

Written evidence submitted by Rachel Arthur, journalist and consultant

ABOUT:

Rachel Arthur has spent over 15 years as a writer and consultant with the fashion industry, focused on tracking and strategising the need for systems change. As an award-winning business journalist, she has contributed to heavyweight titles as varied as Vogue Business, Wired, Forbes, The Business of Fashion, The New York Times and The Guardian. Her work is otherwise geared towards getting businesses to think through the lens of a new paradigm. She focuses on impact measurement, new business models, policy and storytelling. In this role, she leads the industry strategy for Google's environmental data platform in partnership with the WWF and Stella McCartney; and helps drive sustainable activity for a variety of leading intergovernmental organisations. She is also the co-founder of FashMash, a B2B community shaping the future of fashion.

SUBMISSION:

It's important to recognise there has been zero progress made towards reducing the environmental and social impact of the fashion industry since the Fixing Fashion report was released in 2019.

While there have been continued efforts, and relative steps forward achieved, the numbers demonstrate the scale of the industry's ongoing growth is outpacing any true sustainable advances. In absolute terms, there is no net reduction occurring. As highlighted by the Global Fashion Agenda's Pulse of the Fashion Industry report in 2019, solutions to date are not being implemented fast enough to counterbalance the harmful impact of the rapid growth we are otherwise seeing. "Even if we pull all the levers, we will be very far from having a sustainable industry by 2030," Morten Lehmann, chief sustainability officer of the Global Fashion Agenda, told me for an [article in Vogue Business](#).

Per the Ellen MacArthur Foundation, total global fashion sales are predicted to hit 160 million tonnes – more than three times that of today – by 2050. The Business of Fashion outlined 5% growth expected per year. In an April 2020 report with McKinsey & Co, the publication then estimated 2020 revenues would contract by 27%-30% this year as a result of the pandemic, but could return to positive 2%-4% growth in 2021. In addition, WRAP was expecting 67 million items of clothing to be discarded by UK homes post lockdown. Globally, more than half of all fast fashion is disposed of within the same year of purchase, reports McKinsey & Co.

At pre-COVID pace, the industry's growth meant greenhouse gas emissions would rise to 2.7 billion tonnes per year by 2030, with an annual volume growth rate of 2.7%, according to McKinsey & Co and the Global Fashion Agenda. This will mean doubling the maximum required emissions to stay on the 1.5-degree pathway outlined by the Paris Agreement Goals, where we should be looking to halve it.

While COVID-19 may have slowed the industry, it has only otherwise placed a spotlight on why there is such urgency for change in both environmental and social terms. Without incentive to 'build back better', this will only be further heightened as the industry pushes for a rapid return to growth.

Meanwhile, 2020 saw headlines surrounding the social injustices the fashion industry perpetuates – from the cancellation of orders down the supply chain by British organisations leading to a humanitarian crisis in countries such as Bangladesh, to the local scandal of Boohoo's Leicester factories operating during lockdown and violating minimum-wage regulations. All of which, led to little changes in terms of consumer behaviour. Boohoo, for instance, saw its profits rise 51% to £68.1m on sales of £816.5m to August 2020, well ahead of an expected £773m. In many ways, COVID-19 and the company's ongoing questionable processes, have only fed its success further – its shopper base has increased by a third, and average orders are up 10%. It is also predicting annual sales up 32%, above the 25% growth anticipated.

In short, relying on business morality alone – as we currently are – isn't cutting it. And why would it, especially when considering the scale of challenge we're facing. The only way it would work is for common adoption of coordinated values for businesses big and small, which is incredible to the point of complete farce. We need radical and urgent action for change, and we need government intervention and incentive to drive it.

New technologies and efficiencies within the system – while crucial in addition – are not sufficient for the UK's goal to reach net zero by 2050, nor will they ensure social justice.

Economists such as Kate Raworth and Tim Jackson, as well as expert academics including Kate Fletcher and Mathilda Tham, show us that the only reality for the scale of the challenge we're facing is to reconsider growth altogether. To create an industry based on producing less.

"Questioning growth is deemed to be the act of lunatics, idealists and revolutionaries. But question it we must," writes Jackson in his book, *Prosperity Without Growth*.

"20th century economics assured us that if growth creates inequality, don't try to redistribute, because more growth will even things up again. If growth creates pollution, don't try to regulate, because more growth will clean things up again. Except, it turns out, it doesn't, and it won't. We need to create economies that tackle this shortfall and overshoot together, by design. We need economies that are regenerative and distributive by design," says Raworth in her [TED talk](#) about Doughnut Economics.

"The current situation requires mobilisation at greater scale than any war. We are on a 'peace footing' to save the planet itself, a vital part of this is rapidly shifting to less and developing an

understanding of moving past growth as the defining goal of fashion activity,” add Fletcher and Tham, in an action plan they’ve co-authored, called [Earth Logic](#).

The challenge is that inviting a business to consider a degrowth strategy, thereby a reduction in material throughput or in production and consumption levels, is directly counter to today’s existing model of high volume, low costs and in-built obsolescence. While we can encourage new business models and a shift for fashion towards services over products, the model “works” too well as it stands.

This demonstrates the need we have for incentive to drive the necessary shift. It is only through doing so that we can even the playing field for UK businesses to move towards a focus on people and planet as well as profits. Growth can no longer go unchecked.

The UK has the opportunity to lead the way on helping to shape this for the fashion industry. We need a stimulus package post COVID-19 that encourages green processes, and we need regulation that both mandates social justice and puts parameters on growth models that only feed into volumes of waste. The UK government must demonstrate that fashion business can still be successful and profitable, while contributing to a more positive future in absolute terms.

November 2020