

Impact of Import Thrifting in Indonesia: A Case Study on Used Fashion Products

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Abstract

Importing used clothing has become a controversial topic in recent years. Some see it as a good solution to fight poverty and promote resource saving, while others see it as a practice that is detrimental to the clothing industry and the environment. On one occasion, I will discuss the first, why thrifting used clothing is in great demand by the public, then, second, is there a legal basis for prohibiting the import of used clothing, after that, third, is there any negative impact from buying used clothing. Because at this time Thrifting has become a fashion product that is in great demand because of its very affordable prices, attractive models, and of course it has a brand label from abroad. However, the Trade Law and the Regulation of the Minister of Trade have given a warning that actually importers may not import used goods, clothing that is not suitable for use. And if you violate it, you will be subject to sanctions in the form of 5 years imprisonment and or a fine of 5 billion. Therefore, importers and the public are urged not to buy imported used clothes and to support domestic industries that are no less good.

Keywords: Thrifting, Import, Fashion Products, Bad Impact



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INTRODUCTION

Export and import is an international trade activity that involves the exchange of goods and services between countries around the world. The background of import and export relates to the history of international trade that has been going on for centuries. International trade dates back to ancient times, when countries such as Egypt and China traded goods such as silk and spices with countries in Europe and the Middle East. During the Middle Ages, international trade flourished, especially via the Silk Roads connecting Asia and Europe. In the 18th and 19th centuries, Britain and other European countries developed colonialism and colonized other countries, which allowed them to control natural resources and expand their trade. In the 20th century, there was a boom in international trade with an increase in global production and consumption.

Until recently, international trade remained an important aspect of the global economy, with countries importing goods and services that were not available in their own country and exporting those that they did well produce. Export import plays an important role in economic growth and development, and is one way to strengthen relations between countries. The following includes examples of cases that are currently rife in Indonesia regarding the import of used goods, namely thrifting of used clothes. Thrifting is a word that comes from English, namely "thrift" which is taken from the word thrive which means to develop and progress. And the word thrifty means how to use money and goods properly and efficiently (Gafara, 2019). The term Thrif is also synonymous with used or second hand goods, most of which come from abroad. These items are not only used clothes, but also bags, shoes, and other accessories from various brands.

Indonesia has a fairly large fashion market with a large population and the growing fashion industry in this country. However, the fashion industry itself also has a negative impact on the environment and encourages the purchase of new products which generate a large

amount of waste. On the other hand, thrifting or buying used products can be a more environmentally friendly and sustainable alternative. The concept of thrifting itself is also increasingly popular among Indonesian people, especially among the millennial generation who are increasingly concerned about the environment. Some countries with a sizeable fashion market and more and more enthusiasts from the community themselves are adopting the concept of thrifting, Indonesia has the potential to develop thrifting export and import markets. Especially on used fashion products. By developing thrifting export and import markets, Indonesia can take advantage of this potential to support the country's economy and increase the income of businesses and workers in the used fashion sector. However, to be able to develop thrifting export and import markets in Indonesia, support from the government and society as well as regulations and adequate logistics facilities are needed.

However, the Minister of Trade has stipulated a number of rules that prohibit importing used clothing and also limits importers from only importing new goods that enter Indonesian territory which are contained in the regulation of the Minister of Trade of the Republic of Indonesia (Permendag) Number 51/M- DAG/PER/7/2015 Concerning the Prohibition of Import of Used Clothing in Article 2 which clearly states that "Used clothing is prohibited from being imported into the territory of the Unitary State of the Republic of Indonesia". This is done for reasons of human health which can also affect Indonesian society and is also related to supporting domestic economic development efforts by promoting MSMEs and local products. Even so, when viewed from its development, thriftshop business sellers in Indonesia are now increasingly violating the rules set by these government regulations. Therefore, there is a question about the legality of selling used clothes in Indonesia because of the prohibition on imports of used clothes into Indonesia in the Permendagri.

Problem Formulation Why can thrifting become a phenomenon that is of great interest to many people, especially the millennial generation? What are the legal regulations regarding the prohibition of importing used clothing in Indonesia? Are there any adverse effects caused by buying used clothes? The purpose of this paper is to show the great potential of thrifting export and import markets in Indonesia and also the constraints faced in developing these markets.

RESEARCH METHODS

The research method used is descriptive research method. Because the contents of the discussion describe the facts of the object under study.

RESEARCH RESULTS AND DISCUSSION

The cause of thrifting is of great interest to many people, especially the millennial generation

Actually there are several factors that influence why Thrifting is in great demand by millennials. Among them are: Initially starting from the Economic Disparity, the economic disparity that is increasingly visible in various countries makes people consider alternative options to meet their daily needs. Thrifting is an alternative choice because the price is more affordable than buying new things. Thrifting prices are more affordable, meaning that used goods are generally sold at a much cheaper price than new goods. This allows people to obtain the goods they want at a more affordable price. Thrifting has become a fashion trend: Currently, fashion styles that use used or vintage items are becoming a trend among young people. This has made thrifting even more popular, as they can find unique and rare items that are hard to find in retail stores. Increase environmental awareness: By buying used goods, one can reduce the generated waste and waste. In addition, thrifting can also help reduce the production of new raw materials and the energy needed to make new products; Finding rare items: Thrifting

allows one to find unique or rare items that may no longer be sold in retail stores. This provides its own satisfaction for vintage or rare item seekers; Fosters creativity: By buying used items, one can hone their creativity in mixing and matching or combining different items into something new and unique.

So all in all, thrifting has become an attractive alternative option for society because of the advantages it provides, ranging from more affordable prices to the possibility of finding unique and rare items. In addition, thrifting can also have a positive impact on the environment by reducing the production of waste and new raw materials.

The legal basis governing the prohibition of importing used clothing in Indonesia

The import of used clothing is illegal. Because it has violated the laws and regulations. The rules related to thrifting have been stated in the Minister of Trade Regulation Number 18 of 2021 concerning goods prohibited from export and goods prohibited from being imported. In accordance with Article 2 paragraph 3 it has been stated that the import of used clothing is not permitted. As for what reads: "Goods prohibited from importing are in the form of used bags, used sacks, and used clothes." Then this provision is also emphasized in the annex to the regulation, where the details of prohibited goods are used clothes and other used goods. Meanwhile, the Republic of Indonesia Law Number 11 of 2020 concerning job creation has also emphasized that importers are required to import goods in new condition unless the central government stipulates other provisions.

There are also sanctions imposed on the sale and purchase of imported used clothing. In accordance with RI Law Number 7 of 2014 concerning trade, threats have been made regarding the importation of used clothing. Then if you violate it, you will be punished with a maximum prison sentence of 5 years, and by paying up to Rp. 5 Billion. This is in accordance with Article 111 of the regulation which reads as follows: "Every importer who imports goods in a non-new condition as referred to in Article 47 paragraph (1) shall be subject to imprisonment for a maximum of 5 (five) years and/or a maximum fine of 5,000,000,000.00 (five billion rupiah)".

Bad Effects of Thrifting used clothes

Actually, even though buying Thrifting used clothes has many benefits, there are also negative impacts that consumers need to know before buying used clothes such as Thrifting used clothes can reduce the value of new items with more and more people switching to thrifting, reducing the demand for new items in the market. And it could also have a negative impact on the fashion and textile industry, which could result in reduced employment and economic growth. Then there is no guarantee of quality and safety. Used goods sold in thrift stores have usually been used before, so the quality and safety cannot be guaranteed. Used clothing can contain hazardous chemicals, such as pesticides and dyes that are not safe for health. Thrifting can also spread disease. Used clothing can become a nest for germs and bacteria that can spread disease if not washed properly before wearing. And Thrifting has an impact on the environment, Although thrifting can help reduce waste production and energy consumption, it can also increase the amount of waste because unsold used goods will be disposed of in landfills. Therefore, to minimize the negative effects of thrifting, you should choose a trusted thrift store, check the quality and safety of used goods before buying, wash used clothes before wearing them, and maintain personal hygiene and health when choosing and wearing used clothes.

Case Studies on Used Fashion Products

As an illustration of a case study on used fashion products, an example is an online store that specializes in selling preloved clothing or secondhand clothing. This online store faces

several obstacles and challenges in running its business. The first problem that these online stores may face is the negative stereotypes that are still attached to used clothing. Some people may still think that used clothes are items that are dirty or inappropriate to wear. Therefore, this online shop needs to run a campaign to change people's perceptions of used clothes and prove that the used clothes sold in this online shop are of good quality and fit to be worn. The next challenge is fierce competition with new fashion online stores selling new clothes. To address this challenge, this used fashion online store needed to differentiate itself from its competitors by offering better quality used clothes at more affordable prices. In addition, this used fashion online shop must also pay attention to the quality of the clothes being sold and maintain consistency in the quality of the clothes being sold. This online store must also pay attention to how to maintain the condition of used clothing so that it remains clean and undamaged. This used fashion online store also needs to consider an effective marketing strategy to reach potential consumers. For example, they can leverage social media or work with influencers to promote their products. In terms of shipping goods, this used fashion online shop needs to ensure that the goods sent are still in good condition and remain clean during the shipping process. Finally, this used fashion online store must also pay attention to the issue of returning goods and customer service. They need to provide responsive and friendly customer service as well.

CONCLUSION

Importing used clothes provides a good solution to fighting poverty for consumers in Indonesia, especially those at the lower economic class. However, it can also have a negative impact on the local industry, especially for MSME activities. Moreover, the local industry also suffers from imports of used clothing because price competition is difficult to deal with and quality also varies. Then there is also the social impact of importing used goods, including affecting clothing styles and reducing awareness of sustainability. So overall, the impact of importing used goods has both advantages and disadvantages that also need to be considered carefully.

Suggestion: For the Indonesian government, maybe it can make more policies to limit the import of used clothes and provide incentives for the local industry. Local Industries must also improve the quality of their own products and market their products in a unique and effective way. Consumers in Indonesia must also be aware of the social, health and environmental impacts of buying thrift and consider more sustainable options such as buying products made domestically or recycling old clothes. owned.

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