

Disruptions in availability of grocery items mostly originate in the middle portion of food supply chains

From the onset of COVID-19 two years ago, we have gone from one supply chain problem to the next. Remember the “Great Toilet Paper Shortage” we experienced within a couple of days after it became clear that the virus was spreading quickly, and schools and businesses closed? It took months before one could purchase more than a package or two of toilet paper at a time.

After that we had the spread of COVID-19 in the packing plants. This spread led to the shut-down of some of the plants. The result of this on the input side of the chicken supply chain was that farmers had to hold and feed their chickens until the plants could open back up. On the output side, the clearest result of that supply chain disruption can be seen in the huge size of the chicken breasts that were for sale in the local grocery store. It also imposed additional costs on the packers as they had to do additional cleaning before they could reopen.

The next supply chain disruption came as people increased their purchase of a broad range of consumer goods now that many were working or studying from home. Our increased reliance in imported goods and just-in-time production and delivery resulted in empty shelves as production slowed down in China and there were not enough shipping containers in the right places to get the available products to their destination.

Complicating things further, we had problems in US ports with ships waiting days before their cargo could be offloaded. And, as if that weren’t problem enough, there was a shortage of truck drivers to pick up the shipping containers, move them out of the port facilities, and deliver them to their destination in the US.

With the introduction of the highly transmissible Omicron variant in the US, we have a new set of problems. Not only do we continue to have problems in the packing plants, but we’re also now seeing problems in keeping enough illness-free people to operate distribution centers and deliver the goods to retail stores.

As a result, in the meat, dairy, and produce departments, it is not unusual for stores to have 30 to 40 percent of the items they ordered crossed off the order because sufficient product is not available on that day. Some items are unavailable for a day or two while other items are not available for months at a time or more. Who can find chicken livers?

In addition, consumers cannot be sure that the products that are not crossed off the order will be available to them if the produce, dairy, and meat delivery that was supposed to arrive at 5:00 a.m. does not arrive that day until 5:00 p.m. By that time, the people who normally break down the pallets and do the initial stocking of the shelves have gone home for the day.

As a result of these disruptions, we have observed lower prices being paid to farmers and higher prices being charged to consumers.

The problem is not on the supply side (farmers are growing the products and all the chickens have livers) or on the demand side (consumers seeking to purchase the products), but rather the spread of the Omicron variant among workers in the intermediate sector from the processing shed/plant on the one hand to warehouse workers and truckers on the other.

The problems that currently face the agricultural and food sectors are not going to be fixed by rejiggering the organizational chart of the supply chain; we are not talking about manufactured goods that must cross an ocean.

Rather, it is at the same time both simpler and more complicated than that. It involves our collective response to the appearance and persistence of the SARS-CoV-2 virus and its variants.

There is little that we can do directly, but much that we can do indirectly.

We are seeing the development of disease variants that create multiple waves of infections that keep people home from work as the result of either infection or fear of becoming infected.

So far, none of the significant variants like Delta and Omicron have originated in the US. Thus, if we are to manage this disease, we need to do it from a world-wide perspective. We need to continue to fund research into the nature of the virus and its variants. We also need to ensure that adequate supplies of vaccines are available world-wide and that we have developed distribution systems that will take the vaccine from port to person.

We know that people are tired of masking and school and business closures, but if we don't continue to take this disease seriously, we may end up lengthening the time it will affect our daily lives. In addition to the governmental responsibilities, we discussed in the last paragraph, we need to take personal responsibility. We need to wear masks, practice social distancing, and above all, get vaccinated. It is not a matter of a nanny state telling us what to do. It is a matter of public health and our own personal responsibility to ourselves and those around us.

As we pass 900,000 US deaths from COVID-19, we need to remember that Omicron may not be the last or most significant variant to come down the pike. We could see a new variant with the infectiousness of Omicron and the death rate of Delta or worse, in addition it may evade the some of the protection offered by the current vaccines. There is nothing to say that the next serious variant could not develop in the US.

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