



RISING TENSION

Robert Hall *questions whether or not we are in for civil unrest as we appear to face the winter of discontent to end all winters of discontent*

Mark Twain is reported to have said that: “History doesn’t repeat itself but it often rhymes”. This is true of civil unrest in many contexts and the echoes in modern Britain are less than harmonious. We are today facing a perfect storm of lights and livelihoods. Societal pressures – economic, health, environmental – are forcing many citizens to face going backwards in terms of living standards and opportunities.

Even with the financial help being offered by the new government, this winter is looking particularly bleak

for many families with rising food and energy prices. It is therefore perhaps unsurprising that the spectre of societal unrest is rearing its ugly head. This may go beyond co-ordinated protest marches and include an uptick in acquisitive crime such as shoplifting, burglary and vehicle/fuel theft as well as online fraud and blackmail. Contingency planning by police chiefs is said to be underway to deal with any unrest.

The UK has been here before in various guises even in the past half-century. With the oil embargo of 1973, when the oil price increased by 300 percent over six months, a

Almost half of Britons surveyed fear riots this winter

three-day week was introduced and there was a 50mph speed limit on motorways. Coupled with a series of strikes by coal miners and rail workers over the winter of 1973-74, the oil shock became a major factor in the defeat of Heath’s government in the 1974 general election. The subsequent Labour government told the country to heat only one room in houses over the winter; today, the suggestion of an extra pullover is deemed condescending.

The so-called ‘Winter of Discontent’ of 1978-79 was characterised by widespread strikes by private companies and later public-sector trade unions demanding pay increases of up to 17 percent, well above the 5 percent government ceiling. The unrest led to the fall of the Callaghan government.

The poll tax riots of 1990 were a turning point for the Thatcher government. One protest theme was ‘Don’t Register, Don’t Pay, Don’t Collect’. During the early months of 1990, over 6,000 anti-poll tax actions were held nationwide, with demonstrations in cities around England and Wales drawing together thousands of protestors. London witnessed some violent scenes.

The riots of 2011 following the police shooting of Mark Duggan in Tottenham quickly spread across the country. They were mainly focused in London where property losses were estimated to total £100-million. Besides the specific response to the shooting (the spark that lit the flame), social factors such as racial and class tensions, economic decline and the unemployment that decline had brought were strong causes, and challenged the Big Society idea of the Cameron government.

Economic pressures are frequently behind popular displays of discontent. Today is no different. The gloomy economic outlook and energy crisis combine to make for uncomfortable parallels with yesteryear. In general, internal factors are more of a motivator for civil unrest than external ones but when they come together, as with the energy crisis, then the repercussions can be powerful. Recent government action to ameliorate the energy challenge may help to take the sting out of the short-term situation but will not remove it for many: over 14-million households are already struggling to pay their energy bills.

Campaigns like Don’t Pay UK, Enough is Enough and We Can’t Pay can be expected to continue and may herald the prospect of wider popular discontent. Furthermore, current industrial unrest in several sectors is unlikely to dissipate with inflation projected to be 10 percent or more. Even though trade unions’ membership has dropped from 52 percent in 1980 to 23 percent in 2021, there is today an appetite for wider, possibly co-ordinated support for protest against the fall in living standards and the disparity in wages.

The prospect of violence cannot be discounted. According to a poll commissioned by *The Independent*, more than half of Britons think non-payment of energy bills are “justified” while almost half fear riots: some warn this winter could see a ‘poll tax moment’ for government. In another survey, over a quarter (29 percent) believe violent disorder is appropriate given the circumstances. Among 18-to-24-year olds, nearly half think rioting is “justified”, and even among 35-to-44-year olds it is over 40 percent.

The challenges are widespread. One risk consulting firm, Verisk Maplecroft, sees a rise in civil unrest as ‘inevitable’ in middle-income countries which were able to offer social protection during the pandemic but will

now find it difficult to maintain that level of spending as the cost of living surges. The consultancy’s ‘Civil Unrest Index’ indicates that 75 countries will likely see an increase in protests by late 2022 resulting in, for example, a higher frequency of unrest and more damage to infrastructure and buildings. Finland is projected to experience the 16th biggest rise in protests globally over the next two years, followed closely by Sweden (21st) and Norway (34th), all countries one would not normally associate with civil disorder.

In France we have seen disruption caused by the gilets jaunes movement, while officials in Germany have warned of an ‘autumn of rage by extremists to exploit the cost-of-living crisis. In the capital of the Czech Republic, 70,000 demonstrators gathered recently to protest at soaring energy bills and demanded an end to sanctions against Russia over the war in Ukraine. Further afield, we have witnessed in Sri Lanka the overthrow of a government because of high prices and shortages of basic commodities and medicines.

CONTINGENCY PLANNING BY POLICE CHIEFS IS SAID TO BE UNDERWAY TO DEAL WITH ANY UNREST

The UN Secretary-General said in March that the destabilising potential of disrupted supply chains and surging commodity prices caused by the conflict in Ukraine is planting the seeds for political instability and unrest around the globe. According to the head of crisis management at the risk consultancy arm of Allianz: “civil unrest increasingly represents a more critical exposure for many companies than terrorism” and: “Incidents of social unrest are unlikely to abate any time soon, given the aftershocks of COVID-19, the cost-of-living crisis and the ideological shifts that continue to divide societies around the world”.

The US consultancy OnSolve has revealed that while global protests increased only slightly from 2020 to 2021 (+4 percent) they increased by 59 percent in the US and 76 percent in the UK over the same period. The consultancy estimates that a single, large two-day protest occurring outside the headquarters of a Fortune 1000 company (\$2-billion in revenue) costs \$548,000. The disruption to the construction of the HS2 line by protesters has already cost £126-million.

The response to the challenges lies not just with the police and government. Businesses, both large and small, have a key role to play. The response can be considered at two levels. The first relates to practical, tactical measures to keep the business safe and able to continue to operate. The second relates to the wider social engagement that connects businesses to their employees, customers, communities and wider stakeholders through good stewardship and governance – elements of the so-called ESG (environmental, social, governance) agenda.

On the first point, civil unrest can affect travel, operations, supply chain and even share price. Organisations should therefore view current events as a catalyst for evaluating best practices and policies, including preparing office locations and employees for

potential disruption. The COVID-19 experience has provided useful preparation for certain measures like working from home where possible. Risk assessments, security reviews and resilience planning should be refreshed as a priority. Businesses need to be alert to the indicators and designate clear pathways for de-escalation and response which anticipate and avert the potential for personnel to be injured and/or damage to business and personal property.

Security measures in the face of protesters could include: ways to ground lifts quickly in the event of invasion, tools to cut chains and remove glue, video recording of actions and reactions, digital and loudspeaker messaging. In terms of trespass on to company property, people who become disruptive through verbal or abusive actions can be deemed to be trespassing through nuisance and be asked to leave.

CIVIL UNREST CAN AFFECT TRAVEL, OPERATIONS, SUPPLY CHAIN AND EVEN SHARE PRICE

On the second point, there is a growing expectation on business to do more to address societal problems, especially when trust in government (and the media) is declining. The Edelman Trust Barometer 2022 marks these trends and says that: "Societal leadership is now a core function of business". Business needs to work with other organisations, institutions and communities to foster innovation and deliver impact. If this doesn't happen, and leadership and trust deficits arise in both the public and private sectors, then it could rupture the ties that bind a democratic society together, and with potentially dangerous consequences. A weakening

of the social contract, unless halted, will make the task of decision makers that much harder in the face of mounting domestic pressures, not just with energy. It is the degree of erosion to national solidarity and the loss of a unifying purpose that will determine the scale of the problem.

Hence, business should do more to help build the resilience of its workforce and the communities in which they and customers live. The John Lewis Partnership, for example, has decided to give free meals to all staff this winter to support them during the cost-of-living crisis. Many of the supermarkets already help with local food banks, while others support schools, youth clubs and care homes. More and wider engagement is needed. The activities can have a payback in terms of enhanced brand reputation, better customer loyalty, community cohesion, better awareness and improved diversity and inclusion. Additionally, potential employees and staff are now looking at the track record of organisations when deciding whether to join or stay. Those organisations that can demonstrate good resiliency measures are more likely to have a dedicated work force that will remain loyal and motivated. Importantly, they will also attract wider investment as the financial markets view ESG action plans as an indicator of success. While individual corporate actions may not remove the wider causes of civil unrest, they can help alleviate the worst direct effects.

The growing strength of special interest groups, a loss of trust in politicians to find solutions, social fragmentation and a diminution of societal responsibilities all contribute to a darkening picture. If a large swathe of the population cannot afford to heat its homes or to feed itself, or both, then vociferous, even violent, opposition may not be far around the corner. This is true for not just the UK as strains are appearing worldwide. Societal resilience may be tested as never before (short of war) and we need to pay attention to ways of strengthening it. President Putin may readily take advantage if we do not ●

Robert Hall is an independent consultant on resilience. He is the former Executive Director of Resilience First and has worked in the security and resilience domains for a number of FTSE100 companies. His book *Building Resilient Futures* will be published in late 2022.

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