



# As the blockades have shown, anarchy is usually bad for business

**Disregarding the law is tempting when you're fed up with rules. But chaos has economic consequences**

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Before the Freedom Convoy, a more familiar version of anarchy as anti-government protesters carry a banner in Washington, D.C., in 2012. The 'disregard of government or the rule of law' can come in various political stripes, and as the convoy protests and blockades in Canada have shown, it has an economic cost. (Jason E. Miczek/Reuters)

It seems pretty clear that even as a break from Ottawa mid-winter ennui, any thrill offered by wall-to-wall occupation of the streets around Parliament Hill got old very quickly.

After experiencing a state of what many, including at least one Conservative member of Parliament, have described as anarchy, there are no doubt many Canadians currently ruminating on the advantages of boring old parliamentary democracy, despite its many drawbacks.

"I ask that we clear the streets and that we stop this occupation controlled by radicals and anarchist groups," tweeted Quebec Conservative MP Pierre Paul-Hus in frustration.

Anarchism, like socialism and liberalism, means different things to different people — and shows up on both sides of the political spectrum.

The form we are seeing now, whether urban or at border crossing blockades, comes with an economic cost.

## **Blocked borders, closed stores**

As truck blockades spread around the world and many people become furious with governments that can't or won't solve protesters' perceived problems, legally elected governments are facing an anarchic response.

"Freedom is constantly at war with those who want to limit it, and it must be defended," the Wall Street Journal quoted the Freedom Convoy manifesto approvingly.

Certainly businesses in downtown Ottawa, and to a lesser extent in other cities facing blockades, are suffering. The Retail Council of Canada estimates the downtown Rideau Centre, the city's busiest shopping mall, lost nearly \$20 million in the first week alone.

While there are businesses such as fast-food shops that have benefited from the Ottawa protests, the cost of border-crossing blockades, including auto-plant shutdowns and produce rotting in trucks, will clearly overshadow any small gains.

One estimate of the economic impact of the anarchic border blockades puts it as high as a billion dollars a day. Estimates from Export Development Canada are lower, at about \$600,000 US a day in trade delays at three blockaded crossings.

### **The Holy Grail of anarchy**

According to the Oxford dictionary, the word "anarchy" comes from ancient Greek, literally "without a chief," but is defined in its simplest form as "a state of political or social disorder resulting from the absence or disregard of government or the rule of law."

As with other "-isms," anarchism has competing contenders for their own definitions. The one from the left side of the political spectrum, celebrated in the 1975 film *Monty Python and the Holy Grail*, is the better known of the two.

"We don't have a lord," say filthy peasants to King Arthur. "I told, you, we're an anarcho-syndicalist commune."

According Sarah Fessenden, who lectures and writes about contemporary anarchism at Kwantlen Polytechnic University in Surrey, B.C., the modern anarchist ideal is less about smashing the state than finding economic alternatives to capitalism at a smaller scale. Traditional markets are replaced by things like mutual aid and different forms of sharing.

"Most of the anarchists that I've been involved with, they're not particularly interested these days in, like, toppling a government," Fessenden said.

Fewer people may realize that there is another kind of anarchism touted by groups like Canada's Fraser Institute and the U.S. Cato Institute, two right-of-centre think-tanks, based on the work of Robert Nozick and his 1974 book *Anarchy, State, and Utopia*.

A manifesto for small government, Nozick's kind of anarchy is part of a broader libertarian movement in the United States that likes things such as cryptocurrency and deregulation, which critics say will merely make the rich more powerful as it strips away the equalizing forces of government.

This is the genre of anarchy that's set up camp in recent weeks.

### **Anarchy works in the playground**

Mark Kamstra, a professor at York University's Schulich School of Business in Toronto, who among other things studies human willingness to accept financial risk, took a personal tour of a protest site in downtown Toronto and was not impressed.

"Anarchy works really well in some environments," Kamstra said in a phone interview. "As a seven-year-old playing on the playground, you know, anarchy was fine. There wasn't too much damage we could do to each other, and it was fun."

A playground, perhaps, is a better environment for the absence of government. 'There wasn't too much damage we could do to each other, and it was fun,' says Mark Kamstra, a professor at York University's Schulich School of Business in Toronto. (Colin Butler/CBC)

But the finance professor and economist said that as complexity and danger increase, letting everyone do what they want no longer works. Too much freedom is bad for the economy.

"Anarchy in a situation where you've got your life savings at stake, or your life, literally, at the edge of a subway platform, those places, anarchy is not a happy situation to be in," he said.

As someone who studies markets, removing or simplifying regulation often removes protection for ordinary investors, allowing predation by what Kamstra calls "grifters."

Deregulation, he said, is often just the process of re-regulating in someone else's favour.

### **Plenty to protest, but will chaos fix it?**

Of course for traditional anti-capitalist anarchists, being bad for business is a feature, not a bug.

To those who study the kind of European protest politics that grew up in the 19th and early 20th centuries in places like Italy and Russia, the current round of anti-government demonstrations may have only small similarities to what they think of as "proper" anarchism.

But Mark Leier, a historian and author of a book about Russian anarchist Mikhail Bakunin, does see a common human impulse.

"I think a lot of people have a kind of feeling of anarchism, or for anarchism, in the sense that none of us like being ... ordered what to do," the Simon Fraser University professor said. Instead, people push back and resist, and we could think of the current protests as representing "an anarchistic impulse."

Leier said the kinds of people at city and border protests — like many of the people who supported Donald Trump and participated in last year's invasion of Congress — have plenty to be angry about beyond vaccines. But he says large foreign funding and U.S. right-wing political support show that unscrupulous interests may be tapping that anger for a different political purpose.

A blockade of the Ambassador Bridge border crossing in Windsor, Ont., on Friday. Export Development Canada estimates three blockaded crossings in the country have resulted in delays to about US\$600 million US a day in trade. (Evan Mitsui/CBC)

In the current calls for "freedom," Leier said he doesn't see the kind of grassroots politically aware membership that he believes is essential to traditional anarchistic mobilizations, such as the Canadian Wobblies in the early 1900s labour movement.

Rather than leading a revolution against Ottawa, the protesters seem to be pushing the majority of Canadians — who really don't like chaos — away.

Anna Jurkevics, an assistant political science professor at the University of British Columbia in Vancouver, said in an email conversation that unless things get really bad, people would rather stick with the status quo because the chaos of revolution is dangerous. Like systems that allowed kings to pass on their title to their less-competent children, it was better than having a bloody war every time a monarch died.

She said the mystery of why existing systems of government are so hard to change even when we can imagine better ones is the subject of the recent popular book *The Dawn of Everything*.

"People generally don't engage in violent revolution unless the situation is extreme because they don't want to die," Jurkevics said. "People in power, people with money, do not give up their advantages without a fight."