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Article

High value goods and activism: the unfolding threat

Dishni Mahendran • July 04, 2024

If ever there was a period when political activism has touched every part of society, it is now. There is no escaping that we live in an age of rising societal division which has resulted in priceless artwork, symbolic statues, and high-value items are now often collateral damage for growing polarisation of views.

Recent attacks on the Magna Carta exhibit at the British Library are the latest example. Two octogenarian climate activists – one a priest, the other a former Biology teacher – deployed a shop-bought chisel and hammer to inflict damage on the glass case around this important national document. The protestors held up a sign which stated: 'The government is breaking the law'.

This latest attempt at damaging a high-value item is indicative of a growing trend in political activism where important and valuable items are at threat from damage. In 2022, we saw this with a series of 38 climate activism-related protests at museums globally as protestors sought to raise awareness of their cause by damaging prized artwork and important exhibits.

However, the threat goes far beyond climate-related activism. With elections across the globe in 2024, our findings reveal that 30% of global business leaders are currently concerned about the threat of political risk this year. This figure goes to show how the impact of politically motivated strikes and protests is a top risk this year for organisations.

High-value in focus

Often, elections are a moment where emotions flare and tensions rise between communities, giving rise to protests that can turn sour quickly. Following the attacks on the US Capitol in 2021, protestors turned their attention to looting and vandalism of a number of high value retail outlets, stealing high-value items.

In 2021, we saw in South Africa how political protest and unrest following the imprisonment of former President Jacob Zuma led to over 200 shopping centres being ransacked and looted by rioters. The recent protests in France against pension reforms also highlighted how these events move quickly with social media turbocharging the severity and speed of looting.

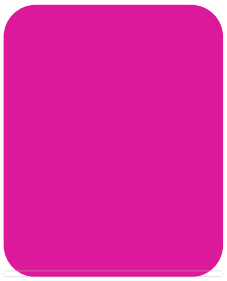
During these events, jewellers and luxury stores are key targets for looters and those who are looking to take advantage of these events. These risks have not gone unnoticed. Organisations in possession of high-value items are increasingly turning their attention to the threat of riots, strikes, and civil commotion as the risk of political activism-related damages and theft becomes more prevalent.

Risk and reward

Firms that could find themselves exposed to politically motivated risk need to consider what physical protections and procedures they have in place for ensuring alarm systems are working, stock inventories are up to date, or safe vaults are available for their most high-value items.

Moreover, knowing when and where the threat is likely to be heightened is key to ensuring a robust risk mitigation plan is in place. The lead up to the festive season when stock levels are higher is a period when high-value or luxury goods sellers are most exposed to potential criminal activity. In the US, this year's presidential elections will fall during a period when shops are increasing their stock levels before a busy Black Friday and festive trading period. Ensuring high-risk shops have the appropriate protection in place and clear plans for business interruption in the case of an attack is of the utmost importance.

Insurance can help to both mitigate loss of profits and business interruption costs, as well as help businesses back to trading as quickly as possible following any damages or theft should looting or physical damage to high value items occurs. For those who find their business exposed, increasing preparedness, including risk mitigation planning for the worst-case scenario is vital to tackling these threats head on and being able to respond to fast-moving events quickly.



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