

Beyond growth: a wellbeing economy for the textile and garment sector

Samantha Sharpe^{a,b}, Monique Retamal^a and Taylor Brydges^a

^a Institute for Sustainable Futures, UTS Sydney, NSW, Australia

^b Corresponding author: samantha.sharpe@uts.edu.au

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Key points

- Growth-alternative economic models, such as wellbeing economies, steady state and degrowth perspectives, are opportunities to foster human health and quality of life without exceeding planetary boundaries
- The textile and garment industry provides a valuable case study to explore growth alternative economic approaches
- Central principles for implementing growth alternative economic models in the fashion industry include establishing limits, promoting fairness, developing new and just governance systems, and promoting new roles for business and systems of exchange

Abstract

Background/Objective: Growth-alternative economic models such as wellbeing economies, steady state and degrowth perspectives have come to prominence as opportunities to foster human health and quality of life without exceeding planetary boundaries. Collectively these perspectives offer an avenue for holistic approaches to addressing planetary and human health, but to implement them will require substantial changes to institutions, governance systems and our general ways of life. Drawing from a literature review, our team identified four attributes of wellbeing economies and applied them to the textile and garment sector – one of the most globalised and complex supply chains.

Type of program or service: Application of alternative economic systems for planetary and human health.

Methods: We use a case study approach to analyse the global textile and garment industry¹, drawing on previously published literature to identify key attributes of wellbeing economies and demonstrate how they can be applied in practice.

Results: We describe four central principles for implementing growth alternative economic models in the fashion industry: i) Establishing limits; ii) Promoting fairness; iii) Developing new and just governance systems; and iv) Promoting new roles for business and systems of exchange.

Lessons learnt: Significant societal transformations will be required to achieve growth-alternative economic approaches; however, these approaches offer a real chance for achieving planetary and human health. The textile and garment industry provides a valuable case study to explore these possibilities.

The wellbeing economy approach

Our current economic paradigm, dependent on continuous growth and material accumulation, has surpassed critical planetary boundaries, including dangerous climate change, pollution and biodiversity loss while failing to deliver stable livelihoods, adequate nutrition, health, and wellbeing to many.

The relationship between economic growth and population health is complex, and it is widely accepted that in the past, economic growth has contributed to reduced poverty and health improvements for millions. However, continuing growth is now leading to negative health outcomes in both rich and poor nations, with these projected to increase in the absence of a change in trajectory. This current growth is unsustainable, and while its negative impacts occur through multiple pathways, they are primarily associated with environmental degradation and growing inequalities generated through economic activity. They include: the well-documented effects of pollution and climate change on human health, including food scarcity, more frequent natural disasters, and expanded reach of infectious diseases; occupational harms associated with poorly regulated industries; non-communicable diseases associated with the aggressive marketing of unhealthy products; and a wide range of mental health conditions, including the growth in so-called “deaths of despair”, including deaths by suicide, drug and alcohol poisoning and liver disease. The high material footprint associated with the consumption patterns of wealthier populations has environmental and health consequences across the supply chain, including in lower-income countries from where products are frequently sourced.

It has also been argued that the design of the current economic system impacts the efficiency of health systems as a result of the proportion of system resources that are needed to deal with “failure demand”² – the conditions that need to be treated that are the result of avoidable environmental exposures (or ‘negative externalities’) such as pollution, excess heat, traffic accidents or unhealthy commodities.^{3,4}

Several growth-alternative economic models, including wellbeing economy approaches, doughnut economics, steady-state, post-growth and degrowth, propose new goals focused on human and planetary wellbeing, rather than proxies such as gross domestic product (GDP). These models aim to reduce the environmental impacts of human activities by reducing the use of materials and energy consumption and focusing more on the human health and wellbeing aspects of prosperity, including physical, social, and psychological aspects of human wellbeing. We use the term “wellbeing economies” to encompass these concepts.

Defining wellbeing and the wellbeing economies approach

Wellbeing encompasses the satisfaction of basic human needs like food, water, and safety, as well as our emotional needs for identity, relationships, meaningful work, and community and political involvement.^{4,5} Achieving wellbeing does not necessarily require high resource inputs; simplicity and forms of exchange that spur community, conviviality, and reciprocity are also

valuable.^{7,8} A wellbeing approach values activities such as collaboration, sharing, recycling, and upcycling, blurring traditional boundaries between consumers and producers.⁹

A wellbeing economies approach assumes that developed countries have sufficient prosperity required to achieve wellbeing², and the focus should be on distributing available resources rather than acquiring more. This has specific resonance with public health, as shifting the focus from material accumulation and financial wealth to a broader understanding of what it means to be prosperous highlights the importance of investments in human health and health and care systems. The approach differs in the Global South, where development still needs to be the focus, but with different characteristics that do not require industrialisation and growth or the notion of ‘catching up’.⁸ Priorities for wellbeing economies will vary globally based on “common but differentiated responsibilities”.⁹ We use the terms “Global North” and “Global South” to refer to the split of countries into relatively rich (and mainly located in the northern hemisphere) and relatively poor (and mainly located in the southern hemisphere). This paper focuses on potential applications of wellbeing approaches in Global North countries, specifically Australia. Still, other literature discusses wellbeing approaches and strategies in the Global South countries in more detail.^{1,8,9}

Challenges in the textile and garment sector

The textile and garment sector is an illustrative example of the need for change. The sector has grown rapidly, doubling in size over the past 15 years, making it one of the world’s largest and most globalised supply chains.¹⁰ An estimated 100 billion garments are produced annually, most ending up as waste, with only 1% recycled into new clothing. In Australia, an estimated 5.3 billion units of clothing are in use, less than 2% of which are made of recycled clothing fibres. In 2018–19, 1.4 billion units of clothing worth A\$9.2 billion were imported. An estimated 70% of clothing owned is in use, with the annual export of clothing (often through the charitable sector) worth an estimated A\$85 million.¹¹

The environmental impacts beyond waste are significant. The sector accounts for up to 10% of global carbon emissions, with business-as-usual emissions projected to grow by 50% by 2030.¹² Textile manufacturing contributes to 20% of global industrial water pollution¹³, and the increasing prevalence of synthetic textiles are contributing to microplastic pollution in the oceans.¹⁴

The negative social impacts of the sector are also well documented. The industry employs more than 60 million workers globally, but most of that employment is in low-wage jobs; with high levels of overtime and poor working conditions, including examples of modern slavery, gender

inequality and gender-based violence and harassment. And while initiatives aim to improve the textile industry's environmental and social sustainability impacts, these are largely incremental.¹⁵

Four attributes of wellbeing economies

Moving beyond growth economies requires a planned process to reduce energy and resource use while improving human wellbeing and reducing inequality.¹⁶ This reduction must be voluntary, aiming for a “just, participatory and ecologically sustainable society”.¹⁷ Our analysis¹ found creating a wellbeing economy requires four attributes: establishing limits, promoting fairness, just governance, and new roles for business and systems of exchange as detailed below.

1. Establishing limits

Creating a wellbeing economy involves establishing limits on production and consumption and learning to live within these boundaries. New indicators of wellbeing can guide progress towards satisfying human needs (such as mental and physical health, providing a living wage and quality work, as well as opportunities for community and political participation), which are more closely aligned with social determinants of human health and ecological health.

The process of establishing limits is a transitional process: once activities are brought within planetary boundaries and social foundations, economies will then move to a steady-state focus. The wellbeing economy is not focused on reducing GDP per se but rather on restructuring the economy to reduce the material throughput to a level consistent with environmental limits. Achieving this requires careful, managed steps for a safe and just transition.¹²

2. Promoting fairness

The wellbeing economy concept recognises that there are stark wealth inequalities both within and across countries. It aims to provide greater fairness and equality in resource-sharing while prioritising social relationships, human health and a thriving environment.⁷ Promoting fairness requires systems to better distribute economic activities – be this work, income, or welfare. These systems are required at all levels (local, national, global, and intergenerational) to ensure equity and to redistribute global resources and wealth across diverse contexts and communities, as well as new participatory decision-making mechanisms.³

3. Just governance

Transitioning to a wellbeing economy and satisfying the needs of future generations is a challenge requiring

regular deliberative forums to ensure any proposed transition is inclusive and open to debate. This transition will require major system-level changes and robust participatory approaches, building skills and capacity to ensure a diverse range of participants can contribute. Public dialogue and social movements help to establish momentum for these conversations.

The transition to wellbeing economies represents a significant socioeconomic shift, and there have been concerns about the impact of change on various communities.² Operationalising wellbeing economies will require focusing on positive narratives of abundance, wellness, conviviality, the good life and society rather than economic growth.^{2,7,18,19, 20,21,22}

4. New role for business and systems of exchange

Not-for-profit businesses that create social and/or environmental value fit more naturally within a post-growth economy. These businesses help circulate wealth more equally and ensure fair access to quality food, shelter, work, and education – key social determinants of health. These businesses also act against systemic pressures to overproduce and overconsume.^{23,24,25} New business structures can provide goods while being environmentally regenerative, meeting social needs (such as providing opportunities for conviviality and reciprocity) and providing meaningful work.

Applying the wellbeing economy approach to the global textile and garment sector

The textile and garment industry's steps towards sustainability are inadequate in addressing the negative impacts of overproduction and overconsumption. Most encourage only incremental change and perpetuate a growth-oriented fashion economy, despite some initiatives such as shifting to more sustainable fibres and textiles; ethically conscious fashion options; and certification and labelling systems.

These strategies still prioritise economic opportunity over environmental and societal health and assume economic activity can be decoupled from resource use. Research shows an increasing gap between sector growth and sustainability performance.^{22,26} The circular economy (CE) is promoted as a solution to the textile and garment industry's vast impacts on waste and pollution. The CE offers valuable strategies such as reduce, reuse, sharing, repairing and new business models. However, in practice, the focus is on industry interventions at end-of-life, such as recycling, which is limited in its current potential and fails to address the environmental and social impact at earlier stages of (linear) supply chains.

In particular, this means that the pressing issues of overproduction and overconsumption are overlooked.

Steps to a wellbeing economy for the textile and garment industry

Achieving a more sustainable textile and garment industry requires far-reaching reforms and the reconceptualisation of roles and responsibilities. As an illustrative case study, Table 1 shows how we can apply the four wellbeing economy principles discussed in the previous section to strengthen existing sustainable practices and activities and where more transformational actions are required for a wellbeing approach within the textile sector. While this application is specific to the textile and garment sector, parallels can also be drawn to the wider reconceptualisation of roles and responsibilities for wellbeing approaches at the economic level – as well as the potential benefits that would flow if the entire economy was focused on enhancing human and ecological wellbeing, instead of wealth accumulation.

Actions include developing limits on consumption, supporting slow fashion, sufficiency, or consumption corridors²⁷ (quantifying how many garments we should

have), and increasing focus on clothing repair and care. It will also require businesses to be transparent and held accountable for these practices to eliminate greenwashing.

Ethical fashion initiatives and participatory processes can promote fairness and just governance across the supply chain. Transition processes must include all stakeholders, and new forms of exchange and business models, – such as fashion rental and subscription; cooperatives, B-corporations (for-profit companies that have received certification that they meet social and environmental standards), ecopreneurs and social enterprises – are needed to re-imagine the life cycle of clothing and end-of-garment-life waste.

In the Australian context, transition pathways for a circular fashion and textiles industry have been put forward based on collaboration with stakeholders and offer good opportunities to link existing practices to the wellbeing economy.²⁸ Similar collaboration between stakeholders and policy and regulatory development would also be required to facilitate the transition to a wellbeing economy.

Table 1. Case study: application of wellbeing economy principles to the textile and garment industry to strengthen existing sustainable practices and achieve transformational change

Wellbeing economy attribute	Links to existing practice	Transformational change
Establishing limits	<ul style="list-style-type: none"> Increasing focus on repair and care of existing garments Sufficiency, fairness and reducing consumption 	<ul style="list-style-type: none"> Resource caps Extended producer responsibility, prioritising garment quality and longevity
Promoting fairness	<ul style="list-style-type: none"> Ethical and fair work practices Shifting to local production 	<ul style="list-style-type: none"> Living wages Addressing greenwashing and increased accountability for claims and commitments
Just governance	<ul style="list-style-type: none"> Supply chain dialogue and governance processes Capacity-building activities 	<ul style="list-style-type: none"> Legislation/regulations to address supply chain inequalities and encourage best practice dialogue processes. Transformational education and learning for wellbeing economy
New role for business and systems of exchange	<ul style="list-style-type: none"> Greater role for enterprise types – such as not-for-profits, social enterprises, co-operatives, B-Corps Collaborative consumption – peer-to-peer exchange, rental and subscription models Support for non-market clothing exchange – such as physical spaces (in town centres) and accessibility and skills in repair and redesign, and clothing swaps 	<ul style="list-style-type: none"> Entrepreneurial support, including funding, legislation and regulations to encourage more for-purpose businesses Changing culture and narrative around fashion (away from new/ novel)

B-Corps = B corps are for-profit companies that have received certification on their environmental and social performance from B Lab, a nonprofit organisation certifying businesses accountability, transparency and performance on social and environmental standards.

Conclusions

The transition to wellbeing economy requires a significant shift, as demonstrated in the fashion industry case study, challenging fundamental principles and rejecting business-as-usual or green growth approaches. This shift will enable the fashion industry to remain within planetary boundaries and support environmental and social wellbeing. To achieve this, there needs to be new dialogues between industry and consumers regarding what constitutes sufficient production and consumption and deep supply chain collaboration across the fashion, textile and garment sectors to ensure a just transition for all involved. This shift will also require new institutions, better indicators that measure and track wellbeing principles across the sector, and improved data quality and metrics to evaluate progress.

While this paper presents a specific example of applying wellbeing approaches to one sector, it highlights both the radical nature of the change required and the potential benefits that would flow at an economy level if we were more focused on enhancing wellbeing. This includes addressing negative health trends associated with excessive consumption and the underlying socioeconomic determinants of health.

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Peer review and provenance

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Competing interests

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Author contributions

All authors contributed to the conceptualisation and drafting of the article. SS addressed reviewers comments and revisions.

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