

This is Why Shortages of Everything Won't End Anytime Soon

"Supply Chain" is a term not many of us thought of before March of 2020. We did, however, enjoy getting what we wanted, when we wanted it. The pandemic changed all that.

"There is no automaker that has not been hindered in some way, shape, or form when it comes to sales because they just simply have no inventory," said Ivan Drury, Senior Dir. of Insights for .

"Whatever becomes the hot toy of the season in the next month or two may not be there in huge quantities," said Steve Pasierb, President and CEO of the Toy Industry Association.

Some of the worst backups are happening in what's called durable goods: appliances, laptops, and furniture. That's because the pandemic changed spending habits.

"People said, 'Well if I can't go on vacation, I'll get a bicycle. Or I'll repaint the house, put in new curtains.' And then they found paint was on backorder, curtains were on backorder because everybody was trying to buy these durable goods that everyone else wanted," explained economic consultant Bill Conerly.

Many businesses also cut back at the outset, expecting a major slow-down in sales.

"Then came summer of last year. Consumer spending was there and all these businesses tried to turn around real fast, but it's hard to turn around real fast," Conerly told CBN News.

Then, according to Conerly, came the perfect storm.

“The Suez Canal got clogged, a couple of the seaports in China were closed because of COVID, the hurricane took down natural gas production, which is a feedstock for a lot of chemicals,” he explained.

Still, Conerly believes the biggest overall interruption came in the workforce.

“The shortage of workers is common all around the country, and as a result, businesses that want to increase their production, want to serve their customers better, want to stock up on inventory, they cannot find the workers,” Conerly said.

This affects each level of the domestic supply chain; from factories to the trucking industry to distribution centers. And international goods can’t get here because of a major backup at our ports. Shipping containers are waiting to unload for up to eight days, due in part to labor shortages at docks. {eoa}

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