on-going movement of manufacturing from the western, advanced capitalist countries to the developing countries, transferring the low skilled jobs to the developing countries, while keeping the research and development departments in the west (Mittelman, 1995, p. 278). The theory of the new international division of labour was put forward in 1981 by Fröbel, Heinrichs and Kreye in the work “The New International Division of Labour”. Fröbel et al. argues, that the Third World[[3]](#footnote-3) no longer only should be considered as a producer of raw materials, as it has evolved into a manufacturing market for transnational corporations (Mittelman, 1995, p. 278). The drive behind the industrialization of the Third World and the resulting decline in the manufacture in the West was the heightened global competition due to a higher degree of global connectedness, and in that context, the eternal desire of capitalists to maximize profits (Mittelman, 1995, p. 278). Fröbel et al. clearly identifies the sophistication and the increasing power of transnational corporations, and these corporations’ ability to decentralise production globally in order to optimise opportunities for profit, as a main contributor to the understanding of the drastic changes in the divison of labour (Mittelman, 1995, p. 278). This understanding further offers a vital angle for considering North-South relations and particular linkages that distinguish countries in the Third World from one another in relation to their respective levels of development (Mittelman, 1995, p. 278-279).

The critique of the theory of the new division of labour is, that it overestimates the importance of low-cost labour, as low wages can not be the explanation behind why transnational corporations choose to initiate manufacturing activities in countries where labour is relatively more expensive (Mittelman, 1995, p. 278). Another critiques is that the theory of the new division of labour does not move sufficiently enough behind economics, and does not address questions about the political dynamics behind the global linkages in relation to production, consumption and exchange (Mittelman, 1995, p. 279).

### 2.2.3 The merging of the Old Division of Labour and the New International Division of Labour

The theory of the global division of labour is constructed by Mittelman in order to provide a comprehensive theory to the explanation of the global division of labour by including the two traditional theoretical approaches and adding complementary aspects that makes the explanation more reflective – this means that this chapter will serve both as a description of the theory provided by Mittelman, but also as a conclusion, as the two sections are very much intertwined.

Mittelman holds, that the contemporary period, in relation to division of labour on a global scale, is different than before in terms of the extent to which national political economies are influenced by global incidents and actions (Mittelman, 1995, p. 279). Different variations of regional divisions of labour are now emerging, which change continuously as they reflect contraction and expansion of production (Mittelman, 1995, p. 280). Although a weakened actor compared to global forces, the state is an important part of an integrated global society, according to Mittelman – this can for example be seen in how the state in Singapore has been facilitating the “free market” economy of the country by offering favourable tax policies, coaxing external investors and by ensuring a stable supply of educated labour power (Mittelman, 1995, p. 280). Some Third World states have also created export-processing zones, in order to create jobs and gain access to capital of foreign investors, while other states has interfered in the labour processes, sometimes through the use of repression or otherwise through encouragement, in order to keep down labour costs (Mittelman, 1995, p. 280). Mittelman argues, that due to differences in labour costs, an internal division of labour in Asia have developed, as there are great differences between the countries in terms of their respective levels of development - this internal intertwine between the countries can for example be seen in the strategic relationship between the two great regional business-hubs on the continent, Singapore and Hong Kong, which has a strategic relationship between them in order overcome limitations in relation to foreign investments (Mittelman, 1995, p. 280). Mittelman further argues, that culture has a significant role to play in relation to transnational linkages, as clans, marriages and dialects – a common culture – is used to hold these linkages together, as this it not only always done by business flows (Mittelman, 1995, p. 286). On the other hand, the combination of economic activities and cultural considerations can lead to conflicts within the racial and ethnic divisions of labour (Mittelman, 1995, p. 286). Mittelman continues by stating that both economic interests and shared values and beliefs create class ties (Mittelman, 1995, p. 286).

According to Mittelman, when explaining the global division of labour, one has to account for the following four aspects (Mittelman, 1996, p. 291):

1. Evolving regional formations in their institutional and informal aspects.
2. Intra-regional and inter-regional migratory flows
3. The complex web of interlinkages among global producers, their outputs and specified markets
4. The ways in which cultures are historically constructed, emerge from and help to shape the economy of a region

Mittelman argues, that globalization does not side-line the functions of a state, but that the state is outflanked by transnational corporations and has only the option to either fight globalisation by nationalising its economy or by setting up trading blocs - or to work with globalisation and ride the tide of the global market, because no country can avoid the consequences of globalization (Mittelman, 1995, p. 291). Mittelman further argues, that there are differing globalization narratives, as the West is generally the beneficiary of globalization, while the Third World generally is the loser in the interactions that is occurring due to globalization – this is rooted in the notion that market forces are no longer socially entrenched in a national economy, but are now to a higher degree unreliable, free-floating and less attached and depended on the social structures they once rised from (Mittelman, 1995, p. 292). To counter this development, Mittelman proposes that regionalism could be the solution to fight off the anti-social tendencies of transnational corporations, by intolerant nationalism and economic non-cooperation (Mittelman, 1995, p. 292). Mittelman also notes, that the bourgeoisie of the world are uniting at a higher rate than the proletariat, and that a resistance originating from the workers should be rooted in a reinvention of the interactions between manufacturing and identity (Mittelman, 1995, p. 293).

The theory of the global division of labour is relevant for this research in order to answer the research question, as the theory provides answers to why the current global division of labour is structured the way it is, which brings some degree of clarity onto why there are almost no production activities in the clothing-sector in Denmark today. The theory put forward by Mittelman is comprehensive, as it includes many aspects of past theoretical approaches and of broader aspects as the regional formations, culture and the state in relation to globalization. Although Mittelmans theory of global division of labour is reflective and ranging wide, his conclusions seem to be influenced by a Marxist view of global economy due to his conclusions about the anti-social tendencies of the transnational corporations, his focus on the degree to which the working-class and the employers are uniting separately from each other and with his use of the word bourgeoisie, which is a word being used in Marxist philosophy to describe the social class who owns the means of social production and employers of wage labour, to ridicule the global tycoons (Marx, 1969, p. 204). Although Mittelman has held a distinct position in relation to his creation of the theory of global division of labour, the theory is still very much useful for this research, as it encompasses the most central pieces of work within the study of the theories regarding the division of labour. Furthermore, it is impossible in practice to find any research conducted by a human being that is not subjective, as humans by nature are subjective as a consequence of the experiences and the environment they are subjected to.

The theories in this research has been chosen based on the notion that some of the main dynamics behind the situation of very limited degree of production of clothing in Denmark can be found in the theories about outsourcing and the global division of labour. The two theories are to some degree very intertwined, as they are both focused on the rationality behind the organization of production processes and the impacts of globalization in relation to the organization of production processes. On the other hand, they complement each other very well, as the theory of outsourcing primarily focuses on the perspective of the companies, while the theory of the global division of labour focuses on the perspective of the state and everything that entails, for example economy, society, culture and politics. Due to this complementation, the combination of these two theories provides a comprehensive theoretical basis for understanding and analysing the causes behind the minimal degree of the production of clothing in Denmark, and through this understanding also assess how it would be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark, as it allows this research to assess and answer the research question from many different aspects, perspectives and realities. This approach to the selection of the theories is also in line with the ontological and epistemological position of this research, as social constructionism holds that in order to understand a phenomenon thoroughly, it is essential to analyse it from many different realities, and interpretivism holds that it is essential to acknowledge the fact that several different realities exist, and that the actions based on them should be understood accordingly..

# 3.0 Methodology

This research will answer the research question from a qualitative approach, as this approach allows the research to understand the researched phenomena in specific context-settings, and through these settings, seek to answer the research question from several different aspects and perspectives (Golafshani, 2003, p. 600). In contrast to quantitative research, which seeks to explain the phenomena of interest through a frame of causal determination and generalization of findings, qualitative research seeks to explain the researched phenomena through understanding, exploring and illumination (Golafshani, 2003, p. 600). A qualitative approach is therefore suitable for this research due to the complexity and multifaceted nature of the phenomenon being researched, as it is essential to both explore the researched phenomena openly and approach the researched phenomenon from several different angles and aspects, in order to be able to provide a comprehensive, reflective answer to the research question (Holliday, 2007, p. 9).

This research will include three semi-structured interviews of key stakeholders in the Danish fashion industry, previous pieces of academic research, content from websites of both public and private companies and newspaper- and magazine-articles appropriate for grasping the multifaceted nature behind why almost no clothing is being produced in Denmark – this data is described in detail in chapter 3.3. This approach of including several different aspects of a given phenomenon underlines the qualitative nature of this research. Although this research will be dominantly qualitative, some quantitative data will be used in order to provide some statistical data to the research, but only to such a minor extent that it does not affect the methodological perspective of this research. This will serve the purpose of relating the degree and severity of some given parts of the researched phenomenon, which will provide a numerical perspective to this research. The quantitative data will be presented in chapter 3.3.2.4.

## 3.1 Research design

The research design of this research is that of the case study, which traditionally is a research design used to examine the nature and complexity of the case in question (Bryman, 2012, p. 66). This research design has been chosen, as a case study can answer a broad research question by providing a thorough understanding of a phenomenon by analysing a vast field of different sources of data (Crowe et al., 2011, p. 6). This approach is very appropriate for this research, as the phenomenon being researched is very complex and multifaceted in its nature, and therefore evidently needs a research design that can address the problem in a holistic and reflective manner. This research design aligns with the ontological position of this research, as constructionism holds that a phenomenon should be understood within its own environment, and that a phenomenon should be explained within the social interactions between differing realities. This also aligns with the epistemological position of this research, as interpretivism acknowledges the use of different realities, which is exactly what this research, being a case study, needs, as many different sources of data, and therefore also many different realities, is going to be entailed within this research. Furthermore, the research design of the case study also aligns with this research’s approach to data, which is the approach of creating a data archive, as this approach holds that all materials and processes, besides the research question and the trajectory of the theories, makes up the data archive – this underlines the approach of this research to include a vast array of data in order to provide a thorough, reflective and holistic answer to the research question.

## 3.1 Ontology

This research is, as just mentioned, being conducted from the ontological position of constructionism, which holds that the human perception of ideas, things and concepts are not static or pre-given, but are rather a product of human interactions, culture, history and society (Rapley, 2007, p. 4) Constructionism is questioning everything we take for granted, for example our identities, understandings, practices and knowledges (Rapley, 2007, p. 4). This does not mean, that there incidentally needs to be a debate about what reality is, and what reality is not – As Rose notes in his work “Life, reason and history: reading Georges Canguilhem today”:

*‘The realities that are fabricated, out of words, texts, devices, techniques, practices, subjects, objects and entities are no less real because they are constructed, for what else could they be?’* (Rose, 1998, p. 168).

Constructionism further holds, that categories and social phenomena are not just being produced through social interaction, but that they are also in a state of constant revision and change (Bryman, 2012, p. 33). From a constructionist view, the researched phenomenon in this research, and the circumstances it entails, is upheld by, and is a product of, human interactions. This ontological position allows this research to seek an explanation of a current, on-going phenomenon within its own environment, while still acknowledging the continuous influence on concepts, things and ideas by social interaction. This will consequently heighten the reflectivity of this research, as an acknowledgment of the dynamic and subjective nature of the findings will ultimately lead to an answer to the research question that is not final and objectively absolute, but rather is a representation of the particular data, theories and methods that has been used by a subjective researcher to explain the researched phenomenon in the context of the specific time, culture, society etc. in which it has been produced.

## 3.2 Epistemology

The epistemological position of interpretivism is chosen for this research, as this position holds that it is necessary to differentiate between people and objects of natural sciences, in order to understand the subjective meanings of social action (Bryman, 2012, p. 30). This position is backed up by the notion that the practice of science can never be an objective exercise, as the researcher is an active participant in the world, and therefore is not separated from the world, which ultimately will shape the way the researcher views a specific phenomena through his or her subjective, individual reality (Maclaran et al., 2010, p. 2) It is held, from the position of interpretivism, that social reality has a meaning for people, which subsequently make human action meaningful (Bryman, 2012, p. 30). When doing research from the position of interpretivism, it is the researchers job to interpret the actions of people from their point of view (Bryman, 2012, p. 30). This position is especially useful for this research, as this research seeks to entail many different views and perspectives, which all, in their nature, will be subjective, as is all actions and products of the human mind. Therefore, in order to perform a reflective analysis of many different realities, it is essential to acknowledge the fact that several different realities exist, and that the actions based on them should be understood accordingly.

## 3.3 Data archive

This research follows the principles of Tim Rapley, in his work “Doing Conversation Discourse and Document Analysis” from 2007, which holds that the researcher should not think about generating data in a narrow sense, for example by systematically differentiating between what is data and what is not data – instead, the researcher should focus on producing a data archive, which is:

*“A diverse collection of materials that enable you to engage with and think about the specific research problem or questions” (Rapley, 2007, p. 10)*

This means, in effect, that all materials used in this research, selected based on the research question and the trajectory of the theories, are to be considered as being data, and are all parts of the data archive of this research (Rapley, 2007, p. 9). This data archive, combined with the external influences on the researcher from conversations with friends, colleagues and families to listening to the radio, watching television and simply bolts from the blue, is what enables and shapes the production of research findings (Rapley, 2007, p. 10).

A distinction between researcher-generated data and already existing data is being put forward by Rapley (Rapley, 2007, p. 8-9), which is a distinction this research will adopt, as this research entails a combination of researcher-generated data and already existing data. The difference between the two types of data is that the researcher-generated data only exists due to the actions of the researcher, while the already existing data independently of the actions of the researcher (Rapley, 2007, p. 9). This distinction could, on the surface, lead to the conclusion, that the researcher is more active when producing the researcher-generated data, as opposed to when the researcher is engaging already existing data – and this might be true in some instances – but what one has to recognize is that when working with both types of data, the actions of the researcher is central in producing data from the materials (Rapley, 2007, p. 9). In the process of extracting data from both types of data, the researcher has to, first of all, discover it, collect it, and make decisions about which materials should be gathered, and which should not (Rapley, 2007, p. 9). This could lead to the conclusion that there should be no distinction between the two types of data, as Rapley also states about researcher-generated data and already existing data:

*“For me, all these materials are ‘my data’. Or rather, as I prefer it, all these materials make up my archive” (Rapley, 2007, p. 9).*

Contrary to the stance of Rapley, this research will use the distinction between the two types of data, as the two types of data has been collected by the use of different methods, and in order to explain these different methods in the most clear and less confusing manner, the two types of data will be separated.

The researcher-generated data in this research will consist of three semi-structured interviews of key stakeholders in the Danish fashion industry (see chapter 3.3.1 for a detailed account of this). The already existing data will consist of previous pieces of academic research, content on websites of both public and private companies as well as newspaper- and magazine-articles and quantitative data (see chapter 3.3.2 for a detailed account of this) The inclusion of these different document-genres further underlines the approach of this research, which is to entail many different perspectives and aspects. These different genres of data represents different types of realities - and that is a necessity for this research to include, in order to be able to answer the researched phenomenon thoroughly, as it is a very complex one, which consequently, very likely, has many different explanations that are very much intertwined.

### 3.3.1 Researcher-generated data: questions for qualitative semi-structured interviews

The following chapter will describe the method that has been used in this research for gathering knowledge through qualitative interviews with key stakeholders in the Danish fashion industry.

The interviewees chosen for this research were being selected due to their central role in the Danish fashion industry in relation to the production of clothing in Denmark – and due to the fact, that they individually represented three different aspects of this. This would provide this research with a vast amount of knowledge about the minimal amount of clothing-production in Denmark from actors who are working practically every day with this, not just theoretically, which is essential in order to identify the dynamics that causes the researched situation.

The interviewees were as follows:

**Betina Simonsen – CEO at innovationsnetværket Livsstil – Bolig & Beklædning**

Betina Simonsen is the CEO at an innovation-network whose main interests are interior and clothing. Simonsen was identified as a key stakeholder in relation to this research, as it was Innovationsnetværket Livsstil – Bolig & Beklædning that hosted the “Masterclass-Insourcing” event in October 2014, where she also attended as part of the expert-panel. The innovation network is a network under the Danish education- and science ministry, which seeks to solve societal problems relating to the interior- and clothing industry by promoting innovation in the industry (Innovationsnetværket, 2015, para. 1-2). This will provide this research with knowledge about the production of clothing in Denmark from the perspective of a branch organisations in the Danish fashion industry.

**Nikolai Bo Klausen – Chairman of the board, Wear**

Nikolai Bo Klausen is chairman of the board in the trade organisation Wear, which is a Danish trade organisation for the textile- and fashion industry of Denmark. Klausen has been identified as a central data-source for this research due to his position as chairman of the board of one of the most influential trade organisations in the Danish fashion industry, which means that he, through his job, must have accumulated a lot of knowledge about, and the tendencies related to, the Danish fashion businesses’ production of clothing. The inclusion of Klausen’s knowledge will provide this research with the perspective of a trade organisation in the Danish fashion industry

**Dorthe Brügger – CEO at Kreativ Coaching**

Dorthe Brügger is founder, CEO and concept developer at Kreativ Coaching, which is a company focusing on helping both private people and business-owners expand their creative ideas and potential (Kreativ Coach, 2015, para. 1-4). Brügger was recommended as a potential interviewee by Simonsen, as Brügger, beside her coaching-business, has co-founded a fashion company, called Another View, with emphasis on sustainable fashion. Through this work, Brügger now possesses a great amount of knowledge about the process of starting a fashion business, where minimizing of production costs is not the main motivation - the main motivation is instead to deliver a sustainable product (Another View, 2015, para. 1-3). Therefore, Brügger can provide this research with knowledge from the perspective of both the business-consultant and the business-owner.

The interviews of the three key stakeholders from the Danish fashion industry were being conducted as semi-structured interviews, with nine open-ended questions, as this approach allows this research to delve deeply into a topic and extract a thorough understanding of it, as this type of interview allows the interviewee to elaborate on, and explain, a given subject as he or she is not being constricted by very closely formulated questions which allows none or minimal elaboration (Harrell & Bradley, 2009, p. 27). This is ensured through the indirect encouraging of the interviewee to elaborate on a specific subject by asking open-ended questions, and thereby providing the interviewee some space in which to explain their view on the given subject. The interviewees were asked to answer the nine questions either by writing the answers and sending them in an e-mail, or through a phone-interview. This approach was used in order to accommodate the needs and preferences of the interviewees, in the hope that their answers would be more reflective when they were allowed to answer them in the manner they were feeling most confident in. The result of this approach was that Simonsen and Klausen wanted to answer the interview-questions through a phone-interview, while Brügger decided to answer the questions through writing and sending the answers in an e-mail. These two approaches, answering in writing or through an oral interview, can have different implications for the data that can be extracted from the interviews. For example, a written answering of the interview-question does not allow the interviewer to ask the interviewee to elaborate, if he or she makes an interesting point about a given subject – on the other hand, when answering the questions in writing, the interviewee might be able to think deeper and more reflectively about a question, as he or she is not subject to any immediate time-limit, as you would be when doing an oral interview. The issue of interviewees not being able to elaborate further, if he or she makes an interesting point, has in this research been sought solved by agreeing with the interviewees, that they could be available for further contact if any elaboration was needed. The issue of the oral-interviewee might not have enough time to provide a deep and reflective answer has been sought solved by sending the interviewee the questions two weeks in advance, which allows the interviewee to prepare for the interview, and thereby provide deep and reflective answers.

In order to provide the interviewees with a common frame of reference in relation to this research, the questions was sent with an enclosed background-section. This was done in order to establish a frame in which the question could be answered, which would ensure that the answers were going to be aligned with the context in which this research operates, and thereby make the answers more relevant and operational.

Below is the background-section and questions that was sent to the interviewees.

#### 3.3.1.1 Interview-questions for the interviewees

50.000 people were employed in the textile and clothing factories in Denmark in the 1950’s, making it one of the largest manufacturing industries in the country at the time (Clean Clothes DK, 2010, para. 1). – today, around 1100 people are employed as manufacturers of textile and clothing in Denmark (WEAR Denmark, 2014, p. 2) The Danish clothing industry is among the largest of the European clothing industries, with a total export of 26 bn. DKR and a turnover of 62 bn. DKR in 2014, employing 27.500 people in total in Denmark, primarily in design, administration and retail (WEAR Denmark 2014, p. 2). All most all of the Danish clothing products are being manufactured in Southeast Asia or Southeast Europe, then either shipped directly to the export-market or to Denmark, and from then on it is being distributed to the export market (Clean Clothes DK, 2010, para. 12). Due to the fact that the clothing industry has not, to some degree, been able to embrace technological rationalisation, and therefore today is an industry dominated by the use of manual labour, the clothing industry has been a somewhat obvious industry to be subjected to the consequences of globalisation (Lane and Probert, 2004, p. 1). At the event “Masterclass-Insourcing” in October 2014, Danish politicians and stakeholders from the Danish fashion industry got together to discuss the possibilities for bringing back parts of the production of Danish fashion products to Denmark. This suggests that certain goodwill towards the idea of Danish production of fashion products exists, both at industry-level and at political-level in Denmark. In this context, and based on your knowledge and hopes about the current and the future situation regarding the production of clothing by Danish fashion companies, I would like you to answer the following questions as detailed and nuanced as you possibly can:

**1. Why do you think that almost no Danish fashion companies are manufacturing their products in Denmark?**

**2. Which factors do you think are the most dominant when a Danish fashion company decides to outsource the entire production, or parts of it, to Southeast Asia or Southeast Europe?**

**3. To what extent do you think that Danish fashion companies are interested in producing in Denmark?**

**4. What do you think should be done politically in order to promote a higher degree of production of fashion clothing in Denmark?**

**5. How do you think a production line of fashion clothing in Denmark would look like? (Which products, how they are made, pricing etc.)**

**6. Which negative impacts do you see in relation to outsourcing production of fashion products?**

**7. Which positive impacts do you see in relation to outsourcing production of fashion products?**

**8. How do you think the Danish fashion companies’ production will develop in the future?**

**9. As a stakeholder in the Danish fashion industry, what would you like to see happen in the future for the production in the Danish Fashion industry?**

### 3.3.2 Already existing data

This chapter will describe the already existing data used in this research, and the reasoning behind choosing exactly this particular data.

#### 3.3.2.1 Previous pieces of research

The previous pieces of research were chosen for this research based on the notion to choose a diverse field of studies, in order to establish a comprehensive set of academic data, which will provide different views and perspectives on the researched phenomenon in this research. The selection process for choosing the previous pieces of research has also been conducted with a focus on identifying the most cited piece of research within the field of the problem formulated in this research, in order to include the most influential pieces of research. Another approach in the process of selecting the previous pieces of academic studies for this research has been an attention to ensuring a wide array of differing perspectives and aspects on the dynamics and reasons behind outsourcing/insourcing. This approach aligns with the ontological position of this research, constructionism, as it encompasses many different realities and uses that as a standard for finding the most reflective answer to the research question of this research. Furthermore, following this approach also increases the validity of this research, due to the fact that many different aspects and perspectives are being included in the basis of understanding the researched phenomena. The inclusion of previous pieces of research into this research is based on the notion that in order to achieve the most reflective and holistic answer to the research question, it is of great importance to include the academic aspect in order to ensure that this research entails many different aspects and viewpoints – and that includes the viewpoints of the academic world.

The following is a presentation of the previous pieces of research, and the reasoning behind why they have been chosen for this research:

**Aksoy, Ash and Öztürk, Nursel - “The Fundamentals of Global Outsourcing for Manufacturers”, 2012**

Aksoy and Öztürk’s work has been chosen for this research, as it is a very recent publication, and therefore the conclusions in it are very much updated and applicable to the context in which this research has been conducted. Furthermore, this research has its point of departure in a broad, top-down approach, as the conclusion of the research is that globalization is the main reason for the vast use of outsourcing in the West. This approach brings out the basic reasons behind outsourcing, and is not merely showing parts or components of the causes, which provides this research with valuable knowledge, although the knowledge obtained in this piece of research is, due to its broad nature, not very detailed or specific.

**Quinn, James Brian and Hilmer, Frederick G. – “Strategic Outsourcing”, 1994**

Although this research by Quinn and Hilmer is more than twenty years old, it is still very much relevant to this research, as this particular piece of work is the most cited within the field of outsourcing, and therefore has had a major impact on the science of this concept since its publication. Furthermore, an inclusion of a piece of work, that is not of a recent date, ensures a diverse nature of the data, as the data not only varies in regards to content, but also in regards to time, which ultimately improves the reflectiveness of this research.

**Caputo, Antonio C. and Palumbo, Mario - “Manufacturing re-insourcing in the textile industry: A case study”, 2005**

This study by Caputo and Palumbo has been chosen for this research due to the fact that it relates insourcing to the textile industry while still remaining at a general level, as the purpose of the study is to propose a method for managers to assess the feasibility of insourcing production - within this research field, this is a rarity, as it is also a study that has been cited a significant amount of times. Furthermore, the study of Caputo and Palumbo includes both positive and negative sides to insourcing, which is critical for this research, as an inclusion of both sides will make this research more comprehensive in its findings.

These three pieces of previous research are specifically and thoroughly referred to in the bibliography. This research entails perspectives from other pieces of previous research, but the three pieces of research in this chapter is identified as being the most central.

#### 3.3.2.2 Mass-media outputs

This research contains different sources of mass-media outputs. These are online newspaper articles from:

**Berlingske Business:** The data from Berlingske Business has been chosen due to its quantitative nature, as it provides very useful data about the size of the biggest Danish fashion companies. Although Berlingske is generally regarded as being a very capitalistic/liberal media, the bias is not consider to have any inclinations in relation to the data that has been extracted for this research, as the data is somewhat neutral in its nature, at it is a ranking in size of different businesses, which generally is not a subject for debate.

**Politiken:** The data from Politiken has been used to support the fact that IC Group A/S is primarily producing in low-wage countries, as it was difficult to find real, tangible evidence on this anywhere else. Even though Politiken is rather leftist, the data extracted from the article is very basic, as the only purpose was to establish that IC Group A/S are primarily manufacturing in low-wage countries, and therefore, the bias of the article is not significant for the interpretation of the data.

**DR Nyhederne:** The data from DR Nyhederne has been used, as it highlights the problem of the lack of educated people within the production-processes of clothing manufacturing. This specific data about this could not be found anywhere else, and it might be obvious that such data would appear in mass media, as it is a type of media where you can spread your views to a vast group of people, including politicians, who can actually change the situation – and the situation describes (the lack of educated people in Denmark within the production-processes of clothing manufacturing) is, as the majority of all education in Denmark is financed by the government, an issue for the political system to handle – and an effective way to reach out to them, is through mass-media.

**Forbes:** The data from Forbes has been used to show the placement of Denmark 2014 in the annual report from the World Bank on the ease of doing business in the countries of the world. This list of Forbes is a well-known list around the world, and it is a good indicator for how a country is doing in relation to its business-climate, as it entails the results from many other reports, including for example the World Bank’s Doing Business report.

**Finans:** The data from Finans has been used in order to acquire knowledge about the average wage of the Danish unskilled workers. Although Finans is rather capitalist/liberal in its views, the data extracted from the article is solely based on numbers, and therefore, the possible bias of the article is of no real significance.

All of these online news-paper articles are specifically and thoroughly referred to in the bibliography.

#### 3.3.2.3 Websites

This research contains data from websites of different companies, political entities, industry associations and industry-specific magazines. These are the websites of

* **Another View -** http://anotherview.dk/index.php?id=us
* **Bestseller -** http://about.bestseller.com/en/AboutContent/OurCompany.aspx
* **Clean Clothes -** http://www.cleanclothes.dk/index.php?option=com\_content&view=article&id=84:hvor-blev-de-danske-syersker-af&catid=42:outsourcing-om-eu-og-den-globale-tojindustri&Itemid=81
* **Dansk Erhverv -** https://www.danskerhverv.dk/Raadgivning/Overenskomst/Hvad-er-en-overenskomst/Sider/Hvad-er-en-overenskomst.aspx
* **Dansk Mode & Textil -** http://www.dmogt.dk/nyheder/2015/01/ny-fond-samler-mode-og-designorganisationer
* **DK Company -** http://www.dkcompany.dk/index.php?id=29
* **Design Society -** http://designsociety.dk
* **Erhvervsmagasinet Vækstjylland -** http://www.e-pages.dk/mediehusethf/175/
* **Hackett Group Inc -** http://www.thehackettgroup.com/research/2012/reshoring-global-manufacturing/hckt2012-reshoring-global-manufacturing.pdf
* **Innovationsnetværket Livsstil – Bolig & Beklædning -** http://innonetlifestyle.com/om-os/
* **Kreativ Coach -** http://www.kreativcoach.dk/coaching.htm
* **Miljøministeriet -** http://mim.dk/nyheder/2015/jan/vi-skal-bruge-vores-toej-i-laengere-tid/
* **Wear -** http://www.weardenmark.com/sites/default/files/u7/Den%20danske%20modebranche%20-%20WEAR%20360%20graders%20analyse.pdf
* **World Trade Organization -** https://www.wto.org/english/thewto\_e/whatis\_e/tif\_e/agrm5\_e.htm

These website have been chosen, as they contain specific information about a company, an organization or a political entity, which is not provided by any other sources. Furthermore, these websites are a great source into assessing the public opinion/view, or the mission of, a company, organization or a political entity, in relation to a given subject. For example, it has been of great importance to assess the organizations that the interviewees of this research represent (Kreativ Coach/Another View, Innovationsnetværket Livsstil – Bolig & Beklædning and Wear), in order to evaluate whether or not they would be valuable to extract data from. The websites of Dansk Erhverv and Erhvervsmagasinet Vækstjylland has provided valuable knowledge from sources that are primarily directed to people within the business-world and the clothing industry. The websites of Clean Clothes, Bestseller and DK Company was used in order to gain background knowledge – from Clean Clothes about the outsourcing process that has historically happened in the Danish clothing industry, and from Bestseller and DK Company about their approach to production in low-wage countries. The website of the Hackett Gropu Inc. was used in order to access the data about the Chinese wage-rate inflation.The websites of Miljøministeriet and World Trade Organization has been used to access the two entities’ official statements towards the production of clothing – the data extracted from miljøministeriets website provided knowledge about the attitude of the ministry towards the future production of clothing of the Danish fashion businesses, and the data extracted from the website of the World Trade Organization provided knowledge about the international regulations in relation to textiles and clothing. All of these websites are specifically and thoroughly referred to in the bibliography.

#### 3.3.2.4 Quantitative data

These sources of quantitative data has been chosen, as they contain valuable numeric information that provides this research with a numerical perspective to which is important in order to provide some degree of overall, general tendencies.

* **Christensen, Lars K. –** *“Denmark: the textile industry and the formation of modern industrial relations”, 2010* (Scholarly work).Christensen has been chosen, as he is one of the only authors that has worked with historical statistical data in relation to the Danish fashion business, which is important to add to this research in order to fully grasp the context in which the researched phenomenon has emerged from.
* **Clean Clothes DK –** *http://www.cleanclothes.dk/index.php?option=com\_content&view=article&id=84:hvor-blev-de-danske-syersker-af&catid=42:outsourcing-om-eu-og-den-globale-tojindustri&Itemid=81, 2015 (*Website).Clean Clothes DK was chosen, as it entailed fairly specific data about the number of people employed in the Danish textile industry in the 1950’s, which is another important information to acquire in relation to understanding the context of the researched phenomenon.
* **Ditty, Sarah -** *“Europe in the world: The garment, textiles & fashion industry”, 2015* (Web article). Ditty provided some valuable numeric insights into China’s share of the total world production of clothing, and into Europe’s share of the total world import of clothing, which are both key aspects to have knowledge about in order to grasp the global dynamics within the clothing industry.
* **European Commission -** *”For a European Industrial Renaissance”, 2014* (Official document). The data from the European Commission provided this research knowledge about the general tendencies in the industry in Europe, which again relates to the importance of fully grasping the context of the researched phenomenon.
* **European Sector Skills Council –** *“Textile Clothing Leather Footwear: Report 2014”, 2014* (Official document). The data from the European Sector Skills Council provided numerical data about the loss of manufacturing jobs in the Danish fashion industry in the period between 2005-2012, which underlines the understanding of the development of the manufacturing sector in the Danish fashion business.
* **Eurostat – *“****Estimated hourly labour costs, 2014), 2015* (Statistics). The data extracted from Eurostat provided knowledge about the average wage of the EU, which was used to put the Danish wages into a wider perspective.
* **Heymann, Eric & Vetter, Stefan -** *“Europe’s re-industrialisation: the gulf between aspiration and reality”, 2013* (Official document). Heymann and Vetter provided data about the development of the industrial sector in Europe in comparison with the development of the industrial sector of Asia, which again is central to understanding the dynamics and developments that has created the context in which the researched phenomenon will be assessed.
* **Hilger, Jan -** *”The apparel industry in West Europe”, 2008* (Scholarly work). Hilger provides data about the development of the employment in the clothing industry in Germany, which again is vital in understanding the context.
* **Hillstrom, Kevin –** *“The Industrial Revoultion”, 2009* (Scholarly work). Hillstrom presents data about the production of cotton-thread following the invention of the Spinning Jenny, which is vital numerical data in relation to understanding the historical background of the manufacturing of clothing, and through this understanding, grasp the context of today
* **WEAR** – *http://www.weardenmark.com/sites/default/files/u7/Den%20danske%20modebranche%20-%20WEAR%20360%20graders%20analyse.pdf, 2010 (Website)* (Official document) As WEAR Denmark is a trade organisation of the Danish fashion industry, it was a valuable source of data in regards to the current employment-numbers of the Danish fashion industry, which provides knowledge about the activities and job-functions that the Danish fashion industry entails, which translates into an understanding of which processes are, and are not, being handled domestically by this industry.

## 3.4 Data analysis

The analysis of qualitative data does not follow codified rules in the same manner as the analysis of quantitative data does – however, there are still some systematic ways to analyse qualitative data (Bryman, 2012, p. 587). The analysis of qualitative data is happening through a circular process, which means in effect that the research question is devised and shaped continuously throughout the research process (Hogan et. al., 2009, p. 1). This shows how qualitative analysis has a pragmatic character to it – that is, that qualitative is not static, but is of a rather fluent nature - which is why it is hard to pin down the exact ways in which a qualitative research could, and should, be conducted. Nevertheless, this research will analyse data by using content analysis – more specifically the sub-approach of content analysis, which is grounded theory. Grounded theory is in its nature inductive, as it seeks to generate theories regarding social phenomena (Lingard et al., 2008, p. 459). Grounded theory is concerned with developing a higher level of understanding through a systematic analysis of data, based on the key figures in grounded theory, which are iterative study design, theoretical (purposive) sampling and system of analysis (Lingard et al. 2008, p. 459). An iterative study design is a way of entailing cycles of data collection and analysis simultaneously, which makes the analysis the guideline of the next cycle of data collection (Lingard et al., 2008, p. 459). The theoretical sampling is the process of purposefully selecting new data as the analysis progresses – that is, that the data collection is not at the outset of the analysis, but is rather an integrated and on-going part of the process of the analysis (Lingard et al., 2008, p. 459). The system of analysis is the process of constant comparison during the process of the analysis, as issues of interest arise from the data, these issues of interest are being compared to other examples for differences and similarities. This means, in effect, that the general direction and notions of the research is constantly being refined through a continuous comparison with the new emerging knowledge from the on-going data collection (Lingard et al., 2008, p. 459-460). These three processes are very much intertwined, as an iterative study design requires the theoretical sampling in order to have a continuous cycle of data collection, while the system of analysis ensures that the emerging theoretical constructs are constantly being reshaped through comparing them with the notions and knowledge from the new data (Lingard et al., 2008, p. 459-460).

In order to analytically access the content of the data in this research, the tool of open coding will be used, which is one of the most fundamental processes in grounded theory (Bryman, 2012, p. 568). Open coding is an approach to analysing data, where the content of the data is being separated, compiled and organized by dividing the different sections and meanings of the data into labels, concepts and categories (Bryman, 2012, p. 569). Open coding is, in other words “the process of breaking down, examining, comparing, conceptualizing and categorizing data” (Bryman, 2012, p. 569) Using open coding in a qualitative research through the use of grounded theory is often being done quite informally, unlike in a quantitative research, where it is required that data fits into predetermined standardized codes (Bryman, 2012, p. 568). When using the approach of open coding, data is being coded as the data is collected and it is in a constant fluent state of potential revision (Bryman, 2012, p. 568). When coding, the data is being treated as possible indicators of concepts, which are then being constantly compared in order to see which concepts they correspond best to, and after the comparison, the concepts are being coded by naming them as indicators of a certain class of behavioural actions (Bryman, 2012, p. 568). These concepts can then, when compared and found to be representing activities that are directed towards a similar process, be established under a more abstract heading, also known as a category (Corbin & Strauss, 1990, p. 420).

This approach of using grounded theory and open coding, establishing concepts and form categories as the analysis tool for this research, allows this research to identify the key points of the data, as an integrated part of the process of the cycles of data collection and analysis, and the related theoretical sampling and system of analysis – which ensures, that the analysis in this research is being conducted in correspondence with the dynamic nature of constructionism, while also being aligned with the impressionistic character of interpretivism.

The approach of grounded theory will be applied to this research by the approach of open coding, which will be performed rather informally, by establishing concepts through the interpretation and grasping of the content and themes in the data. The established concepts that have emerged through the process of the open coding of the data of this research will then be the base of the formation of the categories. These categories will then be compared in order to assess the differences and similarities in order to explore the relationship between the categories. This exploration will then be merged with points and notions that have been picked up over the course of the research process, but which have not been dominant enough to be established as categories, and with the theories that have been chosen for this research.

## 3.5 Ethics

The ethical considerations in this research are mainly focused on the interviewees that provided their knowledge about the researched phenomenon through qualitative interviews. In order to make sure that there would be no conflict in relation to the use of the data provided by the interviewees, this issue was addressed before the conduction of the interviews, where it was agreed that the data provided by the interviewees could be used and published as it was. This ensured that the interviewees had a degree of control of the data they provided. The ethics in relation to the interviews that was being conducted orally was addressed by sending the transcript of the oral interview to the interviewee for approval, before using and publishing the data.

## 3.6 Reliability, validity and limitations

In order to examine the reliability and validity of this research, the approach of data triangulation will be used, as this approach holds that in order to increase the reliability and validity of a qualitative research, it is essential to include different types of data (Johnson, B. R., 1997, p. 282-292 as cited in Golafshani, 2003, p. 604). This means, in effect, that the research will be both more reliable and valid, as this will provide a diverse and comprehensive construction of realities (Golafshani, 2003, p. 604). In this research, the use of triangulation can be seen in the use of different sources of data, which is apparent in chapter 3.3, combined with the use of two different theories described in chapter 2.

When doing a qualitative research, it is important to first of all acknowledge the subjectivity of the researcher, which inevitably will form and influence the research. The implication of this subjectivity is, that the research can be criticized for being too subjective and impressionistic. This is due to the notion that the findings of a qualitative research depend too much on the unstructured and unsystematic views of the researcher of what is important and what is not important (Bryman, 2012, p. 405). Consequently, given the open-ended way a qualitative research usually starts out, the reader of the research can be left with a somewhat incomplete impression of the reasoning behind why one aspect or focus was chosen instead of another (Bryman, 2012, p. 405). This critique of qualitative research is valid to some extent, but the important thing to remember is, that no research produced by a human being can be objective, due to the subjective nature of all humans, which consequently makes all research ever conducted subjective, to differing degrees.

Although research cannot be conducted without being subjectively influenced, this research deals with the issue of subjectivity by following an academic methodological structure that both provides a degree of transparency, but also ensures that the research has been conducted through a set of “guidelines”, which in the end makes the research less pragmatic and random. This transparency also allows the reader of the research to become knowledgeable about the process in which the research has been conducted, and through this knowledge, the degree to which the research can be replicated is heightened. This is not to say, that this research can be replicated without any difficulties, as it can be argued that it is virtually impossible to replicate any qualitative research regardless of its methodology, but the method of this research, that heightens the transparency and the degree to which the research can be replicated, while also using the approach of data triangulation, ensures the reliability and validity of this research.

## 3.7 Methodology - summed up

As the researched phenomenon in this research is a multifaceted and complex one, the nature of the methodology of this research is qualitative, broad, open and seeking to encompass a vast array of data, in order to provide a holistic, comprehensive and reflective answer to the research question. This reflects in the research design of the case study, as a case study seeks to answer a broad research question by providing a thorough understanding of a phenomenon by analysing a vast field of different sources of data. This use of a vast field of different sources of data is reflected in the approach to data in this research, which holds that all materials within this research, selected based on the research question and the trajectory of the theories, are to be considered as being data, and are all parts of the data archive of this research. This data archive will be analysed by the use of content analysis – more specifically; grounded theory and open coding – which means that the data will be analysed by assessing the indicators and concepts of the data in order to identify the key points of the data, as an integrated part of continuous cycles of data collection and analysis, and the related theoretical sampling and system of analysis. The data will be understood and perceived through an acknowledgement of constructionism and interpretivism, which holds that the human perception of ideas, things and concepts are not static or pre-given, but are rather a product of human interactions, culture, history and society and that several different realities exist, and that the actions based on them should be understood accordingly.

# 4.0 Analysis

The analysis will be conducted by presenting the categories that have emerged through the process of coding and establishing concepts within the assessed data, in alignment with the approach of content analysis/grounded theory, as mentioned in chapter 3.4.

## 4.1 Categories

This analysis will consist of the categories that have emerged through the coding and conceptualization of the data of this research. The different parts that consolidate these categories, and the reasons why they underpin the categories, will be presented in order to show the different aspects and facets within each specific category, as categories are more abstract than concepts, and should therefore also be understood accordingly. The concepts that make up the categories will be mentioned under each category, in order to make the process of establishing the category more transparent and visible.

The categories identified and analysed in this chapter have been identified to be the most central in relation to the researched phenomenon, through the process of conceptualization of the data of this research. These concepts have emerged through the emphasis that has been put on them from different types of data from the data archive, as they have been underlined in different data in differing ways. These different ways and approaches in the data to address the central nature of the categories of this research, has been assessed and combined into the following all-encompassing categories, and are therefore the key to exploring and understanding the reasons behind why almost no clothing is being manufactured in Denmark and whether it is possible to increase the degree of production of clothing in Denmark. This categorization, through an immense and thorough conceptualization of the data, has been the approach to the establishment of all five categories.

The quotes that have been used in this chapter will be numbered in order to make them more operational in the remainder of this research.

### 4.1 Sustainability

The word sustainability, and different supporting components of this word, has through the process of this research emerged to be central in the collected data, when assessing the production of clothing in Denmark. In this research, sustainability is established as a category. The concepts that make up the category of sustainability are recycling, production-conditions, safety in relation to production, use of clothing over a long timespan, environment and use of materials.

The use of the word sustainability can for example be seen in the interview with Betina Simonsen, who states that:

 *“… and then I hope that it (Sylab) can help some businesses in thinking in different ways, maybe more exclusive production, but also sustainability, that is, that you know how the things are produced and under which conditions”* (Appendix 1, para. 18). **Example 1**

Simonsen talks, as can be seen from the citation, very explicitly about sustainability, and she is also labelling it with the assets of knowing how the clothes is produced and under which conditions, which can be seen in the last section of the quote above: “…*that is, that you know how the things are produced and under which conditions”*. This shows both that sustainability is very important for Simonsen, due to her explicit use of the term, and it also shows the values she links to sustainability and how her perception of the term is. Simonsen also talks about re-cycling, and the importance of being able to use clothing over a long period of time, and in this period, being able to adjust the piece of clothing to fit the time and the shape of the person owning it (Appendix 1, para. 17). Simonsen is the only one of the interviewees who is addressing the multiple use of clothing over a long timespan, and the recycling aspect of sustainability.

As Simonsen was referring to in the quote above, Sylab, where Simonsen is business manager, is a politically funded project that supports the transition into Danish sustainable production of clothing. In the fall of 2015, the project will be launched in Ikast, where the company Claire Group has made 7.000 square metres of space available for a new experimental clothing-producing factory, where development of innovative ways of producing clothing is the main focus (Erhvervsmagasinet Vækstjylland, 2015, p. 20). Innovationsnetværket Livsstil – Bolig & Beklædning, which is a network under the Danish ministry of education and science, is the main figure in this project, which also involves several textile-businesses, Herning and Ikast-Brande municipality and Dansk Mode & Textil (Erhvervsmagasinet Vækstjylland, 2015, p. 20). When Simonsen is referring to the nature of this project, she emphasises the fact that clothing produced in Denmark is guaranteed to be of a high quality, the use of chemicals is controlled and so is the working conditions under which the Danish workers has been producing the clothes, which underlines her interpretation of what sustainability is, which is dominantly focused on the conditions of the workers, with lesser emphasis on the environment (Erhvervsmagasinet Vækstjylland, 2015, p. 20).

The central nature of sustainability is further underlined in the interview with Brügger, who also emphasized the importance of sustainability in the Danish fashion business several times. Brügger stated, in relation to her estimate of how a line of clothing produced in Denmark would look like:

 ***“****SUSTAINABILITY: especially here – we are innovative and conscious about the environment in Denmark”* (Appendix 2, para. 12). **Example 2**

Brügger’s use of the word sustainability is, as Simonsen’s, very explicit, and at the same time very much linked to the environment, meaning that the production of clothing should follow the general Danish principle of sustainability towards the environment, as can be seen in the last section of the quote: “…*we are innovative and conscious about the environment in Denmark”* (Example 2). By naming that we are conscious about the environment in Denmark, Brügger is most likely referring to, for example, the wide use of renewable energy in Denmark. Brüggers’ view of sustainability seems to differ, to some degree, from Simonsen’s use of the word, as Simonsens perception of the word focuses more on the methods and conditions under which the clothing has been produced.

From a political aspect, sustainability is also a term being used in the discourse related to the production of clothing in Denmark. In January 2015, Kirsten Brosbøl, the environment minister of Denmark, launched a new partnership between her ministry and representatives from the Danish fashion- and textile industry (Miljøministeriet, 2015, para 1). The goal of the partnership is to examine how the Danes can expand the life of their clothes in order to minimize the waste of clothing, as only 20% of all clothing globally is being recycled, while 42 million tons are being thrown out with the garbage (Miljøministeriet, 2015, para 4). Brosbøl wants to make the Danish fashion industry more focused on making their production more sustainable, for example by using fabric of higher quality and by using designs and fits that would make the clothing harder to wear out (Miljøministeriet, 2015, para 4). The environment minister of Denmark, Kirsten Brosbøl, underlined the focus on sustainability in the following manner:

 *“We must think new, sustainable solutions into the way we design, produce and use our clothes, and we must do it in a way that enables both growth and environment to go hand in hand”* (Miljøministeriet, 2015, para. 4). **Example 3**

Brosbøl also uses the word explicitly, like Simonsen and Brügger, but the meaning she attaches to the word differs to some degree from both of them. Brosbøls perception of the word entails the design, the production and the use of clothing in terms of sustainable solutions. This provides the clear impression, that according to Brosbøl, you need to think of many different aspects in order to be able to produce clothing sustainable. For Brosbøl, it is not enough that for example the production of a piece of clothing has happened in a way that is not damaging the environment, because the design and the use of that piece of clothing should also support the sustainable approach. Brosbøl also adds growth and environment into the meaning of the word sustainability, which shows that according to Brosbøl, a sustainable development should happen in a way that works both for the businesses and the environment. This further underlines her encompassing understanding of, and the actions related to, the word. Ways of expanding the life of clothing and a promotion of recycling of clothing is also a part of the partnership between the Danish environment ministry and the Danish fashion industry, which further consolidate the general approach towards sustainability from this collaboration. This stance is also very much aligned with the position of Simonsen regarding the focus on extending the time a piece of clothing is being used and the attention to recycling.

Another political initiative was initiated in March 2015, as a Danish collaboration called Design Society was launched, which is a fund financed by the Danish government, with the proclaimed goal to develop the Danish design- and fashion industry (Designsociety, 2015, para. 1). The collaboration consists of the Danish Design Centre, which is a government funded organization that strives to facilitate innovative design activities; INDEX: Design to Improve Life, which is a Danish non-profit organization that focuses on social understanding, democratic thinking and humanism in relation to developing sustainable design-solutions to local and global challenges; and the Danish Fashion Institute, which is a network for the Danish fashion industry that works for promoting and developing Danish fashion (Designsociety, 2015, para. 3-7). The collaboration, Design Society, is a foundation aiming at strengthening Danish fashion and design by promoting sustainability, use of innovative materials in the production and create development-activities which can attract talents and investments to Denmark (Dansk Mode & Textil, 2015, para. 7-9). In an interview with Dansk Mode & Textil, the CEO of the Danish Fashion Institute and Copenhagen Fashion Week, Eva Kruse, stated the following about Design Society:

 *“And create the best opportunities for strengthening the development of the fashion business, lead the way in relation to sustainability and make Danish fashion and the fashion week visible internationally” (Dansk Mode & Textil, 2015, para. 9).* **Example 4**

Kruse is also very explicit in her use of the word sustainability, but she is not elaborating on the meanings she attaches to the word. What Kruse does say, is that the aim of the collaboration is to lead the way in relation to sustainability, but the emphasis is on the strengthening of the Danish fashion and improving the visibility of Danish fashion, as can be seen in the last section of the quote:

“…*make Danish fashion and the fashion week visible internationally”.*

The aim of the fund is, as mentioned above, to strengthen Danish fashion and design by promoting sustainability and the use of innovative materials in the production. It is not stated explicitly that the use of innovative materials should be sustainable materials, but it is fair to consider this to be the case, as it would go against their own mission to use materials that is not sustainable. Although the emphasis seems to be on the strengthening of the Danish fashion industry, which very likely also is the reasoning behind the creation of the fund, sustainability is central to this strengthening, as it is explicitly stated that the fund will strengthen the Danish fashion industry by promoting sustainability and the use of, most likely, sustainable materials.

Klausen does not explicitly use the word sustainability, but he does address that when producing in Denmark, you know that there are fire safety, there are safe building in which the production can take place, and there are breaks during the working day – in other words, the clothing is being produced under controlled settings, which creates a sense of calmness around your product. Klausen states this position in the following manner:

*“That is, that if you produce in Denmark, you also know that there are fire safety, there are safety in relation to buildings, there are minimum-demands and there are breaks – there are control with things and therefore you have more peace around your product”* (Appendix 3, para. 6). **Example 5**.

Klausen further elaborates on this by stating that the clothing being produced in Denmark should not necessarily be ecological only because it is made in Denmark. This can be seen through the following statement of Klausen:

*“But is should not be eco-clothing, because that is not at all where fashion is, that is, people want to dress the same, and it has to look the same and be just as stylish as it is now, like everything else, but it can still be Made in Denmark. Whether it is ecological and everything else is another parameter you can hit. But is should not necessarily be ecological because it is made in Denmark.”* (Appendix 3, para. 6). **Example 6**

From this, it can be argued, that Klausen’s definition of sustainability is very much linked to the working conditions of the workers, with less emphasis on the environment. This is also underlined in his statements about ecology, where Klausen’s view might be dominantly business-oriented and, to some degree, in line with the view of Simonsen and Kruse.

Brügger elaborates on the notion of sustainability by drawing lines to the tendencies that has happened in the culinary world in Denmark:

 *“Similar to the food revolution that has happened around food – stop food-wasting and Claus Meyers’ mission – we also want to create that in Danish Fashion”* (Appendix 2, para. 18). **Example 7**

Klausen backs up this notion by stating that:

*”If you take ours, in foods – those are chefs that have been apprentices and can something, and knows something about food, and that is why Danish New Nordic has become so popular, and all of this using the ressources that are available to you instead of getting them sailed in from abroad (…) But the fashion industry lacks this connection to the roots*” (Appendix 3, para. 8). **Example 8**

This connection to the food revolution of Danish cuisine is a good indicator for what these two stakeholders would like to see the Danish fashion industry moves towards. It underlines the connection to sustainability due to the nature of the food revolution, which is, as Klausen also points out, focused on using the raw materials that are naturally at your disposal, without relying on imports from abroad. Another aspect to this is that Klausen seeks to find the answers to what the Danish fashion business should move towards in the future through the past experiences and the history of the industry, and not through reliance of imports from abroad, as seen in the lase section of the quote above: *using the ressources that are available to you instead of getting them sailed in from abroad (…) But the fashion industry lacks this connection to the roots*”.

This connection to the roots is further underlined by Klausen in the following statement:

*“That you once again brands Denmark for having some history and some changes in history, which is incredibly important for the consumers at the moment”* (Appendix 3, para. 8). **Example 9**

Here, the importance that the Danish fashion businesses finds back to their roots is based on the notion that it is important for the consumers that the product they buy has a history and some qualities that are beyond the physical manifestation of the product. This means, in effect, that the importance of sustainability should not solely be based on environmental and social considerations, but it should also based on an interest from the consumers in sustainable products.

This subchapter shows, that the use of the term sustainability in relation to production of clothing in Denmark is both widespread and also holds diverse meanings. Some view sustainability as being dominantly focused on the conditions of the workers – that is, their safety, physical environment, working conditions in relation to the right to breaks during the working day and so on. Others view sustainability as being a term that is primarily focusing on the environment and the use of production practices and materials that is beneficial for the promotion of a healthy environment, while sustainability is also viewed as a need from the consumers that can, and should, be met. Although there seems to be different interpretations of the word sustainability, there also seems to be a general consensus about that the future of domestic production of clothing has to happen sustainably, with a care for the environment, people and the heritage of Danish clothing production.

## 4.2 Wage

The wage-aspect is very central in relation to the production of clothing in Denmark due to the fact that the clothing-manufacturing industry is highly reliant on the use of manual labour, as previously mentioned in chapter 3.3.1.1. In this research, wage is established as a category, which consists of many different concepts such as low wage, high wage, wage-rate inflation, production costs and low cost countries.

The wage perspective is assessed In a web-article on the website of the Danish Chamber of Commerce, by the CEO of the Danish Chamber of Commerce, Jens Klarskov, where he explains different aspects of the Danish business-world that are not beneficial for running a business (Klarskov, 2014, para. 1-12). Klarskov identifies the following downsides of running a business in Denmark, where the wages is one of the three:

*“Mediocore results in the field of education, a high wage-level and the highest tax- and levy-level is contributing to drawing competitiveness out of the Danish economy”* (Klarskov, 2014, para. 3). **Example 10**

The average high wage-level of the Danish workers has a negative impact on the general competitiveness of Denmark, as it heightens the production-costs, compared to if the same product or service was created in countries with a significantly lower wage-level (Klarskov, 2014, p. 3-7). Klarskov’s explicit use of the words wage and production costs puts the wages into the context where the problem of them being high becomes obvious. Although there can be no doubt about the fact that the average Danish wages are much higher than the average Danish wage in Southeast Asia for example, it is on the other hand clear, that Klarskov would have a negative view on the high wages, as he is representing 17.000 Danish companies – and it seems fair to presume that at least some of those 17.000 companies would like to reduce their salary-costs, while it does not seem very likely that many of those 17.000 companies would like them to rise. This is not to say, in any way, that Klarskov’s view is not correct, but it is rather an acknowledgement of understanding his views in the context of his reality.

The wage level is also central to Simonsen, as she identifies the low wages in foreign countries, and the high wages in Denmark, as the main factor in relation to explaining the low degree of clothing production in Denmark, as seen in the following statement:

*”… it is simply because that in the production costs, the wage-part is so large that is is very important, so therefore we have continously moved around to some low-wage countries where you have had your things produced”* (Appendix 1, para. 2). **Example 11**

Simonsen is very explicit and very precise in her way of identifying wages as being the central factor in the understanding of why there are almost no production of clothing in Denmark, which suggests that wages do have a big impact on the researched phenomenon of this research, as it is so easily and clearly identified as being the main factor. Furthermore, Simonsen also provides an explanation to the importance of wages in relation to production of clothing, as she states that wages account for a substantial part of the total production costs of clothing.

Aksoy and Öztürk also argue for the significance of the wage-aspect in their work “The Fundamentals of Global Outsourcing for Manufacturers” from 2012, by stating that manufacturers primarily outsource the production of their products due to production costs (Aksoy and Öztürk, 2012, p. 42). The fact that the manufacturers are competing on a global market, instead of only competing nationally or regionally, makes sharp attention to their competitiveness crucial in order to stay in business, as the number of competitors naturally is larger on a global scale compared to a national or regional scale – and one of the key elements in improving the competitiveness is lowering the production costs (Aksoy and Öztürk, 2012, p. 42). Aksoy and Öztürk coins this position by stating:

 *“Although the main factor driving global outsourcing is lower costs, experienced purchasing managers consider many factors simultaneously in making the decision to outsource internationally”* (Aksoy and Öztürk, 2012, p. 34). **Example 12**

Although Aksoy and Öztürk are addressing costs as being the main factor in relation to outsourcing production, they are not using the word wage one single time in their entire research, although it is somewhat evident that wages are a substantial part of production costs when it is being addressed in relation to outsourcing. This insistency to use the word production costs could be because they want to make sure to entail every factor in the production costs, as for example environment-levies might be much lower in Southeast Asia, and by constantly using the word production costs, it is ensured that every aspect that goes into production costs has been included. At the same time, using the term production costs without mentioning wages is also an imprecise way of approaching outsourcing, as it does not directly point out the factors where the production costs are being lowered by outsourcing, which can leave the reader in doubt about what the production costs consists of, and for example how big a part the wage-aspect is of the production costs in its entirety. Although Aksoy and Öztürk are not precisely naming wages as being a central factor to outsourcing, it can be argued that wages is a profound part of the total production costs, and therefore, the wage-aspect can be considered, from the research of Aksoy and Öztürk, to be the main factor that drives global outsourcing.

Klausen backs up the perspective about wage being central in relation to the current clothing-production in Denmark by stating that:

 *“As China became more accessible in relation to having production being done there, there were some huge savings available by placing your production in China. And then, you could say, that firstly, this was the primary reason (for outsourcing), that you could achieve some huge savings. You could also provide your customers with better prices”* (Appendix 3, para. 2). **Example 13**

Klausen further elaborats on this by arguing that China has now created a vast middle class, which has resulted in a general rise in the wages of the Chinese workers:

*“Other forms of production has emerged in China, that is, mobile phones and electronics and things of that nature, that is also being produced out there (in China) – and those working conditions those factories offer are also good, and that means that there is an increased competition out there (on the Chinese labour market). And that means, that the price on wages rises in China”* (Appendix 3, para. 2) **Example 14**

 This means, that the production, or parts of it, could potentially move to other countries in the foreseeable future, or even home to Denmark (Appendix 3, para. 2). Klausen is here identifying savings as the primary reason for outsourcing, and is not explicitly using the word wage in relation to describing the low wages in China. Klausen does use the word wages when describing how the wages in China has been rising due to an increased competition in attracting manual workers. As Klausen is stating that the increase in wages might move production to other countries, he is basically saying, that the wage-factor is the dominant one in relation to outsourcing.

This aspect of the heightened wages of the Chinese workers, presented by Klausen, is also a central point of Janssen, Dorr and Sievers, as they argue that:

*“…Chinese wage-rate inflation have brought traditional calculations about global manufacturing sourcing strategies to a tipping point…”* (Hackett Group Inc., 2012, p. 1) **Example 15**

Jannsen et al. further concludes, that the reasons for this can be found in the declining or stagnant wages in the manufacturing sector in the West and in the wage-rate inflation in China, which means that companies in the near future will be encouraged to either insource some of its manufacturing activities, or move capacity from China to other low-cost countries. The fact that two different data-sources are addressing that the Chinese wages are rising, which consequently could mean that the production could move to other countries, or even home to the country of origin, underlines that this development is an important aspect to consider when addressing the issues of wages in relation to outsourcing.

Brügger also backs up the notion that the wages of the clothing-manufacturing workers is a key factor in relation to the researched phenomenon in this research, as she states, when identifying the reasons to the very low degree of clothing production in Denmark, that:

 *“Wages – absolutely. The fact that there can be produced at very low wages”* (Appendix 2, para. 2). **Example 16**

Brügger is here very explicitly identifying wages as the main reason for the low degree of clothing production in Denmark, which further indicates, a long with the other previously mentioned incidents of the same, that wages are a key aspect in relation to the researched phenomenon in this research.

Another aspect in relation to wages is, that there are no official minimum-wage enforced by law in Denmark, as the wages are primarily established through negotiations between the employers and the employees in correlation with the Danish state, which often practically happens between labour unions and employers’ association (Dansk Erhverv, 2015, para. 3). This does, however not mean that they are low, or that people can be employed at a very low wage without any problems, as the labour unions in Denmark are very influential and powerful. The result of this wage-structure in Denmark is, that the average wage of unskilled workers is 27.000 kroner a month (Flink, 2013, para. 13). This high wage is also reflected on the position of Denmark in the statistics of the average wage of the 28 member-states of the EU, as Denmark tops this rank (Eurostat, 2015). From the just mentioned points above in this paragraph about the wages in Denmark, there can be no doubt that the wages in Denmark are in fact relatively high, at least on average, which suggest that wages must have a profound role to play in relation to the manufacturing of clothing in Denmark.

It becomes clear from this subchapter, that the wage-aspect, especially the fact that the wages are very low in Southeast Asia, is an extremely central aspect to assess in relation to understanding why there is almost no production of clothing in Denmark, and how would it be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark. There seems to be a wide acceptance of this notion, although the wage-aspect is being addressed in many different ways. Some are identifying wages very explicitly and without any reservations as the main factor, while others are also partially identifying wages, but are using other words such as production costs and savings in order to describe the main reasoning behind outsourcing. Some are also providing the perspective that the wages in the single biggest clothing manufacturing country, China, is on the rise, and has been for some time due to a wage-rate inflation, which means that the Chinese workers are demanding, and getting paid, more in wages – while on the other hand, the wages in the manufacturing sector in the West has been stagnant. This other perspective shows, that the wage-aspect in relation to outsourcing is not a zero-sum game, where it will always be the more cost-effective option to have the manufacturing taking place in a low-wage country, but is rather an evolving and floating factor, that has to be understood in that manner. This is not to say that right now, or sometime in the nearest future, it could be more cost-efficient to produce in Denmark compared to China, as there are no suggestions that point in that direction, but it is rather an acknowledgement of the notion that here is a tipping point in producing in China if the current development continues for a longer period of time, where it no longer would be profitable in comparison to other countries or even in relation to outsourcing.

## 4.3 Businesses’ approach towards globalization

The fact that the world has become more interconnected and intertwined, especially since the beginning of the widespread and general use of the Internet, has for fashion businesses been a development that they have had to adjust to. In this research, businesses’ approach towards globalization is established as a category, which consists of many different concepts, such as strategic outsourcing, global market, competitiveness, core competencies and price-comparing.

Klausen clearly identifies the importance of Danish fashion businesses actively adjusting to globalization, as he states that:

*”We are living in a global market, so everyone today should be able to sell to all countries. That is, if we outsource, we can ride on the wave of being competitive, also in relation to exports – so it means something that you are competitive on the global market, and not just in relation to the Danish consumers”* (Appendix 3, para 14). **Example 17**

Klausen is, when talking about the global market, focused on the importance of being able to be competitive, as, according to him, everyone should be able to do business on the global market, and to do that, you have to be competitive on a global scale. Klausen further elaborates on this inevitability of globalization and having to compete on a global market, by stating that:

 *“The problem is, that if other countries are doing it (outsourcing), Denmark also have to do it, otherwise we will be pricing ourselves out of the market. So it is a bit hard to go around (oursourcing)”* (Appendix 3, para. 12). **Example 18**

This further underlines that, according to Klausen, globalization and global competition is inevitable, and the Danish fashion business have not, practically, had an option about whether or not to outsource their production – because if they had not done it, they would have been priced out of the market by other fashion businesses in the world. If you are to turn this development around, it is going to be an effort that has to happen on international level, as Klausen states:

 *“It is a very long haul this (bringing back production from China), because it has to happen on an international level, that is, through the EU and then through international labour unions, and there needs to be put pressure on the governments. But there is no doubt that we would very much like that people were taking a look at European production, and here I am thinking about, it could be in Poland, it could be in Estonia, Latvia, Lithuania and maybe it does not need to be all the way out in China”* (Appendix 3, para. 18). **Example 19**

This shows, that according to Klausen, bringing back production from China, and the rest of Southeast Asia, has to happen through a coordinated international effort, as an uncoordinated move towards insourcing of production will result in distortion between fashion companies in the same price segment, where only some of them are insourcing the production, either to their native country, or for example to a country in the EU where the wage is a fraction lower than in the native country, because it will be more expensive to produce either in the native country or in another EU country.

James Brian Quinn and Frederick G. Hilmer further elaborate on the importance of businesses’ ability to adjust to globalization in their work “Strategic Outsourcing” from 1994. Quinn and Hilmer argue, that companies should focus on their core competencies in order to be able to provide unique value for the potential customers (Quinn and Hilmer, 1994, para. 1). To achieve this enhanced focus on the core competencies, the company must outsource other secondary activities that the company has no special capabilities to execute or is of low strategic value to the company (Quinn and Hilmer, 1994, para. 1).

Quinn and Hilmer are here clearly arguing, that in order to be able to stay competitive, and provide unique value for the customers, it is vital to outsource so-called secondary activities. When putting this in relation to the fashion business, it becomes clear that almost all of the Danish fashion businesses, according to Quinn and Hilmer, estimate the production of their clothing as being a secondary activity, and therefore not a core competence. This is an interesting perspective, as one would intuitively think that the product, the physical manifestation of the efforts of a company, should be central and the core competence of a business. In relation to the Danish fashion business, it seems that it is everything surrounding the product that are the core competencies of the companies – like for example design, marketing, sales and so on, when it is not the actual physical production of the product that is the primary. From this, it can be argued that the Danish fashion business has undergone a paradigm-shift in relation to what they identify as being their core competencies, as this is now, after the general outsourcing of the Danish clothing production, not the production of the clothes, as it has been before, where Denmark traditionally held a lot of craftsmanship and knowledge about the production of clothing. This is backed up by Brügger, who states that:

 *“Denmark has a tradition for producing beautiful knitted clothing – embroidery/details****”*** (Appendix 2, para. 10). **Example 20**

This is also backed up by Klausen, as he states that:

 *“It is like we have forgotten all the techniques they had back in the days, and how skill full we were in the production of clothing”* (Appendix 3, para. 8). **Example 21**

This paradigm-shift away from the production of clothing seems to be very much ingrained in the Danish fashion business, which likely is a result of the inevitable impact of globalization and global competition.

Simonsen elaborates further on the approach of the Danish fashion companies to globalization, and to the fact that they are acting on a global market, explaining that:

 *“We (the Danish fashion industry) were some of the first in Europe that did (outsource), and that means that we have knowledge and we have the network, and if we had not done it (outsourced), we would not be in a situation where the (Danish) fashion industry is as large as it is today. Even though we lost many workplaces due to the moving out of the production, it is an industry where you can say that we have also gained many in return, because we were so fast and today have a fashion industry, even though we have not had any production. So if we had not done it (outsourced), we would not have had a fashion industry as it is today”* (Appendix 1, para. 14). **Example 22**

Here, Simonsen is also addressing the inevitability of globalization, and the impacts and necessary actions for businesses it brings with it, which makes her position very much aligned with the position of Klausen. Simonsen is in no doubt in relation to that the Danish fashion industry would have been of a smaller size today if the Danish fashion companies had not outsourced, which further underlines her perception of globalization, and the following outsourcing, to be a development that the Danish fashion businesses had to react to, if they were to stay in business.

Aksoy and Öztürk further argues, like Klausen and Simonsen, that outsourcing is an inevitable consequence of globalization, and that for many businesses, an outsourcing of some of its processes in order to be able to provide their product at a cheaper price, is crucial, as:

*“The vast number of providers of products available for the consumers, and the many online services that helps compare the prices of the products, means that many businesses are being subjected to a pressure of keeping the prices low”* (Aksoy and Öztürk, 2012, p. 29). **Example 23**

Aksoy and Öztürk argues explicitly, that the combination of the great amount of global actors becoming accessible for consumers, and the vast use of the Internet, and the relating online price-comparing tool, has made many markets transparent for the consumers, as they have an easy access to look through a specific market in order to find the best price, among a very high number of companies.

The position of Aksoy and Öztürk is backed up by Mcivor, as he states that

the consumers expect to get more for less money, as a result of the increased consumer mobility in terms of access to alternative suppliers, due to the widespread use of the Internet, and because many markets are experiencing increased competition (McIvor, 2010, p. 26).

This subchapter clearly shows, that the Danish fashion businesses’ approach to handling the impacts of globalization has emerged from a recognition that globalization as phenomenon is impossible to ignore or escape, and therefore the businesses have had to go into a global market, with countless competitors, and compete with them, as they would otherwise be priced out of the market. The reason to this inevitable pricing out of the market should be seen through the vast use of the internet, and the relating online price-comparing tools which enables the consumers to find the best prices on a specific product, and it should also be seen through the notion, that if for example the Danish fashion businesses had decided not to outsource, other fashion businesses from other countries would have, and thereby out-pricing the Danish fashion businesses. Another important aspect in the understanding of how the Danish fashion businesses have approached the consequences of globalization is the paradigm-shift that seems to have occurred in the period from the beginning of the outsourcing-tendencies until now. This shift has been a focus away from the production of the clothes, making the production a secondary competence, while other processes surrounding the product like design, marketing and sales has become the primary. This paradigm-shift is although not a consequence of a lack of care towards the manufacturing of the products, and the Danish tradition of clothing manufacturing, of the Danish fashion businesses – it should rather be seen as an inevitable consequence of the unavoidable impacts of globalization. This clearly shows why the way in which the Danish fashion businesses have approached the impacts of globalization is vital in the understanding of why there is almost no production of clothing in Denmark, and how would it be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark.

## 4.4 Framework conditions for producing clothing in Denmark

The framework conditions in Denmark for producing clothing, are central to assess, as many problems in relation to producing clothing in Denmark is emerging when coding and conceptualizing the data of this analysis.

In this research, the framework conditions for producing clothing in Denmark is established as a category, which consists of many different concepts, such as for general tax, environment-levies, education, knowledge, corporate taxes, interest in domestic production, production-capacity and production-options

Denmark was in 2014, in the annual report from Forbes on the ease of doing business in the countries of the world, being regarded as the best country in Europe to run a business due to factors such as good infrastructure, minimal degree of trade-restrictions, low degree of corruption and low minimum-demand for start-up capital (Badenhausen, 2014, para. 1-6). Furthermore, Forbes ranked Denmark the best country in the world for doing business in 2014, with emphasis on the flexisecurity model of the Danish labour market, and the simple legislative process of starting a business in Denmark (Badenhausen, 2014, para. 5-9). These conclusions by the report of Forbes seems to suggest, that there are a number of compensating factors for the high average wages of the Danish workers, which all should be included in the evaluation of the framework conditions for producing clothing in Denmark.

The CEO of the Danish Chamber of Commerce, Jens Klarskov, opposes this notion, that Denmark should be the best country in Europe to do business. The three main downsides are, as mentioned in example 9, mediocre results in the field of education, the high wages of the Danish workers and the tax-level in Denmark (general tax and environment-levies), which is among the highest in the world (Klarskov, 2014, para. 2). In relation to education, the Danish educational system is free, as it is financed through taxes, but the educated Danes are only mediocre in comparison to many other countries, and are generally taking too long to finish their studies (Klarskov, 2014, para. 10). The tax-levels in Denmark are a problem, as the high corporation tax makes it less attractive for both domestic and foreign investors to invest in Denmark (Klarskov, 2014, para. 11). Furthermore, the high levels of value-added tax and environment-levies drive jobs away from Denmark to foreign countries where these value-added tax and the environment-levies are significantly lower (Klarskov, 2014, para. 11). Klarskov underlines his position by the following statement:

*“Although the governments have tried to handle the challenges with numerous reforms, it is not enough. The Danish wealth is bleeding – because foreign countries are also implementing reforms with great impact. This demands, that we increase the effort to reform and convert our economy to a global competition-situation”* (Klarskov, 2014, para. 6) **Example 24**

From this statement it becomes evident that Klarskov finds the framework conditions for running a business in Denmark to be far from optimal, both due to his sharp rhetoric and the use of the phrase “*The Danish wealth is bleeding”* in order to characterize the Danish economy, but also due to his focus on the global competition-situation, as Denmark has to adjust in order to cope with the competitiveness of the global markets, according to Klarskov.

Brügger is also, to some degree, critical of the framework conditions in Denmark, as she finds it too troublesome to start a business in Denmark, which contradicts some of the conclusions in the report from Forbes, as this report underlined the low minimum demand for start-up capital as a strength in relation to starting and doing business in Denmark. This contradiction could emerge from the fact that the report of Forbes is primarily focusing on the aspect of the start-up capital, and not the other aspects that surround the activity of starting up a business.

Another aspect in relation to the framework conditions in Denmark is a lack of educated people within the production-processes of clothing manufacturing (Østergaard, 2014, para. 1-2). This lack is now eminent in the Danish fashion industry, as the knowledge and skills associated with the production-processes of clothing moved with the production when it was outsourced (Østergaard, 2014, para. 3-4). Another reason for this lack is that not enough people are enrolling in the educations that target the technical aspects of the production of clothing (Østergaard, 2014, para. 8-10). To counter this lack of students, VIA TEKO Design and Business in Herning, which is the largest educative establishment in Scandinavia in relation to design and fashion, will invest 6.3 million kroner in new machinery and laboratories in order to improve the knowledge of production and materials, and through this improvement, attract more students (Østergaard, 2014, para. 10). Aage Federsen, the man responsible for education at the industry association Dansk Mode & Textil, underlines this by stating that:

 *“Our (the Danish fashion industry) knowledge in this area is being reduced, which means that our competitiveness will be weakened”* (Østergaard, 2014, para. 5). **Example 25**

Federsen is here linking a decline in the amount of people being educated in skills associated with the production-processes of clothing and a weakening in the competitiveness of the Danish fashion industry. When looking at the production-situation in fashion clothing in Denmark, it seems, to some degree, to be a paradox that there should be a lack of educated people in an industry that does not really exist in Denmark anymore, at least only on a very minor scale. Of course the fashion businesses needs educated people in relation to designing and planning their collections, as you can not do that without the proper knowledge, but this lack of educated people seems a bit misplaced when put into the context of the production-situation of clothing in Denmark. This lack of educated people could also be an expression of an increased demand and/or interest for domestic production. Simonsen supports this position, as she states that:

 *“I think that there are some manufacturers, or some brands, that thinks that it could differentiate them from others, that it (their products) are made in Denmark. So that is something there is an increasing interest for”* (Appendix 1, para. 6). **Example 26**

Klausen also experiences this increase in the interest of domestic production in Denmark:

*”I think, or we are experienceing in Wear, that there is an increased demand after production-options in Denmark”* (Appendix 3, para. 6). **Example 27**

Brügger is also supporting this position by stating that:

*“If factories gets up an running and so in in for example Jylland – and it can be viable with wages/subsidies and so on, we believe the interest would be substantial”* (Appendix 2, para. 6). **Example 28**

This agreement seems to suggest that there is an increased interest in domestic production among the Danish fashion businesses, which could also be a part of the explanation to why there is an increased demand for educated people in the production-processes related to the manufacturing of clothing. Another aspect is the one put forward by Simonsen, as she estimates that some brands might be interested in differentiating themselves from other brands by producing domestically. Where some fashion businesses during the period of outsourcing of production might have sought to differentiate themselves based on a focus on price due to decreasing production costs, there might be a new trend emerging among Danish fashion businesses in relation to their differentiation that is focused on domestic production.

As Federsen stated in relation to the lack of educated people within the field of clothing production, a consequence of this is also a general lack of knowledge about the production of clothing in Denmark. This lack of knowledge in relation to the production-processes of clothing manufacturing is also addressed by Simonsen, as she argues that:

*“The Danish fashion industry has lost all of the innovation in the production, as all production has moved to low-cost countries, and therefore, no one is investing in the innovation of the production-processes in Denmark”* (Appendix 1, para. 12). **Example 29**

Simonsen further elaborates on this by adding the subcontractors related to clothing production, as she states that:

*“When you do not have production in a country, all of the subcontractors that adds innovation, new things and craftsmanship, which becomes a part of this production-cluster, you lose them as well. So it is not only in the production itself, it is in the subcontractors, both in terms of craftsmanship and in terms of service, that you lose”* (Appendix 1, para. 12). **Example 30**

This aspect of the subcontractors is also adding to the notion that Denmark lacks both the craftsmanship and the innovation related to production-processes, which are vital components in almost any type of production. These subcontractors are, according to Simonsen, lost and are fundamental in the facilitation of a production-cluster, which means, in effect, that the subcontractors are needed in order to sustain a competitive form of production.

In relation to what is needed in order to facilitate production of clothing in Denmark on a larger scale, the capacity is, according to Klausen, non-existing in Denmark:

*“You can say, that one factor is that there is no production in Denmark. So no matter what, you cannot choose Denmark today – that is, you cannot chose to produce a mass-production at a good price. So if you are positioned in a medium price and downwards, there are not possibilities to get anything significant manufactured in Denmark”* (Appendix 3, para. 4). **Example 31**

Klausen is, in this quote, very definitive in his categorization of the production-capacity in Denmark, as he is stating that there are no possibilities to get anything produced of significance, when it is a product at medium price or downwards. This position is backed up by Brügger, who states that:

*“There is a lack of the right capacity – production place, competences and so on”* (Appendix 2, para. 2). **Example 32**

The quote above from Brügger is her answer to what the overall reasons to why there is no production of clothing in Denmark, where she identified the lack of the right capacity – that is, a place of production where both the capacity and the competences are sufficient. Simonsen also backs up the notion of the lack of capacity in Denmark by stating that:

*“There are actually no real production-options left in Denmark. So there are almost none left.”* (Appendix 1, para. 2). **Example 33**

This agreement of the notion that there is a lack of, or practically no, real capacity for production of clothing in Denmark, shows that there arguably is a profound lack of production options in Denmark in relation to clothing production, which of course affects the framework conditions for producing clothing in Denmark negatively.

This subchapter shows the many aspects to account of when assessing the framework conditions for producing clothing in Denmark. There are positive aspects in relation to manufacture clothing in Denmark, as for example good infrastructure, minimal degree of trade-restrictions, low degree of corruption and low minimum-demand for start-up capital. On the other hand, the downsides are the mediocre results in the field of education, the high wages of the Danish workers and the high tax-levels in Denmark as for example corporation taxes and environment-levies (the wage-aspect has been more detailed assessed in chapter 4.2). Furthermore, it is argued that it is troublesome to start a business in Denmark, although the demand for start-up capital is low. In terms of education, there is a lack of educated people within the production-processes of clothing manufacturing, which consequently leads to a lack of general knowledge, which affects the competitiveness of the Danish fashions businesses negatively. This lack of educated people might be a symptom of an increase in the demand of domestic production in Denmark, as there seems to be an agreement about that the demand and the interest in the production of clothing in Denmark is on the rise. Although this might be true, there seems to be a general agreement from the data about the profound lack of knowledge about the production-processes related to the manufacturing of clothing in Denmark, and a lack of capacity, as there are no manufacturers in Denmark anymore that are capable of producing large quantities. All of these aspects combined provide the impression that the framework conditions for producing clothing in Denmark are far from being ideal for the Danish fashion companies. The framework condition for producing clothing in Denmark is a critical aspect to assess in order to answer the research question of this research, as it both describes some aspects of why there currently is no production of clothing in Denmark, and it also provides some direction to what should be done differently, and which practices should be kept, in relation to assess how it would be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark.

## 4.5 Reasons for insourcing production to Denmark

The reasons for insourcing production to Denmark are central to assess, as these reasons have emerged to be diverse, when coding and conceptualizing the data of this analysis. Furthermore, an assessment of the reasons for insourcing production will provide knowledge for answering the part of the research question that seeks an answer to how it would be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark.

 In this research, the reasons for insourcing production to Denmark is established as a category, which consists of many different concepts, such as transportation-time, responsiveness, quality control, product development, hands-on approach to production, connected value chain and circular systems.

Brügger argues that the working process would be more quick and efficient by insourcing the production, as there quite often is long and time-consuming transportation of the products from Southeast Asia to Denmark (Appendix 2, para. 12). Brügger further elaborates on the issue of the long transportation time and the vast distances between the fashion company and the producer by stating that:

*“If you are close to the production you can much easier adjust the process (production process) continuously, and catch mistakes in time”* (Appendix 2, para. 12) **Example 34**

This time-consuming transportation, and the vast physical separation between the fashion company and the manufacturer, means, according to Brügger, that the designers become less able to adjust the products along the manufacturing-process and correct mistakes in time, while also making the production slow and less flexible.

Caputo and Palumbo supports this position that insourcing leads to a more flexible production, as they argue that from the perspective of improving the textile sector’s ability to respond more quickly to changes in the market, insourcing of parts of the production is an alternative worth considering (Caputo and Palumbo, 2005, p. 205). Caputo and Palumbo further argues that the fashion-market is a market that is rapidly changing, and therefore it is especially crucial for fashion companies to be able to alter the composition of their collections in order to satisfy the need of the market at any given time (Caputo and Palumbo, 2005, p. 195).

Caputo and Palumbo are here emphasising that the fashion-market is a rapidly changing one, and therefore, fashion companies should be able to adjust their collections quickly in order to improve their competitiveness. This is a different stance than that of Brügger’s, as she is more emphasising the importance of being able to fix errors in the production in time.

Klausen also supports this position that outsourcing leads to a more stagnant way of producing due to the time-consuming transport from Southeast Asia, as the time from production to the time the product arrives in the shops is long. Klausen states, that:

*“From the moment you order the product till it arrives in the shop, it (the time period) is relatively long when you have to get it home by ship from China, because it is too expensive to get it home by plane. So you have to put on an extra 8-9 weeks (of transportation time compared to if it was produced in Denmark)* (Appendix 3, para. 12). **Example 35**

Here, Klausen shows that the Danish fashion businesses’ production of clothing, generally, makes their ability to respond quickly to changes in the market weak, as the shipment-time from production to the time it is available in the shops, is around 8-9 weeks.

As the fashion market is a rapidly changing market, with rapidly changing needs and design tendencies, according to Caputo and Palumbo, an improvement of the ability to respond quickly to changes would consequently improve the competitiveness of the Danish fashion companies, if they were to insource their production. Both Brügger and Klausen agree with the notion of Caputo and Palumbo, that the long transportation time from China to Denmark affects the Danish fashion businesses’ responsiveness negatively, and that insourcing of production could solve this problem, while also further enabling the Danish fashion companies to fix errors in production in time.

Caputo and Palumbo further state that when a company insource production, it enables them to: apply a more strict and coherent quality control; gain a capacity buffer, which can be used for unexpected peaks in demand, and thereby improve the responsiveness of the company; test limited pilot productions for improved product development and the possibility to provide customized products (Caputo and Palumbo, 2005, p. 194). The aspect of an improved quality control through insourcing the production is also supported by Simonsen, as she states that

*“It (the production) is easier to control when you know where it is, and you can go and take a look at it and it is more transparent”* (Appendix 1, para. 18). **Example 36**

An improved quality control, that is, a more strict and coherent quality control, will enable the Danish fashion businesses to, to a higher degree, ensure that very few, or no, products of low quality reaches the consumers, which ultimately will improve the competitiveness of Danish fashion businesses, seen in isolation.

The aspect of a capacity buffer that can be used for unexpected peaks in demand is an aspect that Caputo and Palumbo exclusively address, as no other data mentions or discusses this aspect. This does, however, not make this point less significant, as it is linked to the issue of long transportation time and the responsiveness of the Danish fashion businesses.

The aspects of limited pilot productions and the possibility to provide customized products to the consumers are both linked to the aspect of product development, which is an aspect with an importance that is underlined numerous times in the data. One underlining of the importance of this aspect is provided by Klausen, as he argues that:

*”(When insourcing) you would have the opportunity to contribute to the development of new techniques, sewing-techniques and the likes. You can not really do that when you have to send to China, back and forth, and do it over Skype, it will not be the same, it becomes a bit like – you handover the product development to the Chinese producer, because you do not have hands-on dialogue”(*Appendix 3, para. 6). **Example 37**

From this quote it is evident, that according to Klausen, the product development lies almost solely at the external producers, which consequently diminish the ability of the Danish fashions businesses to develop new innovative designs or manufacturing approaches. If the manufacturing clothing were to be done in Denmark, the opportunities for product development would be much more evident due to having a hands-on approach to the production. This hands-on approach to product development of clothing is being sought facilitated by Sylab, the project previously mentioned in this analysis. Simonsen says the following in relation to Sylab and product development:

*“And then there is this, that there are some companies, that can work with, and together, I hope that it (Sylab) is such a place where a lot of things innovative things are going to be tested, that is, that it should be such a place where you are constantly working on improving and create different methods for production”* (Appendix 1, para. 18). **Example 38**

The project, Sylab, is vital for the future of domestic production of clothing in Denmark as the lack of product development, innovation in relation to production processes and a general lack of knowledge about the production of clothing has previously in this analysis been identified as some of the reasons why production of clothing in Denmark is not viable. The creation of Sylab is contributing to an improvement of the framework conditions of Denmark in relation to the manufacture of clothing in Denmark, as it brings knowledge and the possibility for innovation with it.

Brügger adds to this notion about product development by stating that:

*“If the production is being pulled back, it could mean new education possibilities – and then, new circular systems can arise”* (Appendix 2, para. 6). **Example 39**

Brügger is here, by naming circular systems, referring to the notion that one or more aspects have to happen in order to have other aspects following in relation to the likeliness of drawing back production of clothing to Denmark. In other words, in order to make Denmark an attractive place to produce clothing, some investments has to made – this could be, for example, that one company decides to produce some of its products in Denmark. This would lead to knowledge and product development of the product, which in return would require skilled workers if the production were to be expanded, which then again could facilitate an increase in people being educated within the field of clothing manufacturing, as there would be an increased need for them. More people being educated would results in an increase in the general knowledge and product development-skills in relation to the manufacture of clothing, which then again would facilitate even more investments in production in Denmark, which ultimately would increase the production capacity of clothing in Denmark. Besides this, starting a production in Denmark would create a demand for relevant subcontractors, which very likely would appear due to simple supply and demand. All of this means, in effect, that some aspects in relation to production of clothing in Denmark have to happen, before other aspects can happen. The most optimal thing that could happen would be a private investment from a Danish fashion business in production of clothing in Denmark, for example 15-20% of the total collection, as this is where the money is, and where money can be made (subcontractors, employees etc.). The only question is: who is going to pay for that initial investment to get the circular systems going? – This question is very relevant because the initial investment will, most likely, not be profitable as the production infrastructure in Denmark is not ready for it.

Brügger elaborates further on the advantages of an insourced production by putting emphasis on the importance having a joint feeling and synergy towards the manufacturing of clothing, which can only be achieved if the entire value chain is closely connected (Appendix 2, para. 12). This is another, perhaps less obvious, positive outcome of having the entire value chain of a company situated and linked very closely together, according to Brügger. This relates closely to the aspect of product development, as a requirement for an improved product development is a closer link between the value chains of a company.

Klausen argues, that production of clothing in Denmark can happen, but that the price-level of the end product has to reflect the production costs, as he states that:

*“It (the product that has been produced in Denmark) would be a shirt for men at around 800-1000 kroner in the shops, it is that price level we are talking about if it should be feasible at all (…) because 1000 kroner for a shirt for men, there are many expensive brands that have today, where they are also made in China”*

(Appendix 3, para. 6) (Appendix 3, para. 10). **Example 40**

Here, the estimate Klausen makes of what price the end-product should have, when produced in Denmark, does not differ from what expensive brands are pricing their products at today, while the products are being manufactured in China. This estimate by Klausen shows, that clothing made in Denmark can be priced in the shops at the same price-level as clothing produced in China, which consequently means that in at least some price-levels, the production of clothing in Denmark would be feasible, at least economically.

Klausen further argues, that:

*“On the export markets, the really substantial ones like USA, Canada, China, South Korea and Japan, there are, and also Germany for that sake, there is an increased demand for clothing that is labelled Made in Denmark”* (Appendix 3, para. 6) **Example 41**

Here, Klausen shows that the production of clothing is not only economically viable in theory, but it is also something that is sought after and demanded on the export markets. This further underlines the notion that a line of clothing, in a high price-segment, could be an alternative for Danish fashion businesses that not only will enable them to differentiate themselves from others, but also could bring business and profit to the Danish businesses.

This subchapter shows the many aspects to account of when assessing the reasons for insourcing production to Denmark. There is the aspect of the long transportation time, which means that there is an 8-9 weeks of delivery time from production to when the product arrives at the shop, which consequently affects the responsiveness of the Danish fashion businesses in a market that is rapidly changing. This aspect would not be significant if the production were taking place in Denmark, as the Danish fashion businesses would then be able to manufacture and deliver at a much quicker rate, thereby improve their responsiveness, and consequently, their competitiveness. An insourcing of the production also provides a company with a greater amount of control, which includes a more strict/coherent quality control, and through this, a lower degree of clothing of lesser quality will reach the consumers, which ultimately will affect the competitiveness of the company. Another important aspect is that of product development, as domestic production would allow a company to for example provide limited pilot products and customised products to the consumers. Furthermore, a more physically closer value chain will both provide a greater feeling of community in relation to the production and development of the product, while it also brings the opportunity to develop the products through a hands-on approach. As mentioned in chapter 4.4, another reason for insourcing the production of clothing to Denmark is that having the label of “Made in Denmark” will both help a brand differentiate itself from competitors, while the label in general expresses quality and a sense that the product has been produced in a sustainable way that is not harmful for the environment or the employees. When addressing how this production of clothing in Denmark should start, which is profoundly relevant to assess since it evidently has not started yet, it becomes clear that in order to facilitate domestic production in Denmark, there has to be some initial investment – preferably from a private clothing company. This would be the acceleration of the creation of a circular system in terms of knowledge, education, capacity, subcontractors, investments etc. – the only problem is, that the initial investment will, most likely, not be profitable, and therefore it is very uncertain who would want to make this initial investment.

These are the aspects to have in mind in relation to the reasons for insourcing production in Denmark, which all will be the basis for understanding this issue, and ultimately provide an answer to the research question.

# 5.0 Discussion

In this chapter, a comparison for differences and similarities between the categories will be performed in order to assess the relationship between the categories. The categories, and the relationship between them, will also be compared and discussed with the theories chosen for this research. This will be done, as the answer to the research question is going to be found through an assessment of the most central aspects identified in this research, and a comparison with the already existing theories within the field of the researched phenomenon

The five identified categories that has derived from the data is sustainability, wage, the businesses’ approach to globalization, the framework conditions for producing clothing in Denmark and the reasons for insourcing production to Denmark.

When assessing these five categories, it becomes evident that they are all very much intertwined, but at the same time, separate from each other. One example of this is wages and the framework conditions for producing clothing in Denmark, as the average wage of the Danish workers could be argued to be a part of the framework conditions for producing clothing in Denmark, as wages are a profoundly important aspect of the manufacturing of clothing, as previously mentioned, but it is also a part of the conditions for producing in Denmark. These have been analysed separately, as wages is such a profound aspect of the production of clothing due to its heavy influence on the total production costs. Another category closely related to the framework conditions is the reasons for insourcing production to Denmark, as this aspect assesses the upsides of placing the production of clothing in Denmark, which to some extent is a reflection of the framework conditions. These two categories have, although, been analysed separately, as the approach of the category of the reasons for insourcing production to Denmark is primarily focused on the upsides of producing in Denmark, while the category of framework conditions for producing in Denmark is more neutral in its approach. Two other categories that could have been merged are the categories of sustainability and the reasons for insourcing production in Denmark, as the factor of sustainable production in Denmark is one of the reasons why a company should insource its product to Denmark. These two categories have been analysed separately, as the aspect of sustainability is very dominant in relation to the discourse about production of clothing in Denmark, and should therefore be analysed accordingly as a central aspect, instead of a sub-aspect.

From all the above-mentioned categories, some tendencies and pointers towards why there is no production of clothing in Denmark, andhow would it would be feasible to increase the number of manufacturing jobs in the fashion industry in Denmark, is emerging. In order to assess this very complex and substantial subject in a way that could provide a coherent and holistic answer, the explanation will be approached from a chronological perspective, as it has become evident in this analysis that the researched phenomenon has many cause-and-effect dynamics to it, as seen in chapter 4.5 para. 21.

The most natural point to begin is to assess why the Danish fashion companies started outsourcing in the first place. The approach of outsourcing started, as mentioned in chapter 1.2 para. 7, in the 1970’s as an escalating global competition on the fashion market, combined with growing consumption, an increase in margin-expectations, rising labour costs and the standardized production-processes of the manufacture of clothing made outsourcing of the production to low-wage parts of the world progressively interesting for the western fashion companies – including the Danish. As the use of the Internet grew rapidly in the 1990’s, as seen in chapter 1.2 para. 8, which further accelerated the already on-going technological globalization of the world, the fashion market became even more global, and through this development, also more competitive. This competitiveness and the increasing degree of outsourcing of the production made it almost impossible for the Danish fashion businesses to not outsource their production in order to improve their competitiveness, because otherwise the Danish fashions businesses would have been priced out of the market and most likely would not have survived on the global market, as mentioned in example 18. Therefore, it can be argued that the increased competition on the fashion market which the intensified globalization brought with it, made it inevitable for the Danish fashions companies to keep the production domestic, as they would have otherwise needed to close.

When looking at the aspects as to why production of clothing in Denmark was not viable during the outsourcing-period as just mentioned, especially in the 1990’s, one central aspect is the wages. The average wage of the Danish workers are much higher that that of the average Chinese worker for example, and since the manufacturing of clothing is a process that is heavily reliant on manual labour, the wage-aspect is of great importance for the total production costs of the production of clothing, as can be seen in example 10, 11 and 13. The wage aspect was not only relevant during the period of outsourcing, but is still today a great factor in relation to the reasons why there are almost no production of clothing in Denmark. When addressing the other factors to the lack of production in Denmark, it becomes apparent that these are numerous, although more subtle than the wage aspect, which must be considered to be the primary reason. Apart from the average high wages in Denmark, the corporation taxes, environment levies and average results in the field of education are also contributing factors that should be mentioned, as shown in chapter 4.4, para. 3. The aspect of the average results in relation to education is further underlined by an actual lack of people being trained and educated within the field of production processes in the manufacturing of clothing in Denmark, as shown in chapter 4.4 para. 7. This issue, combined with a general lack of knowledge about the production of clothing, as this knowledge has generally moved abroad with the production, as shown in chapter 4.4 para. 7, is a central obstacle in relation to bringing back production to Denmark. Another aspect is that there currently is no capacity for production of clothing in Denmark, which means that no Danish fashion companies can, as the production-situation is right now, have anything produced in large quantities, as seen in example 32 and 33. This is, of course, a natural response to the law of supply and demand, as there obviously is not going to be any production-facilities for something there is no demand for, but the lack of production-facilities means that the first-mover in domestic production in Denmark is going to have to invest in the facilitation of the initial production, which of course, most likely, is going to be an expensive affair, as also argued in chapter 4.5 para. 20.

On the other hand, there are many upsides to producing clothing in Denmark, which is also very relevant to consider in the evaluation-process of where to produce clothing. As mentioned in chapter 4.4 para. 2, Denmark has been ranked the number one country in the world to do business, according to Forbes. This ranking is based on the good infrastructure, minimal degree of trade-restrictions, low degree of corruption and the low minimum-demand for start-up capital in Denmark. An insourcing of the production would also affect the responsiveness of the Danish fashion companies, as domestic production would enable them to react quickly to changes in the market and to adjust the products continuously throughout the production-process, as seen in example 34. Furthermore, an insourcing of the production also provides a company with a greater amount of control, which includes a more strict/coherent quality control, and through this, a lower degree of clothing of lesser quality will reach the consumers, as argued in chapter 4.5 para. 10-12. Another important aspect is that of product development, as domestic production would allow a company to develop their product due to having a hands-on approach to the production, as seen in example 37. As mentioned in chapter 4.5 para. 25, another reason for insourcing the production of clothing to Denmark is that having the label of “Made in Denmark” is a label that generally expresses quality and a sense that the product has been produced in a sustainable way that is not harmful for the environment or the employees.

The sustainable aspect is a huge part of the future production in Denmark, as it is emphasised profoundly throughout the data of this research. Sustainability have different meanings, as seen in chapter 4.1 para. 29 but essentially it evolves around using sustainable raw-materials to produce clothing of good quality with a long life expectancy, while also ensuring that the production does not harm the environment and that the workers that produces the clothing is being paid and treated fairly. This focus on sustainability might be an expression of the culture in Denmark, which is seen by other countries as a role model in relation to sustainable living due to for example the biking-culture and the vast use of renewable energy-sources in Denmark, as argued in chapter 4.1 para. 7. None the less, a sustainable approach to domestic production in Denmark seems to be almost the only way to proceed based on the data of this research, as the production in Denmark is arguably not going to be low-quality products based on a use-and-throw-away culture. As mentioned in chapter 4.1, there are connections to the revolution within the Danish food culture and what the stakeholders in the Danish fashion industry would like to see happen for the future domestic production of clothing in Denmark, as seen in example 6-7. What are being sought after in relation to Danish production of clothing are craftsmanship, good quality and sustainability, which are all factors that can be achieved, although not at this moment in time, as the capacity to facilitate this kind of production is not present in Denmark, as stated in example 31.

All of these mentioned dynamics and aspects have led to the situation today, where the Danish fashion industry is among the largest in Europe, but there are practically no production of clothing in Denmark, and no possibilities to facilitate production. Therefore, in order to assess how it would be possible to facilitate production of clothing in the future, it is important to acknowledge that due to the cause-and-effect dynamics of the production in Denmark, as previously described, there is a profound demand for investments in start-ups of initial production. This is related to the circular aspect, as previously mentioned in chapter 4.5 para. 20, as one dynamic has to take place in order for other to happen. In relation to this perspective, it would be the most optimal, as previously mentioned in chapter 4.5 para. 25, that the first dynamic is a private investment in an initial line of production, as this will be the accelerator of all other aspects, as the possibility of making a profit, either from subcontractors, employees etc. will, arguably, create the necessary activities to facilitate the future production of clothing in Denmark.

The challenge in this situation is, that there might not be any private fashion company that is willing to make the initial investment, as they are already conducting business on a very competitive market, and therefore might not be able to afford to make an investment that will probably not be profitable, at least not in the beginning, and/or they might not be willing to take the risk by taking a different approach to production. On the other hand, it seems that the interest for clothing manufactured in Denmark is on the rise, as argued in example 41. Furthermore, the story that the product is presenting is also becoming an increasingly important aspect in relation to the needs of the consumers, which is a need that clothing manufactured in Denmark can meet, as shown in example 9. Therefore it can be argued that there will be a demand for clothing that is labelled “Made in Denmark” and furthermore, a paradigm-shift towards a higher degree of focus on industry seems to be happening in general in Europe through the objectives set by the European Commission to work towards a higher percentage of industry-jobs in Europe by 2020, as mentioned in chapter 1.0 para. 4. From this perspective, the initial investment might not be profitable to begin with, but could over time prove to be a profitable activity, as there seems to be a demand for clothing produced in Denmark that needs to be met, both nationally and internationally. When also considering that clothing made in Denmark will be priced at the same price-level as expensive brands are already selling their products at, with the only difference being that their products are being produced in China while still maintaining high prices for the products, as shown in example 40, it seems that clothing manufactured in Denmark can be sold at prices that the consumers are already accustomed to paying for products that are made in China, which makes the production of clothing in Denmark economically viable. When taking all of these aspects to why an insourced production of clothing could be successful in Denmark into consideration, it can be argued that there are some potential in insourcing production to Denmark, but that it can only happen through an initial investment to get the circular system started.

Since this initial investment has not happened yet, it can be argued that it has to be triggered in order to make it happen. This is for example sought done by the project mentioned in chapter 4.1 para. 2-4, Sylab, which seeks to facilitate the production of clothing in Denmark by providing a platform where companies and students can join forces in order to develop new innovative designs and ways of manufacturing clothing. This project does not cost the companies any resources, only the ones they wish to allocate to it. This approach of launching government-funded projects to facilitate the production of clothing in Denmark could be an effective approach due to the fact that it is, almost, completely costless for the Danish fashion businesses. Since the production of clothing in Denmark could be financially viable for brands of a in a more expensive segment, as just mentioned, it seems that it is also requires a paradigm-shift in the Danish fashion industry in relation to the production of clothing, as several Danish brands are already putting out products in a price-class that can be matched by clothing manufactured in Denmark. This production should be focused on sustainability, craftsmanship and good quality, as previously mentioned in this discussion, as these are factors that would differentiate the clothing produced in Denmark from clothing made in for example China – this is not to say that clothing made in China is not of good quality or craftsmanship, but it can be argued, that the label “Made in Denmark” is to a higher degree associated with quality and craftsmanship, as opposed to the label “Made in China”.

When relating the points from this research to the theory of resource-based view/transaction cost economics, the theory holds that if a product, or parts of a product, of a company is not unique compared to the competitors’ products, and/or the product can easily be replicated by the competitors, then some parts of production-processes that goes into creating this product, has to be rationalized/outsourced, as shown in chapter 2.1.1. This is based on the notion, that the assets of a company should be employed in a way that allows it to focus on the areas where it can create unique value to the consumers, and consequently, rationalize those areas where it can not create unique value to the consumers. This rationalization of the assets of a company is aligned with the current structure of the Danish fashion businesses, as seen in chapter 3.3.1.1 para. 1, where 27.500 people are employed in total, but the employees are primarily in a function related to design, administration or retail. This notion of the rationalization is also aligned with the position of Quinn and Hilmer, as seen in chapter 4.3 para. 10, as they state that companies should focus on their core competencies in order to be able to provide unique value for the potential customers. This ultimately means, that the Danish fashion businesses regard the physical production of their product to be a secondary activity and not an area where they can create unique value to the consumers, since almost no Danish fashion businesses are engaged in domestic production. Another point that is aligned with the points in this theory is the point of globalization forcing the Danish fashion businesses onto a global market, as seen in example 17. When acting on a global market, with numerous competitors within your particular market and segment, your ability to provide and create unique value to your potential customers is being challenged, as there most certainly will be a great number and variety of competitors on the global market that can provide a similar or even more unique value to the consumers. From the beginning of the outsourcing trend until now, this unique value would have had to be found, at least from the perspective of the Danish fashion businesses, in the design of the clothing, rather than in the production, due to the fact that there are no longer any significant domestic production of clothing. It is, although, a curiosum that none of the Danish fashion businesses have yet to identify, or act upon, the notion that the manufacturing of their products in Denmark could provide the companies with a profoundly enhanced ability to provide the consumers with unique value – that is, sustainability, a story, high quality and craftsmanship, as previously mentioned in this discussion. All of these values are very much intertwined, as the story of the products relates to the sustainability, the craftsmanship and the consequently high quality, and are therefore, to some degree relying on each other in order to uphold them. This suggest, that there is a lot of potential for domestic production in Denmark, as there is a demand among the consumers for the type of product that would be produced in Denmark, and it is also economically viable in the upper price-ranges at around 800-1000 kr. for at men’s’ shirt, as shown in example 40.

Another aspect of the theory of resource-based view/transaction cost economics is the aspect of asset specificity, where it is shown, in the theory, that products with low asset specificity are standardized products, which can be produced by several different suppliers, as shown in chapter 2.1.2. According to this theory, the production of clothing must in the category of low asset specificity due to the fact that practically all Danish fashion businesses have put their production of clothing out on the global market of suppliers and outsourced their production of clothing to foreign countries. This aligns with the other notion of the theory in relation to clothing just mentioned above, that the production of clothing must be regarded as a standardized and secondary process in the overall value-chain of the Danish fashion businesses. This acknowledgement is important in the understanding of the reasons why there is almost no production of clothing in Denmark, as it reveals that the production of clothing is not a primary activity for the Danish fashion businesses, which consequently has led to the outsourcing of the production.

In relation to the theory of the global division of labour, one notion of this theory is, as shown in chapter 2.2.3. para. 4, that globalization does not side-line the functions of a state, but that the state is outflanked by transnational corporations and has only the option to either fight globalisation or work with globalisation. This notion relates to the relationship between the conditions for producing clothing in Denmark, and the international/global nature of the Danish fashion businesses and their approach to globalization. As demonstrated in chapter 4.4 para. 27, there are several reasons why the domestic production of clothing in Denmark is not attractive for the Danish fashion businesses, and therefore, they have, to some degree, outflanked the Danish state by moving a huge number of production-jobs from Denmark to foreign countries. This supports the notion put forward by this theory about the powerlessness of the states in today’s globalized world, as transnational companies, like the Danish fashion businesses have grown to be, rationalize processes in order to ensure their competitiveness, and through that, their survival on the global markets. Although there is no official minimum-wage enforced by law in Denmark, the average wages are still the highest in the EU, as established in chapter 4.2 para. 22. This further underlines the relevance of the notions in the theory of the global division of labour, as the almost institutionalized high average wages in Denmark makes the transnational Danish fashion companies seek elsewhere on the global market when looking for facilitation of the manufacturing of their products, which again is an outflanking of Denmark.

Another notion from the theory of the global division of labour is, as stated here by Mittelman:

*“No longer socially imbedded in a national political economy, market forces are increasingly unaccountable and disembedded, less dependent on the social structures that gave rise to them”*

Here it is argued, that the transnational companies are no longer constricted to a specific location in order to conduct business, but are rather acting on a global scale, which in some instances leads to the situation in Denmark in relation to the production of clothing – that in order to survive on the global market, you have to rationalize processes and relocate them to areas where they create the most value as possible for the business. This notion that businesses on the global market are “*unaccountable and disembedded”* can from the perspective of the Danish fashion business be said to be absolutely true, although the formulation of Mittelman is rather negative in relation to this – a better wording could be free-floating and autonomous, as transnational businesses are not relying on just one market or one geographical location to conduct their business in order to be successful. When acknowledging this, it is self-evident that some form of clash between developed and non-developed countries will happen, as the differences between the economies of Europe and Southeast Asia, for example, are vast. In relation to the production of clothing, you have, as established in paragraph 14 of this discussion, a product that is being regarded as a standardized and secondary process in the overall value-chain of the Danish fashion businesses - which to a large extent means, that the difference in having the product made in Denmark or in China might not be that significant, or at least not significant enough in comparison to the savings the company can achieve by having the manufacturing of the clothing outsourced to a foreign producer. Another relevant aspect to address, when acknowledging the autonomous and free-floating nature of the transnational businesses, is the importance of countries facilitating framework-conditions that both attracts and keeps transnational companies, as the other options are to nationalise parts of, or the entire, economy of the country or by setting up trading blocs, as shown in chapter 2.2.3 para. 4. As established in this research multiple times, the wage-aspect is important in relation to the production of clothing, and therefore it is clear why the framework-conditions in Denmark are not optimal for producing clothing, at least in relation to clothing with a low end-price. This is not to say, that the Danish framework-conditions for facilitating businesses that acts on a global market are insufficient in general, as there are many upsides to conducting business in Denmark, as shown in chatper 4.4 para. 2, but in relation to clothing manufacturing in general, it is limited to clothing with and end-price at around 800-1000 kroner for a men’s shirt, as established in example 40.

# 6.0 Conclusion

From the discussion of the points in the analysis and the theories, it is shown that the reason why there is no production of clothing in Denmark is due to globalization – that is, that the Danish fashion businesses progressively had to compete on a global market with a product where the production-costs are heavily influenced by the wages of the workers, and through this enhanced competition, it was necessary to cut down production-costs in order to avoid being priced out of the market and consequently, highly likely, being forced to close. The Danish framework conditions are not suitable for the production of clothing with a low end-price, and it would demand dramatic changes in the Danish society and economy to facilitate such a production, which have never been, nor do they seem be, likely to happen.

Although production of clothing with a low end-price is more than likely to never be facilitated in Denmark, it is shown, that there is a basis for the production of clothing in Denmark in the more expensive price-segment, which could also be economically viable. This is enhanced by the interest in, and demand for, clothing produced in Denmark, both from national and international sources, that could be sought met. This Danish production should tell the story about the product and the sustainability, craftsmanship, and good quality that goes into it, in order to create value and differentiation for the fashion company, as a conventional, unsustainable production would not create the differentiation needed in order to make products made in Denmark desired.

As there currently are almost no capacity for the production of clothing in Denmark, a lack of general knowledge about the production-processes in relation to the production of clothing, relevant subcontractors and a lack of educated people within the field, some investments has to be made in order to facilitate the initial activities that will start the circular system. This investment could be triggered by the facilitating of some of the just mentioned parts of the circular system through government-funded projects like Sylab, which facilitates both knowledge, education and development of production-processes related to the manufacture of clothing, without costing the Danish fashion companies any resources, besides those they themselves wish to put into the project. A project like Sylab shows that the Danish government wants to facilitate the production of clothing in Denmark, which could contribute to a paradigm-shift in relation to the discourse about the manufacture of clothing towards domestic production.

It is evident from this research, that the production of clothing in Denmark can be economically viable while also meeting a need from the consumers, both nationally and internationally. What is needed to get the Danish fashion companies on-board with the idea of domestic production is government-funded projects that improves the possibilities and the facilities in relation to the production of clothing in Denmark, which could lower the cost of the initial private investment in Danish production of clothing, and also increase the chances of making it a success.

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# Appendix 1 - qualitative interview, Betina Simonsen

 **1. Why do you think that almost no Danish fashion companies are manufacturing their products in Denmark?**

Answer: jamen det er simpelthen på grund af omkostningerne. Jamen for det første så er der blevet outsourcet siden 1990’erne, gradvist, hvor man startede med Europa, og så er man rykket længere og længere væk – og det er simpelthen fordi at I produktionsomkostningerne der er lønandelen så stor, at den er meget vigtig, så derfor er vi blevet ved med at rykke rundt til nogle lavtlønnede lande hvor man har fået produceret sine ting.

**2. Which factors do you think are the most dominant when a Danish fashion company decides to outsource the entire production, or parts of it, to Southeast Asia or Southeast Europe?**

Answer: Der er faktisk ikke rigtig produktionsmuligheder I Danmark tilbage. Så der er næsten ikke noget tilbage, så jeg tror ikke engang.. altså det man overvejer det er jo hele tiden at sætte op imod om man skal producere det I Tyrkiet eller man skal længere væk eller I de baltiske lande – og det kommer så lidt an på hvad det er for nogle ting og hvor meget prisen er afgørende for produkterne. Der er nogle steder de har bedste kompetencer indenfor strik eller så er det jeans eller skjorter eller et eller andet – så det er hvad det er, og så også hvor, altså hvad er det for et prissegmenet man henvender sig til, hvor vigtig er prisen. Det udgør.. og så selvfølgelig også hvor mange kompetencer man har indenfor det her område, fordi det er klart jo længere væk du kommer, jo større krav stiller man til kompetencerne også og ressourcerne man skal bruge på det.

**3. To what extent do you think that Danish fashion companies are interested in producing in Denmark?**

Answer: Jamen altså nu har vi jo startet op et projekt hvor vi prøver at lave en fabrik I Danmark, men det bliver også et laboratorie, hvor vi skal prøve nogle ting af, og så har der faktisk været rigtig mange der er interesseret I, ikke kun fordi det bliver nemmere, men også fordi der er mange der gerne vil have det kvalitetsstempel, at det er made in Denmark, så det er ikke bare designed in Denmark, men det er også made in Denmark. Jeg tror, at der er nogen producenter, eller nogen brands, som synes at det kunne differentiere dem fra andre, at det der med at det også er made in Denmark. Så det er der en stor, stigende interesse indenfor.

**4. What do you think should be done politically in order to promote a higher degree of production of fashion clothing in Denmark?**

Answer: Altså man bliver nødt til at støtte op om og prøve at se hvordan man kan få noget produktion tilbage, altså der er jo.. man skal.. hvis man bare kigger på prisniveauet mellem Tyskland og Danmark eller Tyskland og England, så vil lønningsomkostningerne for en syerske, der er de 30% billigere bade I England og I Tyskland at få produceret det her lønmæssigt, derfor så, først og fremmest skal man jo kigge på automatisering, så man kan, prismæssigt kan konkurrere med for eksempel Tyrkiet, og det kommer vi nok aldrig til, så er det vigtigt at kigge på automatisering og teknologier og hvad kan man gøre – og så er der selvfølgelig også.. er der nogle nicheområder hvor at man kan se at der er et stort behov, for eksempel for små tekstilordrer, hvor at de ikke engang, det kan Tyrkiet ikke engang producere, for så hænger det ikke sammen økonomisk for dem – så det er sådan en eller anden tovejet ting ikke, altså man skal automatisere sig, man skal få lønandelen til at blive en del af produktet, og så er der også det her med, at man kan kigge på hvor er det der er et behov, som man kan dække, som andre ikke kan.

**5. How do you think a production line of fashion clothing in Denmark would look like? (Which products, how they are made, pricing etc.)**

Answer: Altså lige nu, hvis du skal producere I Danmark, så er det faktisk tæt på det er en skrædder du skal have fat I – så er du I den rigtig dyre ende. Men der er ikke rigtig nogen lønsystuer tilbage hvis man arbejder med skræddere – og så er det jo den dyre ende vi snakker.

**6. Which negative impacts do you see in relation to outsourcing production of fashion products?**

Answer: Jamen det der er, der er jo.. det første det er jo hele vækstfladen. Som nyopstartet virksomhed er det rigtig svært at komme I gang, når de skal ud og producere eller arbejde med nogle store producenter som er rigtig store med store kapaciteter og som er vant til nogen som de ved kan betale og ikke vil tage nogen risiko – så en ting er at du har ny-opstartet har meget få kvaliteter.. hvis du har outsourcet og har behov for at få lavet nogle kollektionsprøver, få udviklet nogle kollektionsprøver sammen med en producent, så det er ikke sikkert at producenten besidder produktionsmæssige kompetencer der skal til. Så du har brug for det der makkerskab for at får lavet dine kollektionsprøver, og så er der også det der at når de så kommer med de første ordrer så er de ikke kæmpe store, og det er små kapaciteter, altså løn pr. stk. og det gør jo, at det er rigtig svært for ny-opstartede virksomheder at komme i gang, at de ligesom ikke har den her adgang eller de her muligheder. Og så er der jo også, at det her med at vi har mistet al innovation i produktionen i og med at der er sket et ryk til bare steder der er billigere og billigere det gør jo, at der ikke er nogen der investerer i at innovere i selve produktionsprocesserne – bl.a. det her med automatisering, og jeg hørte, her den anden dag der hørte jeg, at ovre i Californien der har man arbejdet indenfor time-fabrik, bare med sådan lidt ala japansk, det der just in time produktionssystem, og der har man reduceret lønomkostningerne med 30%, så jeg tror, at der er rigtig mange muligheder i, hele produktionsprocessen, at prøve at innovere. Så er der så også en tredje ting, det er at når du ikke har produktion i et land, så er alle de underleverandører, der byder ind, også med innovation, og med nye ting og med håndværk, der bliver en del af hele den her produktions-klynge, dem mister du jo også. Så det er jo ikke kun i selve produktionen, det er i underleverandørerne, både håndværksmæssigt men også servicemæssigt man mister, så jeg synes der er rigtig mange ting der taler for, at det kunne være rart at få noget produktion tilbage

**7. Which positive impacts do you see in relation to outsourcing production of fashion products?**

Answer: Jamen det er jo klart at danske virksomheder, i og med at de også ret tidligt outsourcede, så var de jo dem som fik indsigt i at samarbejde med nogle produktionssteder, og også det der med at de er vant til hele tiden at have en portefølje ved produktionsstedet, så man hele tiden kan holde nogen op hvis nu at det er at der er nogen af dem der på en eller anden måde bliver for lille, at man ligesom har, eller at de ikke leverer kvaliteten eller noget, så man hele tiden har portefølje af produktionsstedet så man hele tiden kan shoppe rundt imellem dem. Og det var vi jo nogen af de allerførste i Europa der gjorde, og det betyder at vi har viden og vi har netværket, og hvis vi ikke havde det så havde vi jo ikke været i en situation hvor modebranchen var så stor som den er i dag. Altså selv om vi mistede mange arbejdspladser ved, at produktionen rykkede ud, så er det jo en industri hvor man kan sige at vi også har fået mange igen fordi vi var hurtige og i dag har en stor modebranche, på trods af, at vi ikke nogen produktion har haft. Så hvis vi ikke havde gjort det, så havde vi ikke haft en modebranche som den er i dag.

**8. How do you think the Danish fashion companies’ production will develop in the future?**

Jamen altså jeg tror, at vi kan se at mange af de unge designere de har nogle andre værdier – det der med, at man går lidt imod den der køb og smid væk kultur, at man gerne vil lave nogle ting, hvor der er mere værdi i, altså både i innovation, i materialer, og så det der med at udvikle nogle nye teknikker – syteknikker eller lignende. Så jeg synes i det hele taget at der er mange af de nye designere der viser tegn på, at de gerne vil noget andet end – selvfølgelig har man stadig brug for kommercielt design, men der er også nogen som virkelig kigger på materialerne, hvad man også ser med genbrug, kan man bruge tingene flere gange, kan man bruge det til andre ting, kan man sy dem ud, kan man sy dem ind efter – så man køber tøjet som et investeringsobjekt ligesom en stol, hvor man siger at den her kan jeg have i 10-20 år og så vil jeg også gerne have den når jeg bliver ældre, for så kan jeg klippe det kort eller jeg kan udvide det lidt, jeg bliver lidt tykkere, eller jeg taber mig, så der er nogle.. så det bliver sådan mere en ting du køber som et investeringsobjekt som man ikke sådan bare, en t-shirt du har på og ikke engang gider at vaske. Så der synes jeg, at der er nogle nye tendenser. Og så synes jeg også at Danmark lige nu har et rigtigt spændende momentum i herremode, som jeg tror er et sted der kommer til at ske rigtig meget, fordi herremoden har været rigtig kedelig i mange år, og der har vi nogle rigtig spændende designere der begynder at rykke på nogle ting, som også får international opmærksomhed, og det er de der designere der tør gøre nogle ting lidt anderledes og netop tænker på en ny måde, gør at Danmark får et positivt omdømme, hvor vi egentlig før i stedet har dansk mode været demokratisk, altså alle skulle have råd til det og ja, altså det var det man kalder det nemme marked, men nu begynder vi også at se nogle designere der tænker oppe i et lidt mere højere segment og har nogle andre værdier. Og det tror jeg at det vil være noget der vil give omtale, for det er meget mere profilerende på en eller anden måde.

**9. As a stakeholder in the Danish fashion industry, what would you like to see happen in the future for the production in the Danish Fashion industry?**

Jamen jeg håber selvfølgelig på at vi kan få det her Sylab op at stå, og at vi så kan hjælpe nogen unge opkommende designere I gang og så håber jeg også på, at det kan hjælpe nogle virksomheder til at tænke I andre baner, måske lidt mere eksklusiv produktion men også bæredygtighed, altså at man ved, hvodan tingene er produceret, hvad det er for nogle forhold – det er nemmere at kontrollere når man ved hvor det er, og man kan gå hen og kigge på det og det er mere gennemsigtigt. Så jeg håber da.. jeg tror at det kunne være.. skabe rigtig meget værdi til Danmark og hovedparten af deltagerne I Sylab, hvor vi også kan producere noget, og væksten kan komme I gang, og så også det her med at der er nogle virksomheder, der kan arbejde med, og sammen.. håber jeg på at det er sådan et sted hvor der skal afprøves en masse nye innovative ting, altså det skal være sådan et sted hvor man hele tiden arbejder med at forbedre og lave anderledes metoder til produktionen. Så det håber jeg personligt, at det kan blive et nyt omdrejningspunkt for modebranchen I Danmark.

# Appendix 2 – qualitative interview, Dorthe Brügger

**1. Why do you think that almost no Danish fashion companies are manufacturing their products in Denmark?**

Primært to grunde –

Der mangler den rette kapacitet – produktions sted, kompetencer osv.

og

lønninger – de muligheder der finds pt. nærmer sig egentlig skædderi og det fordyrer produktet for meget.

Another View ville som udgansgpunkt helst prod. I Dk – men vi har ENDNU ikke kunne finde prod.sted / der kan levere strik og konfention i en kvalitet / pris kategori, der kan hænge sammen

**2.** **Which factors do you think are the most dominant when a Danish fashion company decides to outsource the entire production, or parts of it, to Southeast Asia or Southeast Europe?**

LØN – absolut . Der kan producers til så lave lønninger. Det kan også handle om ekspert viden omkring specifikke detaljer ex. silketryk, specielle vævninger osv. men som oftest er den lavere arbejdsLØN absolut årsagen.

**3. To what extent do you think that Danish fashion companies are interested in producing in Denmark?**

Omfanget Afh. helt af muligheder- og økonomi.

Mange taler om det – Og ifht bæredygtighed og branding er det gode og reelle ‘buzz word’, at tale om at trække prod. tilbage til Dk –

Another View undersøger fx. om specifikke produkter fx. vores uld frakke kan prod. I Dk – Altså styles, der kan bære en forholdsvis høj pris.

HVIS der kommer gang I fabrikker osv. I fx jyllands – og det kan hænge sammen med løn / tilskud osv. tror vi interessen er stor. – Spsg.målet e rom kapaciteten – kompetencerne stadig fidnes I dk – Pt. burger vi jo ofte udenlandske skræddere til speciel syning – men hvis prod. trækkes tilbage kan det betide nye udd. muligehder – og så kan der komme gang I helt nye cirkulære sytemer.

**4. What do you think should be done politically in order to promote a higher degree of production of fashion clothing in Denmark?**

Først : WHY – Hvad er årsagen til at vi skal flytte prod. tilbage ? Det bæredygtige aspect – kort fra ‘jord til bord’ – brugen af lokale ressourcer

- Tillige langt større bevidsthed og oplysning om de nuv. muligheder. ET overblik.

HVAD findes der af systuer / prod.mulighder I DK – Hvad er tilskudsmulighederne

* Fællesskaber – SYNLIGHED på projekter, der rent faktisk gør det ..
* Nemmere at starte op – Pt. er det så omstændingt at beg. virksomehd.- skabe forandringer …

**5. How do you think a production line of fashion clothing in Denmark would look like? (Which products, how they are made, pricing etc.)**

**Dk – har stor tradition for flot strik. Dansk strik – Broderi - / detaljer . Danskerne er dygtige og kvalttets bevidste . Innovation – at bruge fortiden til fashion.**

**BÆREDYGTIGHED: især her – vi er innovatiove og miljøbevidste I Dk – EN nordisk linie, der hylder det GODE DESIGN – også berømmet I kombi med udvikling af nye materialer ex. hamp, lyocell.**

**NORDISK design – med fokus på stil og sunde materialer.**

**6. Which negative impacts do you see in relation to outsourcing production of fashion products?**

Lang Transport. Viden går tabt. Tung arbejdsgang – Vanskeligt at følge produktionen tæt – få et godt og tæt.- samarbejde – Hvis man er tæt på prod. hkan man langt lettere justere processen kontinuerligt,. Nå at fange ‘fejl’ I tide. Det Ville lette prod. hvis hele værdikæden lå samlet … Større fælles følelse I hele værdikæden. Kort fra ide til produktion. Udvikling og synergi

**7. Which positive impacts do you see in relation to outsourcing production of fashion products?**

Videns deling landene imellem – hvis arbejdsrelationen er ligeværdig. Brug af hinadens kompetencer. Alle skal ikke vide ALT om ALT. Global bevisthed fx. relateret BÆREDYGTIGHED. HVis alle var med på det – kunne vi irkelig hrøe en forskel!

**8. How do you think the Danish fashion companies’ production will develop in the future?**

Another View tror der vil komme større fokus på bæredygtighed og gode arbejdsvilkår – I og med at lønforhold. blir udlignet … ! Varer længe – vil flere flytte prod. tættere på hovedsædet. Udviklingen vi gå mod STØRRE kvalitet, Fast fashion og hurtig tom prduktion vil nedtones

Alterantivt vilk vi gå sammen I communitier og skabe produkter sammen

**9. As a stakeholder in the Danish fashion industry, what would you like to see happen in the future for the production in the Danish Fashion industry?**

Langt større bevidsthed – både politisk, hos prod. / os, hos forbrugere og især MEDIER på etisk og æstetisk produktion. BÆREDYGHED og balance. DET cirkulære aspect.

AT forbinde MODE med respket og skønhed. EN VÆRDI – ikek bare tom overfalde og ‘ tøj ,… ‘

AT vi I modebranchen betragter hinanden som fælles kollegaer med en værdi fuld opgave – og ikke kun ser hinanden som konkurenter … der skal sælge. Tilsvarende den mad revolution, der er sket omrking fødevarer – STOP madspil og Claus Meyers mission – DET VIL VI OGSÅ SKABE inden for Danish Fashion.

# Appendix 3 – qualitative interview, Nikolai Bo Klausen

**1. Why do you think that almost no Danish fashion companies are manufacturing their products in Denmark?**

Altså man kan sige der er jo noget.. der er jo noget historik I det her, og man kan sige, at da Kina begyndte sådan at blive lidt mere accessible at komme ind og producere i, så var der jo nogle store besparelser i at lægge sin produktion i Kina. Og, så man kan sige, at i første omgang så, så lå grunden i det, at der selvfølgelig var nogle store besparelser at gøre. Man kunne også komme med nogle bedre priser til kunderne og derudover også til forbrugerne. Så har tiderne jo ændret sig meget, og Kina er jo blevet et meget meget, forholdsvist rigt samfund, og har fået en meget meget stor middelklasse. Der er kommet andre produktionsformer ude i Kina , altså mobiltelefoner og elektronik og sådan noget der også bliver produceret derude – og de arbejdsvilkår de fabrikker tilbyder er også gode, og det vil sige at der er kommet en større konkurrence derude. Og det betyder så, at priserne på lønningerne stiger ude i Kina og så flytter, kan man sige, produktionen til andre lande, eller måske hjem til Danmark. Men der er sådan nogle helt grundlæggende ting – Kina det er ikke bare på grund af deres pris, det er på grund af deres høje kvalitet, de er faktisk rigtig dygtige til at sy, de har en stor knowhow, der er stort set ikke noget politisk uro af betydning, det styrer kommunist-partiet fuldstændig, så der er ikke noget med, at der lige pludselig bliver borgerkrig osv. så det er sådan forholdsvist stabilt arbejde, de er gode til engelsk og de har en god forståelse for dansk design og kan sådan set producere, mere eller mindre, de varer vil, i det kvalitetsniveau vi gerne vil have, hvor der skal stå dansk design i. De er gode til at source metervarer, det vil sige, at du har et stort udvalg og du har en meget meget stor knowhow derude. De er ret hurtigt opfattende, de er til at forstå hvad det er du gerne vil have lavet når du forklarer dem hvad det er du vil have lavet. Så det er derfor, at der er rigtig mange der bruger Kina. Og det er jo også i forhold til andre lande, hvor det kan være lidt problematisk at producere. Og så er de også gode til trykteknikker og alle sådan nogle ting, så Kina er et meget attraktivt land at producere i.

**2. Which factors do you think are the most dominant when a Danish fashion company decides to outsource the entire production, or parts of it, to Southeast Asia or Southeast Europe?**

Ja, altså man kan sige, at den ene faktor er at der jo ikke er noget produktion i Danmark. Så uanset hvad kan du ikke vælge Danmark i dag – altså du kan ikke vælge produceret en masse-produktion til en skarp pris. Så hvis du ligge i en mellempris og ned, så er der ingen muligheder for at få produceret noget som helst i Danmark af betydning. Så derfor er du nødt til at vælge et andet land, hvor produktionen og knowhow’en ligger. Derudover så består modebranchen, udover en lille håndfuld meget meget store, så er det en kæmpe underskov af små- og mellemstore virksomheder, hvor at nogen gange er det kun designeren selv der sidder der. Og det kan sådan rent lavpraktisk foregå på den måde, at designeren eller virksomhedsejeren får besøg af nogle producenter ude fra Kina der er heroppe, og så snakker de med dem og så viser de nogle metervarer, og jeg kan sy det til den og den pris, man kommer ikke engang ned på fabrikken. Så rent lavpraktisk kan man sige at der er rigtig mange små- og mellemstore virksomheder der aldrig nogensinde har været ude og besøge en fabrik i Kina. Det har de hverken råd, eller indsigt eller tid til. Det er oftest kreative mennesker som sådan set har et produkt de tror på, og de skal også, som ejere, og som, hvor der kun er et par ansatte, også stå for salget og logistikken og få varerne hjem og så videre. Så man kan sige at der søger man jo også en vis form for sikkerhed i produktionen – man er måske ikke så meget for at eksperimentere for man har ikke råd til at eksperimentere – så man går hele tiden efter det sikre. Og det er forholdsvist driftsikkert at producere ude i Kina på nuværende tidspunkt. Så det er nok en af de største faktorer. Og så er der stadigvæk prisen, du kan stadigvæk få nogle gode priser derude, selvom lønningerne er steget.

**3. To what extent do you think that Danish fashion companies are interested in producing in Denmark?**

Jeg tror at, eller vi oplever i hvert fald i Wear, at der er en øget efterspørgsel efter produktionsmuligheder i Danmark. Og vi arbejder faktisk på nu her, det er lidt et sidespring, at lave en debat omkring det i forbindelse med folkemødet på Bornholm i år. Og jeg talte i går med Region Hovedstadens Vækstråd, formanden for det, omkring det her også, og var meget begejstret for de idéer og tanker vi havde gjort os. Og det er således, at det vil være to ting, i den grad – det vil sige det vil være, for de helt små- og mellemstore virksomheder vil det være to faktorer – det er at få lavet kollektionsprøver, fordi det er ret dyrt og der er hele tiden nogle små tilrettelser, og der er Kina langt væk, altså det er langt væk. Punkt to, det er, mindre kvantiteter kan få svært at få lavet i Kina. Det vil sige, hvis du er en lille- eller mellemstor virksomhed og er startet op, og du ikke har, jeg plejer at tage som tommelfingerregel at hvis du skal have lavet noget i Kina, så skal du minimum have 300 stk. på pr. model pr. farve. – så har du en model i to farver så skal du altså lige sælge 600 stk.. og det gør man altså ikke hvis man er lille eller mellemstor. Så derfor så ville der kunne være noget i her, at så sige ja men prisen er lidt højere, men til gengæld kan jeg rent faktisk sætte det i produktion. Altså vi har jo ofte set virksomheder der er mellemstore eller større, når de får en ordre på et eller andet med 120 stk for en farve og en model, så sætter man det slet ikke i produktion, så bliver det bare annulleret. Så sætter man det ikke i produktion, for det vil simpelthen blive så dyrt i Kina at sætte i produktion at vi kan ikke tjene penge på det. Så det går bare ud, så siger man til de der 50 kunder der har købt den style, at den kommer bare ikke, den er gået ud. Så der vil jo være en mulighed her for at sige, at så kan vi i hvert fald få det sat i produktion, og så få det ud, og så kan det godt være vi ikke tjener så meget, men så kommer det måske ud. Og så ligger der det her i, at du er tæt på – det vil sige, at de små- og mellemstore virksomheder vil rent faktisk have mulighed for at besøge fabrikken, og man vil have mulighed for også at være med til at udvikle nye teknikker, sy-teknikker og sådan noget, det kan du ikke rigtig når du sidder og skal sende det til Kina frem og tilbage og sådan noget og gøre det over Skype, det bliver ikke det samme, det bliver lidt ala – altså du overlader lidt produktudviklingen til den kinesiske producent fordi du ikke har hands-on dialog. Og så er der jo hele CSR-aspektet i det, som bliver en større og større faktor. At det vil sige, at hvis du producerer i Danmark så ved du også at der er brandtilsyn, der er bygningsmyndigheder, der er minimumskrav og der er pauser – der er kontrol med tingene og det vil sige, at du har mere ro omkring dit produkt. Og så er der den aller aller sidste kan man sige, det er jo, at på eksportmarkederne, de helt store eksportmarkeder som USA, Canada, Kina, Sydkorea og Japan, der er der, og også Tyskland for den sags skyld, der er der en øget efterspørgsel på tøj hvor der står made in Denmark. Det er ikke bare nok mere at det er designet i Danmark. Så de toneangivende virksomheder og designere, eller designere kan man sige, i prisklassen der ligger over middel og opefter, kigger vi på for øjeblikket og sige jamen er der nogle muligheder for faktisk at ramme nogenlunde de samme priser, eller hvor langt vil forbrugerne betale mere for at der står made in Denmark. Så det er en øget efterspørgsel med insourcing. Men det er ikke handsker til 29 kroner i Bilka, der er vi slet slet ikke. Det vil være en herreskjorte til 800-1000 kroner i butikkerne, det er det prisniveau vi snakker i hvis det overhovedet skulle kunne lade sige gøre. Det bliver for de lidt mere kræsne, ikke altid velhavende, men i hvert fald de meget bevidste forbrugere. Men det vil helt klart være en faktor der kan gøre at du kan komme ind på markederne som jeg nævnte før, at du kan sige at det er made in Denmark. Men det skal ikke være økotøj, altså det er slet ikke der moden er jo, altså folk vil jo gå i det samme tøj, og det skal jo se ud på samme måde og være ligeså smart, som alt muligt andet, men det må godt være made in Denmark. Om det så er økologisk og alt muligt andet, det er et andet parameter man kan slå på. Men det behøver ikke være økologisk fordi det er made in Denmark.

**4. What do you think should be done politically in order to promote a higher degree of production of fashion clothing in Denmark?**

Ja, altså som du siger, der skal nogle støttekroner til, og det vil alle jo gerne have, men det er jo, altså man kan sige, hvis du ser på møbelindustrien, de danske møbeldesignere, de kommer alle sammen ud af et håndværk. De har jo været altså, Børge Mogensen var jo møbelsnedker og kunne arbejde med træ og så videre. Tager du vores, indenfor food – jamen så er det jo kokke der har stået i lære og kan noget og ved noget om fødevarer, og det er derfor dansk new nordic er blevet så populært, og hele det her med at bruge ressourcer du har til rådighed i landet og ikke sejle det hjem fra udlandet. Og så har du det nye der er kommet på det er indenfor film og serier hvor dansk film, og der har du igen nogle skuespillere der har fået en uddannelse, de har noget substans og er derfor i stand til at yde måske noget som man ikke ser så meget mere, med mindre du lige kigger på USA og de helt store filmlande – så der har Danmark også været i stand til det. Men modebranchen mangler den her connection til rødderne og man vi ligesom glemt altså de teknikker man havde i gamle dage og hvor dygtige vi rent faktisk var til at producere tøj. Så derfor er der behov for at komme nogle støttemidler ind på en eller anden måde, til at få faciliteret dem der har lyst til at gå i gang med det her, fordi det er en voldsom investering at gå i gang med, og du skal i princippet lave den, før du har kunder – for hvis ikke du får nok kunder kan du ikke komme i gang, og hvis ikke du er i gang så kan du heller ikke få kunder – så vi sidder meget og snakker om hvordan kan du lave den her hønen eller ægget, hvordan skal den komme først, og det kommer oftest når der er penge. Men så kan man så gå ind og så sige, jamen man kan lave noget støtte i det her fordi at det er jo en industri som er vældig stor for øjeblikket – modebranchen står jo for, det er den fjerde eller femte største eksportindustri i Danmark, men der bliver ikke produceret noget i Danmark. Og kunne vi nu lave de her syfabrikker nu – og så tænker alle når man siger syfabrikker, så tænker man sådan noget hvor der sidder 6.000 mennesker og bare syr derudaf, men nu siger vi bare en syfabrik eller en stor skrædderstue, hvor du kan få lavet de her ting. Så vil der jo blive, højst sandsynligt blive udviklet nogle robotter, og det er man i gang med – de her robotter kan du jo så yderligere eksportere til de her store lande som Kina og Bangladesh, som virkelig har behov for at få nogle nye opgraderinger – og det vil sige at der også er nogle eksportmuligheder på nogle sideområder som ikke er deciderede tøj, men fordi vi producerer tøj og gerne vil producere det i Danmark og sy det i Danmark, så udvikler vi både nogle maskiner og noget knowhow, og vi udvikler også nye måder at sy på og så videre, som kan eksporteres. Derudover så skaber det jo også nogle jobs, og har vi også siddet og kigget på, altså Nike prøvede på et tidspunkt at tilbyde jobs til de lønninger og til de vilkår og alt muligt andet som der ellers blev syet, der var ingen amerikanere der ville have de her jobs, overhovedet. Men vi har jo en hel del flygtninge der kommer til Danmark, som kommer fra lande hvor de har tekstilproduktion, og de kommer måske med noget knowhow og en lyst til at sige, at det her vil jeg jo gerne, for det kender jeg og jeg kan bidrage med noget positivt med det samme – så der kan også være en integrations-idé i det her, det er jo ikke noget med at de skal sidde til 13 kroner i timen og sy, altså der er jo en mindsteløn og det her det skal selvfølgelig gå i samarbejde med nogle internationale eller de danske fagforeninger, så vi sikrer os, at vilkårene er i orden. Men det vil måske være nogen der vil sige, at det er lige sådan et job jeg vil have, fordi det kender jeg – der er noget tryghed i ansættelsen frem for at skulle ud og stå i et supermarked eller lave noget andet arbejde som man måske ikke har interesse i, men her der kan du rent faktisk få et arbejde og måske faktisk få det under bedre vilkår end du havde derhjemme fra dit oprindelsesland – så der ligger også nogle integrationsmuligheder i det her. Det er helt klart, at med produktudvikling og med yderligere eksport, og så det her også med, at man endnu engang får branded Danmark for at have noget historik og noget forandring i historien, som er utroligt vigtigt for øjeblikket for forbrugerne. Det var en lang snak, men den er ikke sådan helt.. så man kan sige, kan man sælge det her ind til politikerne, og de kan se der er en mulighed i det her fordi det er jo ikke, det er jo ikke 15.000 jobs over 2 år vi snakker, det vil måske være 10 jobs til at starte med de første 2-3 år, og så kan ligesom få lov at udvikle sig – men det er jo også 10 gode jobs, og så er der alt det der spinner af ved siden af, som er med – men sådan er det jo i alle brancher. Der er jo forbrugere der gerne vil købe dyrt tøj, og der bliver jo købt dyrt tøj fra meget meget dyre mærker i Danmark, som er produceret i Kina, hvor avanceren er skyhøje – så hvis man mener, at made in Denmark er noget der kan være med til hæve din fortjeneste på produktet, så er det jo bare fantastisk.

**5. How do you think a production line of fashion clothing in Denmark would look like? (Which products, how they are made, pricing etc.)**

Der er jo nogen der næsten laver produktion i Danmark men som ikke gør det helt endnu – det vil sige, det kan være Hammerthor undertøj, det kan være S.N.S. strik og sådan noget, men det vil sige de, lige for øjeblikket skærer de det til og laver det klar og så sender de det til Litauen og får det syet sammen og så kommer det tilbage igen – så derfor kan de ikke kalde det made in Denmark. Og det er simpelthen fordi sy-lønnen stadig bliver for høj i forhold til den prisklasse hvor de skal ind og konkurrere. Men det kunne også være lædervarer som bælter og tasker og sådan noget. Og så er det jo helt klart herretøj, det kan være, det kunne være jersey altså og skjorter og sådan nogle ting som er forholdsvist nemme at gå til – jeg tror ikke at man ville, jeg tror ikke man ville kunne se en fuld kollektion der er lavet i Danmark, det ville man ikke være i stand til endnu, det ville være nogle produktgrupper hvor man går ind og siger at jeg kan levere de her t-shirts og lige præcis denne her kvalitet de er made in Denmark, det er ikke hele kollektionen der er made in Denmark. Men helt klart varer som altså, på den lidt mere casual del, og så alt afhængig af hvor skrappe systuerne bliver ville du nok også kunne lave kjoler og sådan noget, men det kræver en høj grad af finish. Og så prisklasserne, det bliver den lidt øvre del, altså som jeg sagde en herreskjorte kommer i hvert fald til at ligge på en tusse – det skal man nok regne med, før det bliver realistisk, men man kan så sige, vil man give de der par hundrede kroner ekstra for at det er made in Denmark – måske ikke i Danmark, men det kan godt være man vil i Japan, og det kan også godt være man vil i Sydkorea og i Tyskland og så videre, fordi 1000 kroner for en herreskjorte er der jo rigtig mange dyre mærker der har i dag, hvor de jo også er lavet i Kina.

**6. Which negative impacts do you see in relation to outsourcing production of fashion products?**

Det er jo et stort spørgsmål. Man kan jo sige, at den outsourcing har også været med til at løfte Kina ud af dyb fattigdom. Så man kan, altså, det er jo hele tiden et skisme at så sige, er det bedre at de får 12 kroner I timen eller de får ingenting? Og det er jo en moralsk og en etisk diskussion som man kan have herfra og til i overmorgen. Men det er helt klart at det negative er jo også, at du mister knowhow og du mister kompetencen, og du mister arbejdspladser i landet – helt klart, det er jo det mest negative ved outsourcing. Og du mister jo også kan man sige hele det etiske aspekt i at komme ud i de her lande hvor virksomhederne står til at have frit slag og hvor der florerer korruption og alt muligt andet, det er man jo indirekte med til at støtte – så der er jo selvfølgelig en masse negative ting ved outsourcing, altså det er der jo, men problemet er jo bare, at hvis de andre lande gør det, så bliver Danmark også nødt til at gøre det, for ellers så priser vi os ud af markedet. Så det er sådan lidt, den er lidt svær at komme udenom, men det er jo de negative aspekter der er ved outsourcing. Og så er der der jo også noget der hedder leadtime, det vil sige fra det øjeblik du bestiller varen til den kan ligge i butikken, den er jo forholdsvis lang når du skal have den sejlet hjem fra Kina, fordi det er for dyrt at flyve den hjem. Så du skal altid lægge en 8-9 uger på – og det betyder jo at hvis du producerer i Danmark, og de kan producere hurtigere fordi du er nede i nogle små kvantiteter, og få det sejlet hjem tager nøjagtig samme tid om du får sejlet 1 stk. hjem eller om du får sejlet 18.000 stk. hjem, båden sejler ikke hurtigere. Så vil man være i stand til som ny, eller som firm, at kunne levere hurtigere, så man kan sige at det negative ved outsourcing er at leveringstiden, eller outsourcingtiden eller leadtime er lang.

**7. Which positive impacts do you see in relation to outsourcing production of fashion products?**

Jamen det er jo at vi bliver konkurrencedygtige, altså vi lever jo, vi er I et globalt marked, så alle i dag skal jo være i stand til at kunne sælge til alle lande, stort set. Og det vil sige, at hvis vi outsourcer jamen så kan ride med på at være konkurrencedygtige, også til eksport – så det betyder jo noget at man er konkurrencedygtig på det globale marked, og ikke kun i forhold til de danske forbrugere. Så det er helt klart en af de største benefits. Og så kan man så sige ja, du er også med til at udvikle de lande jo, når der kommer penge ind, så bliver det også automatisk udviklet, og så kan det så gøre mere eller mindre, hurtigere eller langsommere, alt afhængig af hvilke briller man kigger med, så det jo de mest positive ting der sådan set er.

**8. How do you think the Danish fashion companies’ production will develop in the future?**

Jamen jeg tror det vil udvikle sig af, at de fortsat I nogle år frem I tiden fortsat vil være I Kina generelt, så taler vi generelt, så taler vi måske 98% af produktionen de næste par mange år. Så vil man flytte til nye markeder, og det er Myanmar, Bangladesh vil man også fortsætte på at udvikle, og så vil det være nogle nordafrikanske lande, afrikanske lande, som også begynder at røre sig – det er der produktionen vil flytte hen. Desværre flytter den ikke til Europa, det er stadigvæk for dyrt, ikke på den korte bane. Det er stadigvæk for dyrt og produktion i Danmark vil være niche-produktion eller i det lidt mere luksuriøse område.

**9. As a stakeholder in the Danish fashion industry, what would you like to see happen in the future for the production in the Danish Fashion industry?**

Jamen helt ideelt ville det jo være, at de medarbejdere, eller de mennesker der sidder og syr det her, sidder under nogle ordentlige vilkår, og har en sideløbende uddannelse med det her, eller der bliver sørger for uddannelse, og de også bliver organiseret under en fagforening og så videre, at de får nogle ordentlig vilkår. De fleste danske virksomheder vil jo gerne det her, og beder jo også deres leverandører om at gøre det, men mange af dem er jo ikke engang derude på fabrikken, fordi de har ikke råd til at flyve til Kina fire gange om året og tjekke op på det her. Så det er jo, man kan sige, det er jo et mega langt træk det her, fordi det skal jo foregå på et internationalt niveau, altså enten igennem EU og så igennem internationale fagforeninger, og så skal der lægges pres på regeringerne. Men der er ingen tvivl om, at vi vil da meget gerne, at man kiggede på europæisk produktion, og her tænker jeg på, det kan jo være Polen, det kan være Estland, Letland Litauen og det behøver måske ikke at være helt ude i Kina. Men jeg tror også at det kommer i takt med at priserne de fortsætter med at stige. Så det kan godt komme lidt før man regner med, og der kan du så, for der er lønningerne ikke helt så høje endnu, men vilkårene er stadig, altså det bliver stadig produceret under bedre vilkår end på nogle fabrikker i Kina, og det ligger ikke længere væk end at man lige kan tage derned hvis det er, at man er i tvivl – så det kunne jeg da godt håbe på, at man begyndte at kigge på. Det kunne også være Tyrkiet, og der producerer man jo også i dag, men det er ikke så meget, men der bliver produceret meget billigt i Tyrkiet, og det er jo en ret stor modeting, men desværre bliver det også højst sandsynligt produceret under dårlige vilkår, så det skal vi også have kigget på, selvom det er Tyrkiet. Så det er jo arbejdsvilkår der skal kigges på, det er meget meget svært for de enkelte virksomheder at tjekke at det overhovedet bliver gjort, for du kan jo være i en situation hvor du kommer ned og ser fabrikken og det ser rigtig flot ud, de glemmer bare lige at fortælle dig at du har en underleverandør som er en fabrik som fætteren ejer, eller kusinen ejer, og der sidder de altså på nogle helt andre vilkår, og det får du ikke at vide, vel – så du kan godt komme rundt og blive vist rundt og det hele ser fint ud, og der er brandgange og bygningerne er fine og der er udluftning og de går i skole og der er børnepasning, men der bliver måske ikke lige din ordre produceret – og det er det der gør det lidt svært, og det er også, men det er umuligt at kommunikere i pressen, det er en tabersag at tingene ikke bliver produceret ordentligt og alt det andet det er bare rygsvømning fra vores side af, men det er ikke så enkelt, det er lidt mere nuanceret, for der er jo ikke nogen normale mennesker som bevidst ønsker at folk skal have det skidt på deres arbejdsplads, hverken det ene eller det andet sted. Og så er har du hele forbruger-issuet, at forbrugereren, hvis man køber en t-shirt til 39,95 kr. I Bilka, så kan man måske nok regne ud, at der er nok ikke så meget til ham eller hende der har siddet og syet den. Når du køber en leverpostej til 4,95 kr. så skal du nok også lige kigge hvad der er i den.

1. The Western World – as defined by Huntington, Samuel P. in ”The Clash of Civilizations”, 1996, p. 26 [↑](#footnote-ref-1)
2. Globalization is, in this research, defined as e compression of time and space aspects of social relations, a phenomenon that allows the economy, politics and culture of one culture to penetrate another” (Mittelman, 1995, p. 273) [↑](#footnote-ref-2)
3. The Third World: describing the emerging states regarded to be qualitatively different from Europe, North America and certain others, and the socialist countries of Eastern- and Central Europe (Roy, 1999, p. 3) In other words: all other countries outside of Europe, North America, the countries of the old Soviet bloc, Japan, South Africa, Australia and New Zealand. [↑](#footnote-ref-3)