

The World's Buckling Supply Chain

by Joseph B. Baity

Forerunner, "WorldWatch,"

A convergence of adverse and unexpected events has resulted in a global supply chain crisis of enormous proportions, threatening to derail worldwide economic activity in virtually every financial sector, with social and political stability stumbling in its wake.

The trouble began with the global lockdown—beginning in the spring of 2020—in response to the COVID-19 pandemic. Consumer demand for goods and services tanked rapidly, as many workers were laid off or forced to work from home. At the same time, students were required to school at home via the Internet, and everyone had to refrain from normal leisure and entertainment activities. A global recession followed, forcing many businesses to scale back their operations severely, if not to close down altogether.

As economic activity declined, so did orders for durable goods like appliances, televisions, tools, cars and trucks, and furniture. As the demand for durable goods waned, so did orders for the various components used to manufacture those goods, like computer chips, nuts, bolts, nails, and glues. As the need for such parts diminished, so did orders for raw materials like steel and aluminum, lumber, precious metals, plastics, paper, and rubber. Finally, with decreasing demand, the vast sales, distribution, and transportation networks needed to support the entire process had to scale way back or shut down.

The manufacturing supply chain is global in scope and reliant upon cheap, human labor for much of the process. Shutting it down was easy when the orders dried up and the laborers were suddenly unavailable. However, bringing it all back up to speed in the face of sudden, increased demand for durable goods has proven to be a massive challenge that is still seeking

solutions. From continuing pandemic confusion, worker shortages, energy disruptions, political infighting, and cultural changes, and because of its global complexity, the supply chain is buckling and about to snap.

Of immediate concern are the colossal backups and bottlenecks endemic to the worldwide transportation and distribution networks. These networks are accustomed to dealing with such challenges and can do so effectively when operating at peak efficiency. However, the pandemic continues to haunt the transportation system with a severe shortage of workers to pack, ship, receive, load and unload, and distribute the raw materials, components, and durable goods to their proper destinations.

Consequently, shipping and receiving ports are clogged as never before. Around the world, hundreds of massive transport ships float at anchor in line outside the ports awaiting access to a dock to load or unload their goods. In the meantime, the coveted dock space is already overflowing with innumerable shipping containers, filled with desperately needed goods and awaiting transport by a system vastly understaffed and unprepared to handle the increased traffic.

As a further consequence, large manufacturers are unable to resume operations full steam, and smaller manufacturers are shuttering their operations permanently, unable to afford the rising costs of doing business without a product to sell. Retailers are closing their doors, and the restaurant business, always dependent upon a healthy economy, is sinking fast.

And finally, because of the challenges mentioned above, consumers are witnessing empty shelves, depleted car lots, extended wait times for delivery of products, and rapidly rising prices. This situation is the formula for the dreaded phenomenon called stagflation, which is marked by declining economic activity, increasing unemployment, and accelerated inflation. Regrettably, many experts see no rapid conclusion to the crisis. Most predict it will extend well into 2022 or beyond.

Historically, a slumping world economy leads to widespread hunger, social and political disruption, wars, and upheaval of societal norms. Currently, the future looks bleak not only for the United States but the entire globe, as it searches for solutions from distracted, incompetent, and narcissistic leaders

without involving our Creator. If these threats to world order continue unabated, we could soon see conditions increasingly conducive to a new world order, led by a troubling Beast power, full of promises, but just like our global supply chain today, ultimately unable to deliver.