

General Assembly Commission on Disarmament & International Security

Research Report



Forum: General Assembly Commission on Disarmament & International Security

Issue: Addressing the impact of military combat on global supply chains

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Introduction

There can often be a significant impact on global supply chains due to military conflicts around the world. In the modern interconnected world economy, supply chains are crucial systems that transport goods and materials between producers and consumers worldwide. In the face of military conflicts, these systems are often met with numerous disruptions and obstacles like damage to critical infrastructure, labor shortages, higher delays and costs on transportation, as well as complications in the production stage of important materials. Furthermore, trade barriers and economic sanctions are often used to combat these military conflicts, further complicating international trade. Understanding these effects is crucial due to the fact that the scale of these disruptions can impact the availability and cost of goods and services globally, ranging from everyday items to critical supplies. This report aims to provide a comprehensive and complete rundown of the issue at hand while including historical context, key terms and events, possible solutions, and the roles of relevant actors involved in addressing the obstacles put forward by military conflicts on global supply chains.

Definition of Key Terms

Global Supply Chain

A network of suppliers, manufacturers, and distributors that work together to produce and deliver goods and services to consumers across multiple countries.

Infrastructure

Physical and organizational structures, such as roads, ports, and communication systems, are necessary to operate a society or enterprise.

Economic Sanctions

Penalties imposed by one country (or group of countries) on another, usually in the form of trade restrictions, to achieve foreign policy or national security objectives.

Trade Barriers

Government-imposed regulations such as tariffs, quotas, and embargoes restrict international trade.

Logistics

The process of planning, implementing, and controlling the efficient movement and storage of goods, services, and related information from the point of origin to the point of consumption.

Supply Chain Disruption

Interruptions in the normal flow of goods and services within a supply chain are often caused by events such as natural disasters, economic instability, or military conflict.

Labor Shortage

A situation where there are insufficient qualified workers available to meet the demand for labor within an industry or sector.

Critical Materials

Essential raw materials or components required for the production of goods are often specific to certain industries and vulnerable to supply chain disruptions.

Contingency Planning

It is developing strategies and plans to prepare for and respond to unexpected events that could disrupt normal operations.

Risk Management

The identification, assessment, and prioritization of risks followed by coordinated efforts to minimize, monitor, and control the impact of unfortunate events.

Major Countries and Organizations Involved

United States

The USA holds a significant role in the world's global supply chains simply through its advanced economy and huge military presence. However, military conflicts that the US is involved in can lead to issues with trade routes, increased security, and crucially, economic sanctions that will inevitably impact global supply chains. Several governmental agencies like the Department of Defense (DoD) and others work to minimize these effects by using risk management and contingency planning as well.

United Nations

Through its various bodies like the Security Council and other specialized agencies, the UN chooses to address the impact of military conflicts on global supply chains by promoting peace and security. Examples of this include the UN Global Compact initiative that encourages businesses to use sustainable and strong supply chain practices with the intention to withstand issues faced by military conflicts.

European Union (EU)

Through its member states, the EU is a key player in global trade and supply chain logistics. Military conflicts within or near Europe, such as those in Ukraine, can severely disrupt regional supply chains. The EU works on strengthening supply chain resilience through policies and regulations aimed at diversifying sources and improving infrastructure.

Russia

Russia's involvement in military conflicts, such as those in Ukraine, can lead to significant disruptions in energy supplies, particularly natural gas, which is critical for many countries.

Economic sanctions imposed by other nations in response to Russian military actions further complicate global supply chains, particularly in the energy and raw materials sectors.

China

As a major manufacturing hub, China is central to many global supply chains. Military tensions in regions like the South China Sea or border disputes can disrupt maritime and overland trade routes, impacting the flow of goods. China's Belt and Road Initiative aims to enhance global trade connectivity but also creates strategic vulnerabilities that can be exploited during conflicts.

World Trade Organization (WTO)

The WTO plays a crucial role in regulating international trade and addressing disruptions caused by military conflicts. It works to ensure that trade flows as smoothly and predictably as possible, even during geopolitical tensions. The WTO also provides a platform for resolving trade disputes that may arise from conflicts.

Logistics and Shipping Companies

Companies like FedEx and DHL are vital for global supply chains. They develop strategies to navigate conflict zones safely and efficiently, using alternative routes and modes of transport to avoid disrupted areas. These companies also play a role in emergency logistics, delivering essential supplies during crises.

Timeline of Events

| Date | Description of Event |
|--------------------|--|
| August 2, 1990 | Iraq's invasion of Kuwait led to the Gulf War, significantly disrupting oil supply chains globally. |
| September 11, 2001 | The terrorist attacks in the U.S. prompted heightened security measures, impacting air freight and global logistics. |
| March 20, 2003 | The U.S. invasion of Iraq initiated a prolonged conflict, causing extensive disruptions in regional supply chains. |
| | Russia's invasion of Ukraine resulted in immediate sanctions and |

February 24, 2022 disruptions in energy and agricultural supply chains.

March 2022 Global food prices surged due to the conflict in Ukraine, which is a major grain exporter, affecting worldwide supply.

Relevant UN Treaties and Events

United Nations Security Council Resolution 2178 (2014)

Addressed the threat posed by foreign terrorist fighters and emphasized the need for international cooperation to manage security risks, which can affect supply chains.

UN Global Compact (2000)

Encourages businesses worldwide to adopt sustainable practices, including resilience in supply chains, particularly in conflict-affected areas.

Previous Attempts to Solve the Issue

NATO Logistics Handbook: Provides guidelines for military logistics operations, emphasizing the importance of supply chain resilience in conflict scenarios.

The U.S. National Defense Strategy (2018)

Highlights the need for a robust logistics framework to ensure military readiness and adaptability in the face of global supply chain disruptions.

European Union's Action Plan on Military Mobility (2018): Aims to enhance the movement of military personnel and equipment across Europe, addressing logistical challenges posed by military conflicts.

Possible Solutions

Diversification of Supply Chains

By diversifying suppliers as well as production locations, countries can reduce their reliance on any one region. Also, distributing operations across multiple countries can help businesses combat the risk of obstacles caused by military conflicts in one area. For

example, if a company receives its goods from multiple countries, it would be less prone to any issues if one of its suppliers is affected by conflict because they have other sources of goods.

1. **Utilization of Technology and Innovation:** The use of advanced technology like blockchain, AI, and the Internet of Things (IoT) could help enhance the visibility and efficiency of supply chains. Blockchain can ensure secure and transparent tracking of goods and materials, AI can predict obstacles and quickly help with logistics, and IoT can also keep track of the condition and location of shipments in real time.
2. **Enhanced Risk Management and Contingency Planning:** Companies would be able to create and adopt strong risk management tactics and contingency plans. This helps because it addresses the following: identification of possible risks, assessing the impact of them, and developing strategies to respond swiftly and effectively. For example, businesses can have backup suppliers and keep more inventory levels, or find alternative shipping routes.
3. **Investment in Infrastructure Resilience:** Investing in robust infrastructure can help keep supply chains functioning effectively during military conflicts. This involves developing resilient transportation and infrastructure, secure areas of production, and strong communication methods. Governments and international organizations can help these investments to make sure that influential supply chains remain intact.

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