

Fair Trade Foundations and Regenerative Futures

Building a Systemic Approach to Ethical Fashion

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Introduction and Research Approach

This chapter examines Fair Trade and regenerative practices as two foundational approaches in ethical fashion, tracing the progression from well-established Fair Trade systems to the emerging adoption of regenerative methods. Where Fair Trade has successfully delivered benefits at the producer level, the ethical fashion industry's focus is now on whole-system change that addresses both environmental and social impact throughout the product lifecycle [see Demandt and Gözet's as well as Hock and Kenel's chapter in this volume]. Through three case studies, this chapter will illustrate the diverse ways Fair Trade and regenerative fashion are practiced, from heritage textile preservation to innovative brand creation, and how each project contributes to the industry's ongoing transformation in different ways. The chapter focuses primarily through a UK based lens, due to the experience of the author. Although insights may not directly translate to differing global settings, it is hoped that they will be relevant in a broader context, even if as a comparison.

This chapter's development involved multiple research approaches and types of data. First, desk-based research was conducted to examine relevant publications, reports, and websites, providing insight into the history and evolution of Fair Trade and regenerative practices. Additionally, direct engagement and interviews with practitioners in regenerative farming, textile production, and academic research enriched the study by offering first-hand insights and practical perspectives. Data for the case studies includes observation, structured discussion and input/output measurement. Information gathered on *Sanja Stories* was primarily qualitative, gathered through ongoing team discussions, production meetings, and events throughout the project's development. For *Circular Khadi*, quantitative data was collected as part of a broader study under the *University of the Arts London (UAL) Fashion, Textiles, and Technology Institute (FTTI)* 'New Landscapes' programme, funded by the *British Council*.

Exploring Fair Trade and Regenerative Fashion

Consumers' consideration of ethics—including both trade justice and environmental concerns—has increased significantly in recent years [see Hofmann and Yildiz's as well as Lefoll et al.'s chapter in this volume]. This shift is evident in two ways: firstly, by the rapidly expanding ethical market, which in the UK has grown from £17 billion in 1999 to over £141 billion in 2023 (Ethical Consumer and the Cooperative Bank 2023: 3), and secondly, by the growing number of brands developing marketing strategies that emphasise their ethical characteristics. Unfortunately, this trend has also led to the rise of 'greenwashing' and 'social washing' where brands make unsubstantiated ethical claims [see Trasciani et al.'s chapter in this volume], nonetheless, this reinforces the fact that ethical consumers are a key market segment.

The term 'ethical fashion' is used to broadly describe a fashion industry sub-segment that supports trade justice and/or environmental impact. Fair Trade has long been a pillar of international development, emphasising livelihood improvement, agency, and environmental stewardship. Recently, the concept of 'regeneration' has gained traction, extending beyond organic farming to encompass circularity, longevity in design, and producer community support (Minney 2022).

The Fair Trade approach was formalised in the Global North from the mid-20th century, primarily through the efforts of non-governmental organisations (NGOs). These efforts led to the development of processes, labelling schemes, and the creation of organisations such as the *World Fair Trade Organization* (WFTO) and *Fairtrade International* [see Anderson et al.'s as well as Hock and Kenel's chapter in this volume]. The ten key principles of Fair Trade (WFTO 2024) were developed as a backbone for the movement, which has grown to encompass a variety of products and led to the creation of Fairtrade towns, businesses, and universities. These principles align closely with the UN Sustainable Development Goals (SDGs) (UN 2024), forming part of a system to reduce inequalities and improve living standards across the world.

Unfortunately, these approaches have not yet been adopted by the majority of the fashion industry. The growth of Fast Fashion from the 1980s has led to wide spread introduction of mass-produced, inexpensive clothing. Inadequate pay and working conditions, along with the impact on cotton farmers receiving low prices, led to *Fairtrade*-certified cotton being introduced in 2005 and the *Textile Standard* in 2016 to address the entire textile supply chain (The Fairtrade Foundation 2019: 5–11).

Ethical fashion became more accessible in the early 21st Century, with smaller brands being able to reach customers online. By the 2010s, the number of fashion brands with ethics at their core remained relatively small. However, the Rana Plaza disaster in Dhaka, Bangladesh, on April 24, 2013 (BBC 2013), brought global attention to the plight of garment workers. The collapse of the eight-story factory building highlighted severe safety issues and the opaque nature of fashion supply chains. In

response, the Fashion Revolution movement was founded in 2014 by Orsola de Castro and Carry Somers to raise awareness of garment workers' conditions and promote greater corporate responsibility (Fashion Revolution 2024: n.p.).

As climate change awareness grew and impacts started to be felt, especially in the Global South, 'sustainable fashion' became widely used to describe clothing produced with environmental consideration [see Demandt and Gözet's chapter in this volume]. A pushback against the heavy use of plastics in Fast Fashion and the harmful pesticides and water in cotton production led to increasing use of upcycled, recycled, locally or organically grown fibres and lower carbon and water production methods. Certifications for organically grown materials, especially cotton, were developed, such as *Global Organic Textile Standard* (GOTS 2024) which was introduced in 2002. The concept of circularity was introduced, with focus on re-using clothing, materials, components and even resources such as water, energy or dyes. The second-hand market for clothes has also grown enormously in recent years but 'boomed' in 2023 (Ethical Consumer and the Cooperative Bank 2023: 3).

More recently, the term 'regenerative' has gained traction within the ethical fashion industry (Minney 2022), evolving from regenerative agriculture which aims to restore the natural environment through restorative farming methods (Raddis Cotton 2024). Increasingly, this concept of regeneration has become more systemic, using a more holistic approach to include far more aspects than simply agriculture and worker rights. The definition of 'regenerative fashion' is still evolving, although a good description of what it entails can be found in the recent research publication 'Regenerative Fashion Futures' by Minney (2024). This report outlines regenerative fashion as good practice in four main areas: low-impact materials, regenerating nature, renewable energy and worker's wellbeing including living wages, women's development and strengthening communities.

It is important to note that as with regenerative agriculture, in many cases 'new systems' can actually be old systems. Regenerative practices often reintroduce traditional methods that restore natural resources and augment them with more recently gained knowledge and innovation. An example of this renewed interest in heritage approaches can be found in the first case study which explores the traditional hand-crafted fabric, khadi.

Fair Trade and Regenerative Fashion in Practice

This section presents three approaches and case studies each at a distinct stage on the journey from Fair Trade principles to holistic system change. The traditional textile craft, khadi, is explored first as a heritage approach to supporting local community textile systems through livelihood generation. The second case, Circular Khadi, builds on this model by incorporating circularity principles, and the third

case, *Regeneration at the Brand Level*, explores regenerative thinking at the brand level, highlighting a holistic approach to integrating sustainability and system change into the core of a modern fashion brand.

Heritage Craft in Regenerative Fashion – Khadi

Heritage practice can be a key component of both Fair Trade and regeneration. Major luxury brands including *Stella McCartney* and *Hermes*, as well as the rise of platforms such as *Etsy* that focus on handcrafted and artisanal products, demonstrate growth in this area. Traditional textile skills developed across cultures, with the term ‘khadi’ specifically referring to the decentralised hand-spun and hand-woven cloth production systems from the Indian subcontinent. Mahatma Gandhi revitalised khadi into a philosophy during his campaigns for rural empowerment during the first half of the 20th Century, emphasising the value of hand produced fabrics to communities, the environment and mental health (Jain 2024). More recently, fashion practitioners, including the brand *Patagonia* (Ram 2022), see the value of khadi as a way to showcase the beauty of hand produced cloth along with the social and environmental benefits. In India, khadi fabric is produced in rural workshops supporting livelihoods for communities across the textile value chain, facilitated by the *Khadi Village Industries Commission* (KVIC 2024).

Khana (2020) in *Vogue India* outlines considerable sales growth within India, as well as the social and environmental impacts: “A metre of khadi fabric consumes three litres of water, while one metre of mill-produced fabric requires 55 litres of the precious resource. Plus, khadi clusters also generate direly needed income to rural Indian communities” (Khana, 2020, n.p.). *Khadi London* was established in 2014 to bring khadi to the attention of UK practitioners. Founder Kishore Shah explains: “Khadi is ideally made from cotton grown on organic, multi-cropped farms to ensure soil regeneration and biodiversity. Spun and woven within the community, it represents a model of autonomy, empowerment, and regeneration”¹.

Looking holistically at khadi, many elements fit with regenerative concepts, from Fair Trade and community focus to the sustainability impacts of production. However, not all khadi production currently uses local and/or regenerative fibres, and polyester is still added in some cases. As a small scale, decentralised production system khadi offers community regeneration and Fair Trade impacts but faces challenges from the mainstream economic model on pricing and scale.

1 Kishore Shah, personal communication, 30th July 2024.

Case Study – Circularity, Craft and Regeneration

Circularity is a key part of a regenerative system. This case study explores the concept of adding circularity to an existing khadi system. Waste textiles were shredded back to fibre and then reformed into fabric using heritage khadi skills, including hand spinning and hand weaving. Funded by the *British Council* under the ‘New Landscapes’ programme², *Circular Khadi* phase one was run by a consortium of four organisations – two from the UK (*Where Does It Come From?* and *Khadi London*) and two from India (*Conserve* and *Khamir Crafts*).

During phase one of the project 110 kilograms of post-production 100 per cent cotton waste was collected at a decentralised craft cluster. This was then sorted using a number of indicators including colour, fibre type and weight, then shredded using an industrial machine. Unfortunately, weather damage and fibre loss during the shredding process resulted in just 14 kilograms of usable fibre. However, experiments at the craft cluster level with hand spinning, carding and mixing with virgin fibres led to 14.5 metres of fabric produced in differing weaves, from 100 per cent recycled to various mixes with virgin cotton (Khadi London 2024). A key goal of the project was livelihood uplift and generation. Forty-two workers were employed during the phase one pilot, including thirty fabric sorters, eight spinners, and four weavers. The project not only fostered skill transfer but also contributed to rural livelihoods.

Referring back to Minney’s (2024) description of four key areas of regenerative fashion (see above), this project addresses all of them. Firstly, in terms of low impact materials, the use of recycled natural fibre with only additives being plant-based starch to aid weaving and virgin regeneratively farmed cotton. Secondly, nature regeneration was approached through minimal water usage and localised production. Thirdly, renewable energy (hand power) was used for the sorting and production stages of the pilot. Future stages of the project will endeavour to introduce solar powered shredding machinery. Fourthly, worker’s wellbeing was addressed through training, fair wages, and supporting the local community working practices.

This project demonstrates effectively the impacts of widening regenerative approaches across different elements, from workers and community and sustainable production to circularity. The next phase of the ongoing research aims to explore replication of the circular model across further decentralised geographies and alternative fibres such as wool and silk, as well as sourcing a shredder that can be powered locally through renewable energy.

2 The ‘New Landscapes’ programme was administered by the Fashion, Textiles and Technology Institute (FTTI) of University of the Arts London.

Case Study – Regeneration at the Brand Level

The third case study explores the concept of creating full system regeneration at the brand level through building a new ethical fashion brand that incorporates regenerative principles throughout. In 2022, the brand *Sanja Stories* was initiated through the *Ecosystem Incubator* (Alston/Kan 2023: 63) to create regenerative jeans. Conceptually, *Sanja Stories* aims to deliver best practice in regenerative fashion, positioning the brand as “radical fashion idealists on a mission to prove a circular model is possible by creating clothes that regenerate the earth and communities” (Sanja Stories 2024, n.p.).

The brand vision is ambitious, including garment design (versatility, longevity, replaceable parts), materials (regeneratively farmed khadi cotton, all components traceable and biodegradable) and value chain (decentralised, Fair Trade, transparent) to the business model and even the customer engagement process. As the name suggests, the garment stories are key – building authentic connections through a digital passport which collates detailed information.

Sanja Stories also has an innovative business model. Partners, including producers, contribute their expertise and time, share costs, and will share any financial profits. The customer engagement model is equally innovative. Instead of the traditional market model, customers join a ‘buyer’s community’. Only when sufficient buyers commit does production begin, avoiding waste. But as the buyers wait, they can engage and learn about the process through community discussion, events and workshops. *Sanja Stories* aims for a fully regenerative system model. It is too early to assess the brand impact as the first cycle is ongoing, however feedback has been positive. Impacts of khadi fabric and regenerative cotton farming on communities and the environment will be applicable but further impact analysis will be required.

From Fair Trade to Regeneration: Differences and Synergies

Regenerative fashion is evolving to have a broader scope than Fair Trade, exploring wider system impacts and encompassing community and ecological restoration, economic models, innovative design processes and new tools and materials. Fair Trade operates within existing economic frameworks and established principles and standards whereas regenerative systems integrate with new models, such as Doughnut Economics (Raworth 2018) that focus on a whole system approach within social and environmental boundaries. Fair Trade has developed standards and certification systems which are understood and accepted [see Lefoll et al.’s chapter in this volume] – this is an area of development for regenerative fashion which can build on agricultural as well as on the Fair Trade standards to deliver a clear framework.

Both Fair Trade and regenerative fashion focus on supporting production that benefits farmers and workers through fair wages and safe working environments. Environmentally, Fair Trade advocates for sustainable farming and reduced environmental impact, while regenerative fashion looks to restorative practices. Community empowerment is crucial for both: Fair Trade uses premiums to fund local initiatives, and regenerative fashion rebuilds communities through local economies.

In conclusion, Fair Trade provides a well-established framework centred around empowering communities, promoting ethical labour practices, and fostering environmental responsibility. Regenerative fashion is an emerging approach that broadens the focus to the entire fashion system, inviting the fashion industry to not only minimise harm but actively contribute to environmental and community restoration. These two approaches are highly integrated. Fair Trade's rooted, community-oriented principles offer a solid foundation as the evolving concept of regenerative fashion expands to encompass broader system-level practices [see Demandt and Gözet's chapter in this volume].

Through the presentation of practical cases this chapter has explored ways that the fashion industry can adopt a holistic approach that examines the entire business and production ecosystem. Heritage systems, with their innate consideration for community and environment, can be augmented with innovation at the production end of the value chain, whilst initiatives such as *Sanja Stories* illustrate how fashion brands can shift towards a regenerative model. Only through this type of systemic change can we ensure a fashion industry that benefits both people and the environment.

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