

En Vogue:
Fast Fashion as an Example of Economic Globalization

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Abstract

Fast fashion is a retail outlet wherein Western retail corporations produce garments for very low cost by using cheap materials and outsourcing labor to developing, economically liberal countries; this low cost translates to high profits in the sense that the retailers are able to put a small mark-up on the goods and still market and sell them for prices that are very low relative to the Western world, and make high profits off of the sheer volume of product sold. This business model has been widely regarded as wasteful and unethical, from the high amount of textile waste and pollution that it generates as well as the various ways that it exploits laborers. The fast fashion industry was at its heyday in the late 1990s, 2000s and early 2010s, profiting off of Generation X and an international labor market ripe for the outsourcing of labor; however, in recent years, fast fashion retailers have been struggling with the new style of “ethical consumerism” now practiced by a growing number Millennials and Generation Z, which takes issue with the ethical and environmental concerns surrounding fast fashion. Some fast fashion retailers are attempting to account for this new wave of ethical consumerism by improving transparency in manufacturing, becoming more environmentally conscious, and generating less waste. This paper seeks to analyze the fast fashion industry and its numerous ethical concerns, summarize the ethical consumerism movement and explain its issues with the fast fashion industry, and address how some fast fashion retailers have attempted to improve their ethics to account for this shift; the aim is to connect this analysis to globalization, and more specifically the economic dimension of globalization.

Keywords: Fast fashion, fashion, ethical consumerism, ethics, consumerism, economic globalization, globalization, economics.

En Vogue: Fast Fashion as an Example of Economic Globalization

To begin an analysis of fast fashion, it might be best to first ask — what is fast fashion? In an episode of NPR's, *The Indicator*, host Stacey Vanek Smith (2020) gives a layman's definition of fast fashion as “cheap, hip clothes that fall apart very quickly,” and she goes on to describe how fast fashion retailers utilize “low-cost materials like pleather and polyester – and quick manufacturing – to bring the latest trends right off the runway and into stores at a really low price” (para. 6). Fast fashion has become a monolith within fashion retail because according to Investopedia's Adam Hayes (2020) the culture that made “shopping for clothing ... an event ... changed in the late 1990s, as shopping became a form of entertainment and demand for clothing increased” (para. 3). Fast fashion was able to fill this vacuum by manufacturing “cheaper, trendier clothing that allowed consumers to feel as though they were wearing the same clothing that was on the runway at fashion shows” (Hayes, 2020, para. 3).

However, there is a prime difference between the clothing on the runway at fashion shows and the clothing sold by fast fashion retailers, and that is most perceived by the consumer with regards to price. In an episode of NPR's *All Things Considered*, guest Elizabeth Cline describes fast fashion products as simply “very, very cheap”, and continues to describe its draw in that “the design is pretty attractive”, going so far as to say that she “[thinks], for a lot of consumers, it's virtually impossible to walk [out of the store] empty-handed” (para. 3); It is for this reason that “over time, Cline ... amassed 354 items of clothing, some of which she never wore”, according to host Jim Zarroli (2013), and he goes on to note that “such excesses aren't all that unusual” and that the profits of fast fashion retailers are “mostly because of volume” (paras. 3-4). Because fast fashion giant “H&M's clothing is so inexpensive – a \$10 leopard-print top or a \$15 dollar sweater, for example – ... consumers can afford to buy it in [mass quantities]”

(Zarroli, 2013, para. 6). And the profits of fast fashion can be just as massive as the volume of product that they sell.

Three of the biggest fast fashion corporations, Nike, Inditex (known for its flagship brand, Zara), and H&M, placed #14, #46, and #58 respectively in Forbes' 2019 list of "The World's Most Valuable Brands", with respective values and revenues of \$36.8 billion and \$36.7 billion, \$13.5 billion and \$21.3 billion, and \$11.5 billion and \$24.2 billion. The CEO and majority shareholder of Inditex, Amancio Ortega, is the 11th richest man in the world with net worth of \$54.8 billion according to the Bloomberg Billionaires Index (2020), and Business Insider reporters Katie Warren and Melissa Wiley (2019) detail how Ortega "was briefly the world's richest man in 2015 ... [bypassing] the then-richest person, Bill Gates, when his net worth peaked to \$80 billion as ... Inditex's stock peaked" (para. 4). It is also worth noting that both Inditex and H&M are from overseas: Inditex hails from Spain, and H&M from Sweden. In addition, all three conduct extensive international business: Nike Group operates 1,152 retail stores in 120 countries, according to their 2019 annual report (Nike Group, 2019, pp. 69-75); Inditex operates 7,469 retail stores in 96 countries, along with conducting online retail in 202 countries, according to their webpage "Inditex Around the World" (Inditex, 2019); and the H&M Group operates 5,076 retail stores in 74 countries, along with conducting online retail in 51 countries, according to their 2019 annual report (H&M Group, 2019, p. 10). Therefore, these three brands, as well as the fast fashion industry itself, can be said to be international, and referring to Manfred B. Steger's definition of economic globalization as "the intensification and stretching of economic connections across the globe", can be taken as an excellent example of economic globalization. While these remarkable amounts of revenue and retail markets offer a

paint economic globalization in a positive light, the manufacturing conditions that afford such spectacular gains are significantly more negative.

The Negative Side of Fast Fashion

The fast fashion industry is able to manufacture clothes so quickly and for so little cost because their profits come at the expense of laborers and the environment. This avenue of profit was, according to Chandran Nair (2016) in an article from Time, created by the “Western world” itself, which “was the architect of our current form of global capitalism that demands more and more goods through a reliance on cheap labor” (para. 3). To quote Nair directly:

The need for cheap labor, combined with the desperation of the world’s very poor in a crowded planet, and with rising mobility, creates a whole class of people desperate for any income — even if it is only a pittance from an exploitative employer or a meager sum gained from selling their bodies. Nor should we assume that exploitative employers only exist in the countries highlighted in the index. A well-recognized and perhaps unintentional consequence of globalization is the vast inequality both within countries and between rich and poor states. (Nair, 2020, para. 3)

To summarize the quotation, a known consequence of economic globalization has been the widening of the wealth gap between rich and poor nations, and that this has created a labor market ripe for exploitation. As Nair (2016) puts it, “we live in a global economic model that thrives on low wages – which can help to entrench poverty – and where international and Western markets hold tremendous power” (para. 6). Thus, fast fashion corporations are merely part of a larger trend of economic globalization where Western corporate powers make profit by sacrificing the welfare of their workers and the environment.

But how exactly does this sacrifice take place? This question is answered concisely in 2019 article for Forbes written by Hadari Oshri of the Young Entrepreneur Council; within the article, Oshri names three major issues surrounding fast fashion, which will each be examined in detail.

“Low Wages and Terrible Conditions for Workers” (Oshri, 2019, para. 5)

Oshri (2019) herself describes how “female garment workers in H&M and [other fast fashion brands] supplier factories in Asia have faced mistreatment that includes abuse, poor work conditions, low wages, and forced overtime” (para. 6), however this fails to describe in detail the terrible abuse and horrid conditions that garment workers face. For example, a 2017 report from CARE Australia, an international aid organization, states that “sexual harassment ... remains a serious and widespread problem for workers in the Cambodian garment industry”, with “nearly one in three women garment workers reporting [sexual harassment or assault]” and “one in four men ... [reporting] being asked questions of a sexual nature in the workplace” (p. 2). This is not the only example of unsafe working conditions, as U.K.-based non-profit Fashion Revolution shows by detailing the example of the 2013 Rana Plaza disaster, wherein “Rana Plaza ... a factory complex in Savar, Bangladesh, [which made] clothes for some of the biggest global fashion brands [and housed] 5,000 workers” collapsed, resulting in “1,100 people [dying] and another 2,500 [being injured]”; Fashion Revolution also notes that “this tragedy was preventable”, as “survivors told stories of how they knew the building was hazardous and showing cracks in the days leading up to the collapse,” and how “multiple workers told their supervisors that they were afraid to enter the building and continue working,” but that “the demand of global brands and an insatiable fashion industry called garment workers back inside” (paras. 1-4). The garment workers subject to these horrid conditions are likewise compensated

horribly, with garment workers “predominantly [living] in poverty, lacking a living wage or the freedom to negotiate for their pay and working conditions” (Fashion Revolution, 2019, para. 15); that is, of course, if they’re paid at all, considering that according to the Global Slavery Index the garment industry is the second-biggest driving industry behind modern slavery (Global Slavery Index, 2018).

“Polyester Pollution” (Oshri, 2019, para. 9)

Polyester is a synthetic fiber often used by fast fashion manufacturers for its cheap cost, and polyester pollution is caused by the washing of “synthetic [fiber] jackets” which releases “on average 1,174 milligrams of microfibers” which are transported to “local wastewater treatment [plants], where up to 40% of them can enter into rivers, lakes, and oceans” (Hartline et al., 2016), according to a 2016 study “Microfiber Masses Recovered from Conventional Machine Washing of New or Aged Garments” published in *Environmental Science & Technology*, funded in part by Patagonia, an environmentally-conscious clothing company. These polyester microfibers work their way into every phase of the aquatic environment, resulting in microfibers making up about 85% of human-made debris found on shorelines across the world according to a 2011 study “Accumulation of Microplastic on Shorelines Worldwide: Sources and Sinks” published in *Environmental Science & Technology* (Browne et al., 2011), and creating nightmare scenarios where synthetic fibers seem to be “weaving themselves into the gastrointestinal tract” of “Great Lakes fish” (para. 1) such as described in a quotation of Professor Sherri Mason in a 2016 Guardian article authored by Leah Messinger. However, this isn’t the only example of pollution caused by fast fashion, as detailed in a 2013 article authored by Jim Yardley for the New York Times. Yardley (2013) describes how in Savar, Bangladesh, the same site of the “Rana Plaza factory building [collapse]”, factories “dump their wastewater” into the many interconnected

waterways in the area, resulting in “what experts describe as a water pollution disaster”, with many “rice paddies ... now inundated with toxic wastewater”, “fish stocks ... dying”, “smaller waterways ... being filled with sand and garbage”, and the “toxic stench” causing people to “often become lightheaded or dizzy” and even faint (paras. 1, 4).

“More Clothing Produced Equals More Waste” (Oshri, 2019, para. 13)

This is a natural conclusion, and one that is only exacerbated by the cheap materials and manufacturing methods that are endemic to fast fashion; in an episode of NPR’s *All Things Considered*, previously cited in paragraph 2 of page 1, host Jim Zarroli (2013) explains this as a consequence of the industry’s high rate of production:

But now that retailers have whetted customers' demand for novelty, they have to keep their products affordable — a big challenge. That means manufacturing in low-wage countries like China, but it also means using cheap, synthetic materials and rudimentary manufacturing processes. The simple fact is that much fast fashion doesn't survive more than a few washings. (paras. 21-22)

Zarroli (2013) goes on to tell of how his guest, Elizabeth Kline, explains that this business model has led to “a growing public consensus that the mass production of cheap clothing is an enormous waste of resources such as fuel and water”, and this public consensus isn’t unfounded: Business of Fashion & McKinsey & Company’s report “The State of Fashion 2019” states that “the average person buys 60 percent more than they did 15 years ago” (Amed et al., 2019, p. 39), and the Great Britain office of international non-profit Oxfam (2019) notes that “every week 11 million clothes end up in landfill (sic)” (para. 1).

It is worth noting once again that, as explained by Chandran Nair (2016) in an article for Time, previously cited in paragraph 2 of page 5, that these are consequences of the form of economic globalization of which “the Western world was the architect” (para. 3).

These troubling conditions were initially ignored through the rise of fast fashion, because, as detailed by Investopedia’s Adam Hayes (2020), previously cited in paragraph 1 of page 1, the products filled a vacuum of “cheaper, trendier clothing that allowed consumers to feel as though they were wearing the same clothing that was on the runway at fashion shows” (para. 3), and as detailed by Jim Zarroli (2013) in an episode of NPR’s *All Things Considered*, previously cited in paragraph 2 of page 1, the sheer volume and very low price-point made up for the poor quality. However, this does not account for the new wave of “ethical consumerism.”

Ethical Consumerism

A quotation from Dr. Reynaldo A. Bautista, Jr., assistant professor at the Ramon V. del Rosario College of Business, De La Salle University, in a BusinessWorld article authored by Michelle Anne P. Soliman (2018), describes ethical consumerism as thus:

Ethical consumer practices aim at the fulfilment of the objectives of socially responsible trade. Thus, in the global context ethical consumerism deals with the ethical and moral aspects of product value chain from production, i.e., sourcing of materials, down to retailing of the products. The ethical consumer ideal implies that individual consumers can have a significant role, through their daily purchasing decisions, in promoting ethical corporate practices. Correspondingly, ethical trade refers to international trade that aims at preventing the injustices of global trade, such as child and low-paid labor, pollution of the environment, infringement of human rights and the inequalities in development caused by globalization. (paras. 5-6).

What's more, according to an article by Besma Whayeb (2017) for Huffington Post U.K., "ethical consumerism" has "finally ... [gone] mainstream" within the Western world, as a result of "Gen Y (sic) championing ethical brands like never before" (paras. 1, 6). Ethical consumerism is essentially an attempt of the younger Western generations, like Millennials and Generation Z, to reverse the form of economic globalization described by Chandran Nair (2016) in an article for Time, previously cited in paragraph 2 of page 5 and paragraph 3 of page 8, wherein an unending need for "cheap labor" has created a labor market "desperate for any income" and who is willing to "sell their bodies" through work in unsafe conditions; likewise, it is firmly against the environmental injustices detailed previously on pages 7 and 8. In this regard, it is in its own right a form of economic globalization, and its spread through the Western world is likewise an example of cultural globalization.

It should seem obvious that ethical consumerists would be against opposed to fast fashion's unethical labor practices and environmentally destructive business model, and indeed they are for example, a Bloomberg article authored by Hanna Hoikkala (2019) details how ethical consumerists have taken up a "pattern of shaming ... spreads into more industries, including [fast fashion]" (para. 2). The article elaborates, explaining how the "fashion industry has come under increasing scrutiny and concerns about pollution and workers' rights in the developing countries that have tended to do the bulk of the manufacturing", and highlighting how "the clothing industry is responsible for about 10% of global greenhouse gas emissions and consumes more energy than aviation and shipping combined" (paras. 4-5). The article focuses on H&M specifically, detailing comments from CEO Karl-Johan Persson that:

The climate change issue is incredibly important. It's a huge threat that we need to take seriously – politicians, companies, individuals. At the same time, the elimination of poverty is a goal that's at least as important.

True to his word, Persson has taken steps to improve his company's sustainability.

Improvements in Fast Fashion Sustainability

The H&M group has taken the cause of sustainability upon itself to the degree that a page titled "Sustainability" is now one of the header links on the H&M website (H&M, 2020). This page lists the various new sustainability goals that the H&M Group has defined, listing each goal under a separate title and featuring a brief synopsis: for example, the H&M (2020) page titled "Let's clean up" details how "just like food and water, [H&M] likes [their] clothes toxin-free", and summarizes H&M's efforts to "be climate positive by 2040" and "set a new water standard across the entire fashion industry" partnered "together with organizations such as WWF and Solidaridad" (paras. 1-3); the page titled "Let's be conscious" details H&M's efforts to "make it easier" to "[make] environmentally-friendly shopping choices" by "[aiming] for all [their] products to be made from recycled or other sustainably sourced materials by 2030" (2020, para. 2); and the page titled "Let's be fair" details how H&M "[wants] everyone involved in making [their] products to have a safe, fair, and equal working environment" and how they are assuring this by compelling that "any supplier working with [them] must sign our Sustainability Commitment, which is a set of standards regarding fair wages, good working conditions, animal welfare, and much more" (2020, paras. 2-3). It is worth noting that these are only three of the nine subpages which are linked on the "Sustainability" main page, and that each of these subpages offers significant amounts of further reading in addition to their respective synopses (H&M, 2020). Also worth noting is that both Nike and Zara have comparable pages, titled

“Purpose Moves Us” (Nike, 2020) and “Join Life” (Zara, 2020) respectively, which both feature several subpages with brief synopses of sustainability goals and then extensive further reading, just as in the case of H&M’s “Sustainability” (2020), meaning that each of the three largest fast fashion retailers have committed themselves to sustainability moving forward.

Conclusion

Every phase of the fast fashion model since its meteoric rise in the late 1990s has been representative of some aspect of globalization, chiefly economic globalization as well as cultural globalization. The example of cultural globalization of the initial rise in spread of fashion trends in the late 1990s created a retail market within the Western, developed world which fast fashion retailers were able to tap into on the cheap by utilizing underpaid labor and materials from unregulated underdeveloped countries and marketing products in large volume for low cost in Western markets for great profit at the expense of the welfare of laborers and the environment, an example of economic globalization. This business model proved effective for a number of years until another novel example of cultural globalization in the spread of ethical consumerism once again shifted the views of consumers and thereby shifted the markets of fast fashion retailers, this shift in itself being an example of economic globalization. The shift of major fast fashion retailers towards sustainable manufacturing with regards to laborer welfare and environmental consciousness reflects another major example of economic globalization, and the consequences are sure to be felt for years to come as the sincerity of these commitments to sustainability is tested.

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