

# The growing importance of local in times of crisis



**John Wishart**  
Chief Executive Officer

**Chamber of Commerce  
for Greater Moncton**



**THE CHAMBER  
OF COMMERCE**  
for Greater Moncton

**LA CHAMBRE  
DE COMMERCE**  
pour le Grand Moncton

Just before Christmas, I dropped into a Moncton shop to pick up a gift item. I asked the owner, who I have known for decades, how his business was faring and what more the Chamber of Commerce could do to support him.

“You can tell people to support their local businesses,” he replied. “I *can* compete with Amazon on price plus I give after-sale support and service. But not everyone knows or remembers that.”

His reply stuck with me and I decided to incorporate a more robust 'Buy Local' campaign in the Chamber's 2020 work plan. Then the COVID-19 pandemic hit.

The importance of supporting local businesses suddenly went from 'nice to do' to 'mission critical'. It transformed within days from something that might add a few more dollars to local bottom lines to an imperative for survival.

The Canadian Federation of Independent Business surveyed small and medium businesses as the pandemic-induced economic shutdown entered its third week. The survey showed only 20 per cent of businesses remain fully open, 30 per cent say they don't have cash flow to pay April bills, and 39 per cent are worried about permanent closure.

If this is a war of attrition, we need to mobilize now to ensure as many businesses survive as possible.

The good news is there is ample evidence that communities are rallying around their locally-owned businesses. Many communities have created 'buy local' platforms; here in Greater Moncton, the Chamber took the lead on Love for Local, a social media and web-based campaign that now has more than 125 businesses advertising they are still open under the rules of the provincial State of Emergency order.

Businesses are innovating to carry on commerce. Restaurants are offering take-out, pick-up and delivery; fitness facilities are offering online workouts; pet food shops are delivering cat litter and dog food, professionals are conducting accounting, legal and engineering services through video conference. Not every business can continue to operate in these challenging



circumstances, but for those who find a way, it could mean the difference between locking the doors temporarily or for good.

COVID-19 has simultaneously made our world both smaller and more connected. Our everyday lives have become tighter and simpler, yet we can still talk with family and friends across the country and around the world via technology.

Support for local has taken on a different context nationally as our supply chains are disrupted and self-isolation forces our economic circles to shrink.

It seems we have taken globalization as an inevitable trend, that our world is so connected and inter-dependent that international trade links are forged in steel. Yet with countries closing borders, limiting travel and raising protectionist barriers, those steel links have become fraying ropes.

U.S. President Donald Trump invoked the Defense Production Act and directed producers of medical equipment like 3M to stop exporting to Canada and other countries to prioritize the supply for domestic needs. That decision flipped global trade and the idea of good neighbours on its head.

Ontario Premier Doug Ford, angered by the 3M edict, promised he would never again find his province in a situation where its most basic public health needs could not be manufactured and sourced locally.

3M eventually found a way to appease the demands of the U.S. administration while continuing to fill orders in Canada and Latin America. But this episode revealed the fragility of our trade relationships in times of crisis.

The fragility exposed by the mad scramble for medical equipment, and the need to support local businesses who form the backbone of our economy, have exposed a fault line in the local-vs-global balance.

Will the pandemic and future global crises such as climate change impact our ability to source what we need around the world? Will our buying habits focus on a smaller economic circle that we consider safe and reliable?

We will emerge from this public health crisis forever changed. We may be more careful about our own health and the prospect of future pandemics. We may reconsider our geopolitical assumptions: who are our friends and who can we count on in times of need? We may better understand that local business needs public policy changes to ensure they can survive future economic challenges.

For the fortunate businesses which do survive, we owe them two things: that we will support them both in these dark days and when we are able to visit them again in person; and that we consider a rebalancing of our local vs. global spending that ensures if – and perhaps when – this type of crisis hits again, they will be better able to withstand whatever financial peril comes their way.