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Summary: The world cotton industry is being slowly strangled by loss of market share to polyester. Campaigns of demonization contribute to this strangulation. As one example, the C&A Foundation Annual Report 2014 uses evocative language, exaggeration, and repetition of allegations years out of date to demonize, rather than inform, in the service of enhancing the C&A brand. The report is unremarkable, except that it is recent, and serves as an example of efforts by NGO's, retailers and environmentalists to build sales and enhance careers, while undermining the livelihoods of tens of millions of cotton households. Only by volubly challenging those who demonize, with public, specific, fact-based rebuttals, will the cotton industry be able to make demonization expensive and thus shift the structure of incentives that currently makes demonization profitable.

Incentives Matter:

Why Environmentalists, Retailers and NGO's are Slowly Strangling the Cotton Industry

Demand for Cotton is Being Strangled

The world cotton industry is being slowly strangled by loss of market share to polyester, caused by a combination of price differentials, technical fiber performance characteristics and campaigns of demonization that undermine demand.

Polyester's current price advantage over cotton is being maintained by government policies in China and India aimed at stabilization of cotton prices and farmer's incomes; these policies will eventually change. Technical fiber performance characteristics change over time with research and technology adoption.

However, campaigns of demonization (practices years out of date being described as current, statistics given without context or perspective, or linkages alleged between cotton and harm made without scientific basis) by non-governmental organizations (NGO's), retailers and environmentalists are now entering their fifth decade, and these campaigns will not stop unless the structure of incentives that motivate such behavior is changed.

Market Share

As of 2014, cotton's share of world apparel and home furnishing fiber consumption was less than 30%, with polyester holding a 54% share. In round numbers, cotton consumption in 2014/15 was 2 million tons lower than it was in 2007/08, even though the world economy has recovered from the recession of 2008 and the world population has grown by 700 million or approximately 10% in the last seven years.

The loss of market share to polyester is a threat to the economic survival of the cotton industry. While the ICAC is forecasting a rise in world cotton mill use to nearly 25 million tons in 2015/16, and we can hope that further growth will occur in subsequent seasons, there is no guarantee that world cotton use will ever reach 27 million tons again.

Positive Impacts of Cotton

About 45 million family units are engaged directly in cotton production (personal estimate). When family labor, hired-on farm labor and workers in ancillary services such as transportation, ginning, baling and storage are considered, total involvement in the cotton sector each year is estimated at 250 million people. Cotton also provides employment to additional millions in related industries such as agricultural inputs, machinery and equipment, cotton seed crushing and textile manufacturing. Cotton cultivation contributes to food security and improved life expectancy in rural areas. Cotton played an important role in industrial development starting in the 18th century and continues to play an important role today in the developing world as a major source of revenue.

Demonization of Cotton to Enhance Brand Identity

The world cotton industry has listened to, and been responsive to, valid criticisms for decades. As far back as the 1970s, the cotton industry was a leader in the application of integrated insect management strategies and resistance management to reduce reliance on insecticides. The cotton industry has worked for decades on improved sustainability of production systems through minimization of resource use and insistence on safe application methods for all inputs. The cotton industry has been very aware of issues associated with labor abuse and child labor for at least three decades and is working to document, measure and reduce/eliminate such abuses.

Modern agriculture is highly technical and constantly developing, improving and adapting, but to listen to critics, you would think cotton production technologies are both destructive and static. To cite just one recent example, C&A Foundation, the charitable arm of the eponymous clothing retailer, recently released its Annual Report 2014 (<http://www.candafoundation.org/annualreport2014/highlights.php>). As is typical of its genre, the C&A Foundation uses evocative language, exaggeration, and repetition of allegations years out of date to demonize, rather than inform, in the service of enhancing the C&A brand. The report is unremarkable, except that it is recent, and serves as an example of efforts by NGO's, retailers and environmentalists to build sales and enhance careers, while undermining the livelihoods of tens of millions of cotton households.

Child Labor

The introduction to the report refers to "child-picked cotton in Uzbekistan," even though the International Labor Organization (ILO) has documented the elimination of all forms of children's work and child labor under the age of 16 in the cotton industry of Uzbekistan since 2012. The C&A Foundation report does not actually say that cotton is harvested with child labor in Uzbekistan anymore, but the negative impression is obvious.

Employees of the C&A Foundation are surely aware of the ILO reports but choose to ignore evidence of improvement. Contrast between C&A and other retailers is crucial to the mission of the C&A Foundation, which is to enhance the C&A brand. In order to achieve contrast, the C&A

Foundation must ignore positive evidence about cotton in order to imply that only by shopping at C&A can consumers be assured they are buying responsibly sourced apparel.

Cancer, Environmental Harm and Suicides

According to the C&A Foundation report, “Cotton grown conventionally leaves a heavy footprint. Not only does it damage the environment, it also affects the health of farmers and their communities.”

The report merely asserts that cotton grown conventionally is harmful; it provides no evidence or citations and makes no specific allegations that can be investigated, thus avoiding accountability. In an industry of 250 million, there are sure to be examples of error, accident and even perfidy, but the C&A Foundation report makes no effort to quantify or provide perspective, leaving the impression that harm is widespread. If the allegations of harm caused by conventional cotton were true, you would have to believe that millions of farmers around the world are stupid. Why else would farmers continue to grow cotton if it damages the environment and negatively affects their health?

The report continues, “We have seen heart-wrenching stories of farmers in cotton producing regions across the world getting sick with cancer. And in India, more than 270,000 conventional cotton farmers saddled with debt have committed suicide since 1995.”

The report does not actually say that the use of agricultural chemicals in cotton causes cancer, an allegation without scientific validity, but leaves the impression that this is so. The C&A Foundation uses sympathetic imagery of cancer victims to bias understanding in the same way a prosecutor might show bloody pictures of a murder victim, in lieu of evidence of guilt, to bias a jury against a defendant.

There is no statistically valid evidence of increased rates of illness in cotton growing regions compared with other regions of India or anywhere else, and the assertion of causality between cotton production and cancer in India or elsewhere is no more valid than the claims by American actress Jenny McCarthy that vaccines cause autism.

The C&A Foundation has no incentive to provide objective information or to carefully investigate epidemiological studies of the health impacts of the use of agricultural chemicals. Those who demonize cotton in the service of image promotion and sales growth can make statements without accountability, and thus they have every incentive to do so.

Further, the report offers no sense of proportion or scale in the discussion of suicides. Farmer suicides in India have been studied extensively. All suicides are tragic, but there is no evidence of a statistically unusual number of suicides among the 35 million cotton farmers in India. The linkage implied by C&A Foundation between debt and suicides ignores other aspects of farmer stress, including usurious interest rates charged by unscrupulous lenders, costs of production of all agricultural products and other social and economic factors.

No Mention of Polyester

The C&A Foundation report extolls the virtues of organic cotton and brags that C&A is the largest buyer of organic cotton in the world. C&A sells thousands of tons of clothing containing polyester every year, many multiples of the quantity of organic cotton it buys, thus contributing to the decline in cotton use and helping to undermine the incomes of millions of farm

households. Nevertheless, in the entire annual report, there is not one mention of the word, “polyester.”

Support by the C&A Foundation for small holder agriculture in developing countries is laudable, but there is no reason that the Foundation’s annual report must demonize conventional cotton production in order to assist the small holders participating in C&A Foundation projects. Demonization of 24 million tons of conventional cotton worldwide in order to extol the virtues of less than 150,000 tons of world organic cotton serves the interests of C&A in creating contrast with other retailers, not the interests of small holder cotton farmers.

Even former bastions of cotton use such as denim are now experiencing inroads by polyester. With the new energy extraction techniques known as fracking, hydrocarbons are now in almost limitless supply and there are no effective natural constraints to expanded polyester production. By attacking cotton, C&A is attacking cotton, and thus benefitting polyester, not farmers and not the environment.

Impacts of Demonization

The danger of demonization is that cotton depends on consumer preference to maintain demand. Polyester can be longer, stronger, finer, more uniform, without contamination and more stable in price than cotton, and manufacturers are shifting to polyester as consumer acceptance of polyester in apparel and home furnishings rises. Therefore, allegations that undermine consumer confidence in cotton, and thus help to strangle the industry by encouraging consumers to choose alternative fibers, are a serious threat to the economic sustainability of the industry and the livelihoods of more than 250 million.

The people at the C&A Foundation who wrote the annual report are not evil, they do not lay awake at night thinking of ways to undermine the livelihoods of millions cotton farmers, and they are surely virtuous people. Nevertheless, the C&A Foundation has every incentive to distort and no incentive to inform. Instead of quantifying allegations, offering perspective or reporting on improvement, the Foundation implies that worst case situations are representative, that harmful practices years out of date remain common and that injuries in agriculture occur because of cotton, not in spite of it.

Accurate, timely information about the cotton industry is readily available from numerous sources, including the International Cotton Advisory Committee, the Food and Agriculture Organization of the United Nations, national governments and trade associations. However, once a source is found that reinforces the bias they wish to communicate, those who wish to demonize have no incentive to verify, validate or update with reliable sources, and that is how bad science and misinformation keeps being parroted.

The Role of CAI

The Cotton Association of India (CAI) has embarked upon an active campaign to enhance demand for cotton, and I am one of the most enthusiastic supporters of such efforts in the world. However, the efforts to provide positive information about cotton to students and consumers are necessary, but not sufficient.

As stated above, there is nothing unique about the C&A Foundation report, and in fact the report is one of the more benign of its type. CAI and all other cotton industry organizations must start systematically and specifically challenging those who demonize by demanding accountability,

by rebutting spurious allegations, and by publicly challenging those who undermine the livelihoods of farmers in order to enhance brand identity for their companies and organizations.

The C&A Foundation, and others like it, demonize cotton because it is without cost to do so. Within the demographic of urban consumers and activists ignorant of the realities of agriculture, allegations can be made without challenge, thus the incentives to make such allegations are dominant. Only by repeatedly and volubly challenging those who demonize, with public, specific, fact-based rebuttals, will the cotton industry be able to make demonization expensive and thus shift the structure of incentives that currently makes demonization profitable.