

An Analysis on the Upgrading Paths of Zhejiang's Textile Industry from the Angle of Global Value Chains

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ABSTRACT. Textile industry is a traditional industry in Zhejiang Province. It plays a vital role in Zhejiang's economic development. In recent years, thanks to the advantage of industry clusters, the speed of Zhejiang's textile industry development is increasing. For example, the industrial output is growing steadily, and export volume is rising rapidly. But from the perspective of global value chains, Zhejiang's textile industry still belongs to the low side of the value chain, since it is mainly engaged in labor-intensive activities, which yield low added value and margins.

Thus, the study, after illustrating the definition of global value chains, attempts to analyze the current situation and problems of Zhejiang's textile industry. From the perspective of global value chains, Zhejiang's textile industry focuses mainly on improvement trade; price competitions are common; brand construction is weak; added value is low; investments in technology are little; and innovation is devoid. Then, the study goes on to map out the upgrading coordinates for Zhejiang's textile industry based on the four key factors, namely production, marketing, technology development and talents.

Keywords : value chains, global value chains, the textile industry, and the upgrading Paths

A. Introduction