



A Company That Refuses to Gauge its Success Through Growth

By Donella Meadows

There's an astonishing page in the latest Patagonia sports clothing catalog, written by Yvon Chouinard, president of Patagonia. It tells why he's decided that his company should stop growing.

"Last fall," he says, "we underwent an environmental audit to investigate the impact of the clothing we make...To no one's surprise the news is bad. Everything we make pollutes. Polyester, because it's made from petroleum, is an obvious villain, but cotton and wool are not any better. To kill the boll weevil, cotton is sprayed with pesticides so poisonous they generally render cotton fields barren; cotton fabric is often treated with formaldehyde. Wool relies on large flocks of sheep that denude fragile, arid areas of earth. We are pursuing other alternatives, like buying wool only from temperate regions...and using 'organic' cotton. Another conclusion we have reached is simple: We need to use fewer materials. Period."

As a sheep farmer, I cringe at that association of wool with erosion. Sheep can be raised even in arid lands in ways that don't destroy land (though they often aren't raised that way). Cotton can be grown without pesticides, as Chouinard recognizes. But his basic approach is not only sound, it's worth a round of applause. Not many companies are willing to look at the full consequences of their business, and to take responsibility for what they see.

Chouinard continues: "During the eighties, most of us managed to exceed our limits. Patagonia...was no exception. By the end of 1989 we...had nearly outgrown our natural niche, the

specialty outdoor market, and we were on our way to becoming much larger than we wanted to be.

"As a society, we've always assumed that growth is both positive and inevitable. When our economies sour, as they always do, we simply look for new customers and new resources. We hunt new export markets and new Third World sources for raw materials. But Third World resources are close to exhausted and many economies, burdened by debt, are no longer viable dumping grounds for our manufactured goods."

The points about the Third World are, again, extreme—maybe extremism is inevitable in the newly converted. Some Third World resources are close to exhausted, but not all. Third World markets are not saturated. The challenge is not to leave producers in poor countries out of the world market, but to work with them so they can be steady suppliers through sustainable use of their resources. And there's no reason why people everywhere can't be customers, if they are paid decent wages, and if we produce what they really need.

Chouinard goes on to the essence of his new policy: "We are limiting Patagonia's growth...We dropped 30 percent of our clothing line. This catalog is much smaller and has fewer pages than our catalogs of the past..."

"Last fall you had a choice of five ski pants, now you may choose between two...You will see fewer color and style choices throughout the catalog. Next season more cuts will be made. The fewer styles we make, the more we can focus on quality. We think the future of clothing will be less is more, a few good clothes that will last a long time. We

have never wanted to be the largest outdoor clothing company in the world, we have only wanted to be the best."

Only two kinds of ski pants! Not being the largest, but the best! Many people, perhaps most people, will call these ideas extremist, too. To me they sound like enlightened corporate policy.

Growth is a knee-jerk goal for corporations and for governments. The quest for growth is at the foundation of our culture. It's how we measure our success. But you don't have to think about it very long before you start wondering why we ever picked eternal growth as our economic Holy Grail. Growth is a means, not an end. When it gets you to where you want to go, the sensible thing is to stop.

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Corporate responsibility extends not only to the customers, the resources, and the workers of the present, but to those of the future. Says Chouinard, "I've always believed that the key to the government doing the right thing is to base its planning and decisions on the intention of being around for a hundred years. If we believe in the rightness of such planning, then Patagonia as a company must walk what it talks. Last year, when we decided to limit our growth, we also committed ourselves to a life-span of a hundred years. A company that intends to be around that long will live within its resources, care for its people, and do everything it can to satisfy its community of customers."

Growth is a stupid goal. So, by the way, is no growth. Growth is beside the point. The point is caring for people and resources and meeting real needs with the highest possible quality. When that is done, the growth will fall where it may and where it should. ●

Donella Meadows is a system dynamicist and an adjunct professor of environmental and policy studies at Dartmouth College. She writes a weekly column for the Plainfield, NH Valley News.