The World of White Goods – Markets, Industry Structure and Dynamics

Theo Nichols and Surhan Cam

For some time it has been a common criticism of the widespread discussion of globalisation and the vast literature that fosters this that it lacks specificity and evidence. This is so both with respect to national variables and sector variation (ILO 1996; Hirst and Thompson 1996; Smith and Meiksins 1995). Such deficiencies are to be regretted because globalisation and related ideas about the emergence of a new international division of labour raise questions about the form and meaning of work. Such ideas should stimulate us to think about the range and scope of management strategies and forms of work organisation, the patterns of change and development occurring in different countries and the emergent character of paid work. Above all, they should drive us beyond the practice of what might be termed ‘research in one country’ but, for a variety of reasons, this is rarely the case. This book is intended as a contribution to overcoming some of these limitations by means of a single sector study. It focuses on the production, in different countries, of products that are increasingly familiar in both advanced and emergent economies – so called ‘white goods’. In this first chapter the emphasis is on providing a broad overview of the structure and dynamics of the industry and its market world-wide. The implications for labour feature more prominently in the country-specific chapters and in chapter 8.

The term ‘white goods’ is a trade term that covers a wide range of domestic appliances which are chiefly for kitchen or laundry use. Usually a distinction is made within the general category of domestic appliances between large kitchen appliances – including refrigeration appliances, dishwashers, large cooking appliances and microwaves; and small electrical appliances – these comprising food preparation appliances; small cooking appliances; other small kitchen appliances; vacuum cleaners; heating/cooling appliances; irons; and an assortment of hair care appliances, body shavers, oral hygiene appliances; and other personal care appliances. (White goods are generally distinguished from so-called ‘brown goods’. These are consumer electronic products such as TVs, video recorders, hi-fi systems, telephones, computers and cameras.)
Large kitchen appliances have been critical to the development of new patterns of food consumption and domestic activity. They have important implications for what and when we eat and for where and when we shop for food. Hardyment 1988 has provided an historical account of the mechanisation of housework ‘from mangle to microwave’; Cockburn and Ormrod 1993 have contributed an original gender-related study of microwave oven development and technology; and Silva (2001) has written of household technology and time use. Yet in recent years despite the increased concern of social scientists with consumption – and the increased familiarity with the use of such white goods by people in all the continents of the world – few writers have directed their attention to how and where such commodities are produced and what this entails for those who produce them. Exceptions include Lambert, Gillan and Fitzgerald (2005) in Australia, Wells 2001 in North America, Paba 1986 in Italy and among only a few others Baden-Fuller and Stopford 1991 and Segal-Horn, Asch and Suneja 1998 in the UK and Europe.

The description of these goods as ‘white’ is no longer entirely accurate but as we have seen the main ‘large’ white goods can be identified readily enough as refrigeration appliances (for instance refrigerators and fridge-freezers), cooking appliances and laundry appliances (washing machines). This book is mainly concerned with the first two which are the two largest components of the large white goods category – refrigeration and cooking appliances – and most especially with refrigeration appliances. These are common to many urban areas of the world (though ovens, as opposed to hobs, are relatively less common in Asia because of different traditions of cooking). They are also, despite a profusion of different brands, relatively similar products which are relatively simple to produce. There are product innovations such as sensors on cooker hobs that turn off the burners if no pan is present or fast thaw and cooling systems for refrigerator appliances but new models tend to incorporate relatively minor improvements together with changes in external restyling.

There are some differences between products in different national markets. Industrialists have been long wont to explain that, even within Europe, ovens add up to a complex picture, because of the variety of national cooking methods; and that ‘UK housewives do more baking and want even browning. The French want a different heat balance’ and so on (Batchelor 1992). Managers who work for international corporations can also recite at will how refrigeration appliances can vary in the number of doors (Germany and the UK two, China three, Japan five) and in terms of whether the fridge part of the fridge-freezer typically goes on top (the UK), which adds to cost because of technical considerations, or underneath (Turkey). But such variation is of limited importance and although manufacturers have to take into account national differences in the size of apartments, electricity voltage and environmental regulations, white goods