

Agricultural Supply Chain Networks: Labor, Trade, Policies, and Resilience

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March 28, 2025



Acknowledgments

Many thanks to Professor Lihui Bai, the Co-Director of the Logistics and Distribution Institute at the J.B. School of Engineering at the University of Louisville, for the invitation to speak with you today!



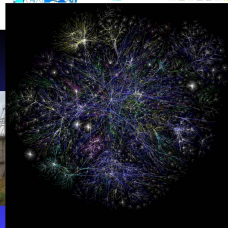
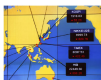
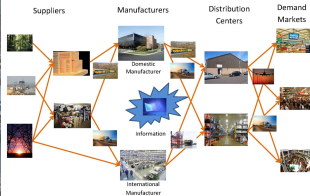
Special acknowledgments and thanks to my collaborators and students who have made research and teaching always stimulating and rewarding.

Outline of This Presentation

- **Background and Motivation**
- **Our Approach to Supply Chains**
- **Food Supply Chains and Disruptions**
- **International Agricultural Trade and Disasters**
- **The Multicommodity International Trade Model**
- **International Trade Network Performance Indicator**
- **Unified International Trade Network Performance Measure**
- **Robustness Measurement**
- **Importance Indicator of an International Trade Network Component**
- **Making a Positive Impact**

Background and Motivation

I Work on the Modeling of Network Systems



Much of My Recent Research Has Been on Supply Chains



Some of My Books



For the Love of **Operations Research (OR)** and **Networks**

From my first course at Brown University on the subject to my first projects in industry - working on naval submarines in Newport, Rhode Island, I was drawn to the power of networks, especially when combined with computing.



Off to Grad School for a PhD

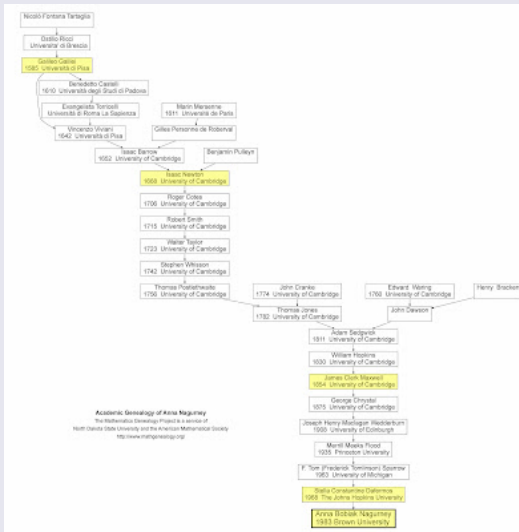
While working in high tech defense consulting I realized that I did not like having a boss. I commuted, ran marathons, and worked full time while taking courses for my Master's at Brown.

Dr. Stella Dafermos was the only female professor at the time in either Engineering or Applied Mathematics at Brown University. I became her first PhD student.



Stella was only the second female in the US to have received a PhD in OR and that was from Johns Hopkins University.

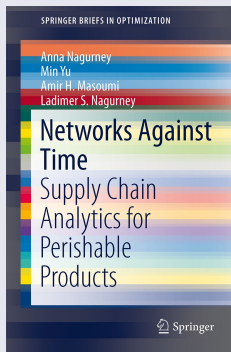
On the Shoulders of Giants - My Academic Genealogy - Maxwell, Newton, and Galileo



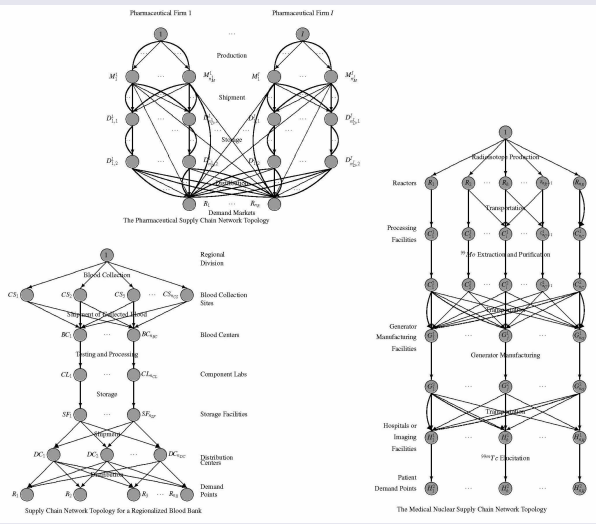
Our Approach to Supply Chains

A Multidisciplinary Approach

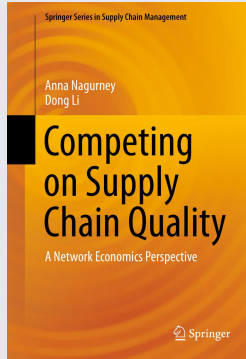
In our research on perishable and time-sensitive product supply chains, we utilize results from physics, chemistry, biology, and medicine in order to capture the perishability of various products over time from healthcare products such as blood, medical nucleotides, and pharmaceuticals to food.



Some of the Supply Chain Network Topologies

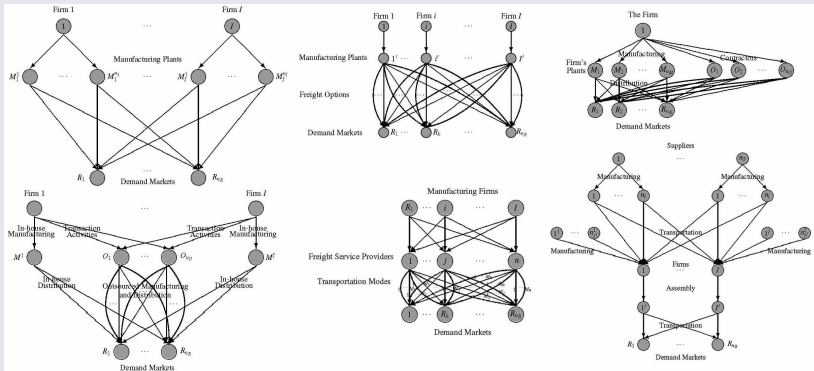


Research on Quality is Related to That on Perishability



Examples of product quality failures have included: • adulterated infant formula • inferior pharmaceuticals • defective airbags • defective ignition switches • bacteria-laden food • exploding smartphones • expired masks in the national stockpile, etc.

In the book, we present supply chain network models and tools to investigate, amongst other topics, information asymmetry, impacts of outsourcing on quality, minimum quality standards, applications to industries such as pharma, freight services and quality, and **the identification of which suppliers matter the most to both individual firms' supply chains and to that of the supply chain network economy.**



The COVID-19 Pandemic and Other Crises and Disasters

The COVID-19 pandemic dramatically and vividly demonstrated the importance of supply chains and their resilience as shortages from PPEs to paper and lumber products, cleaning supplies, high tech products, and various foods were experienced.

Major challenges and opportunities for research continue due to climate change, different kinds of threats, wars, violence and increasing strife and unrest.

The tools of Operations Research are very powerful and timely to assist in the necessary math modeling, analyses, efficient algorithms, and prescriptive analytics, coupled with policy evaluation.

Food Supply Chains and Disruptions

Food Supply Chains

Food is essential to our health and well-being. During the Covid-19 pandemic, declared on March 11, 2020 by the World Health Organization, the associated supply chains suffered major disruptions. Various disruptions continue because of climate change, wars, and other disasters (both sudden-onset and slow-onset ones).



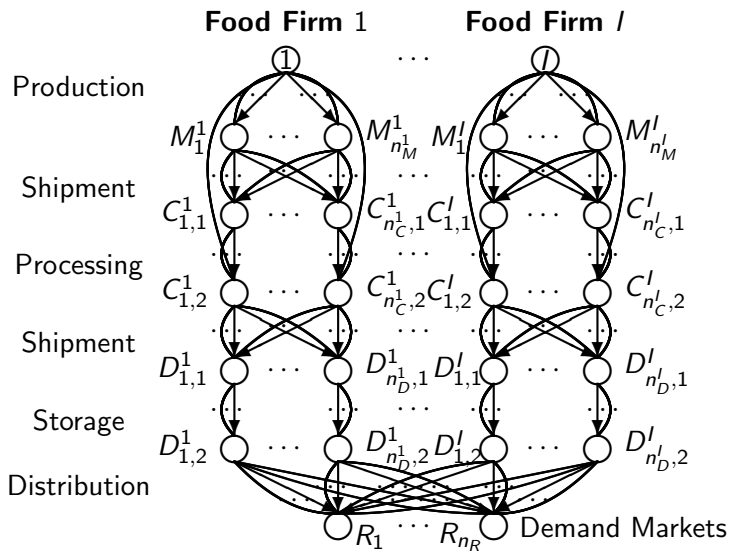
Fresh Produce Food Supply Chains

Our fresh produce supply chain network oligopoly model:

- ① captures the deterioration of fresh food along the entire supply chain from a network perspective;
- ② handles the time decay through the introduction of arc multipliers;
- ③ formulates oligopolistic competition with product differentiation;
- ④ includes the disposal of the spoiled food products, along with the associated costs;
- ⑤ allows for the assessment of alternative technologies involved in each supply chain activity.

M. Yu and A. Nagurney, “Competitive Food Supply Chain Networks with Application to Fresh Produce,” *European Journal of Operational Research* 224(2) (2013), pp 273-282.

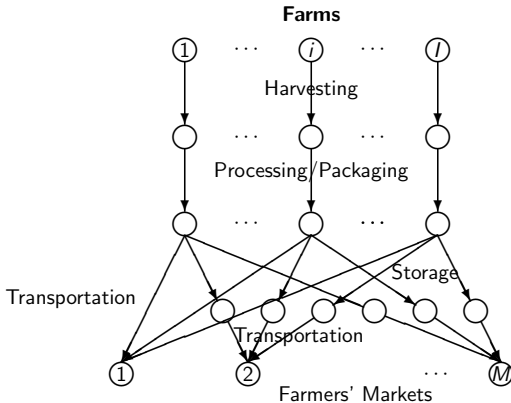
Fresh Produce Food Supply Chains



The Fresh Produce Supply Chain Network Topology

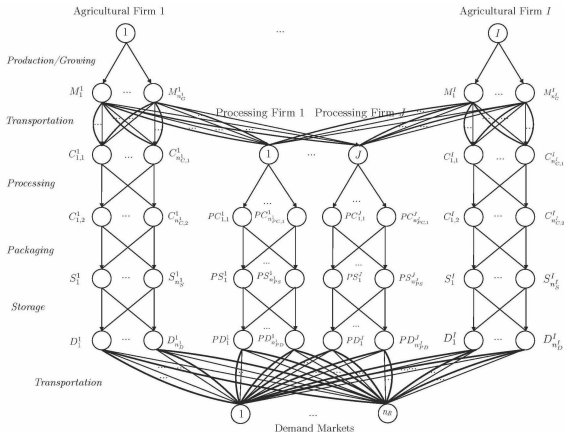
Farmers' Markets and Fresh Produce Supply Chains

- The I farms compete **noncooperatively** in an **oligopolistic** manner.
- Products are differentiated based on **quality** at the farmers' markets.



D. Besik and A. Nagurney, "Quality in Competitive Fresh Produce Supply Chains with Application to Farmers' Markets," *Socio-Economic Planning Sciences* 60 (2017), pp 62-76.

Integrated Supply Chain Network Model



D. Besik, A. Nagurney, and P. Dutta, "An Integrated Multitiered Supply Chain Network Model of Competing Agricultural Firms and Processing Firms: The Case of Fresh Produce and Quality,"
European Journal of Operational Research 307(1) (2023), pp 364-381.

Food Supply Chain Disruptions Due to COVID-19



AMERICA'S FOOD CHAIN

As coronavirus pandemic spikes orange juice sales, a Florida citrus grower gets squeezed

Janine Zeitlin, USA TODAY Network - Florida
Updated 8:07 p.m. EDT May 14, 2020

QW

An Idaho farm is giving away 2 million potatoes because coronavirus has hurt demand



By Alisha Ebrahimji, CNN

Updated 1:33 PM ET, Thu April 16, 2020



Lacking seasonal workers, Italy elevates its long-shunned migrants

THE CHRISTIAN SCIENCE
MONITOR



Farms encountering guest worker shortage amid new coronavirus restrictions

REUTERS

Piglets aborted, chickens gassed as pandemic slams meat sector

The Washington Post

Democracy Dies in Darkness

The meat industry is trying to get back to normal. But workers are still getting sick – and shortages may get worse.

There are now more than 11,000 coronavirus cases tied to Tyson Foods, Smithfield Foods and JBS

Germany Struggles To Fill Its Farm Labor Shortage After Closing Its Borders

May 20, 2020 - 10:58 AM ET



ROB SCHMITZ

n p r

It's All About People

A major research theme of ours in the COVID-19 pandemic (which continues) was the inclusion of labor in supply chains, using optimization and game theory.



January 29, 2021 in [Supply Chain Networks](#)

In the End, It's All About People

COVID-19 vaccine production reveals dependency on supply chains, labor workforce in the U.S.

By Anna Nagurney

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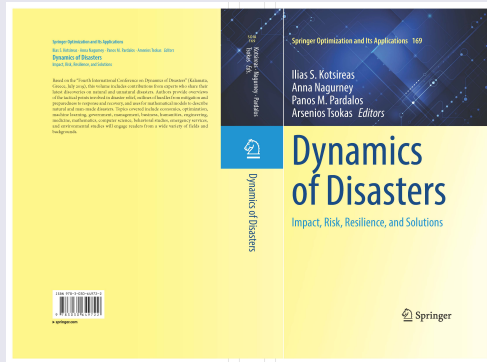
PRINT ARTICLE: [📄](#)

<https://doi.org/10.1287/orms.2021.01.17>



The COVID-19 pandemic has dramatically revealed how dependent we are on supply chains and the availability of labor. Without the human element, meatpacking plants cannot function; fresh produce cannot be picked; grocery stores cannot be shelled; PPEs cannot be produced and distributed; and products cannot be delivered to our homes through e-commerce. Also, COVID-19 vaccine production may lack the human resources to ensure product quality.

“Perishable Food Supply Chain Networks with Labor in the Covid-19 Pandemic,” A. Nagurney, in: *Dynamics of Disasters - Impact, Risk, Resilience, and Solutions*, I.S. Kotsireas, A. Nagurney, P.M. Pardalos, and A. Tsokas, Editors, Springer Nature Switzerland AG, 2021, pp 173-193.



Perishable Food Supply Chain Network Model with Labor

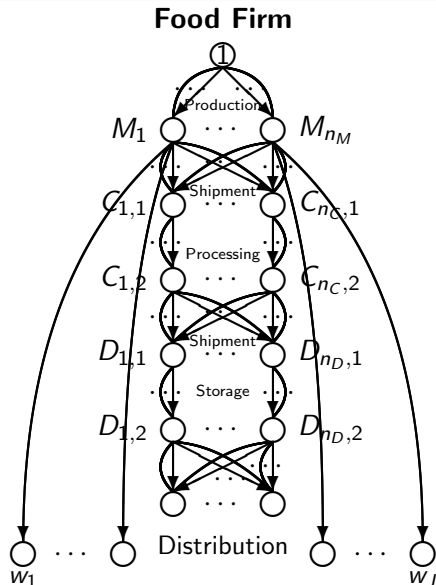


Figure: The Perishable Food Supply Chain Network Topology

- **With lack of availability of labor being one of the drivers of supply chain disruptions**, the model considers labor in all the supply chain network economic activities of production, transportation, processing, storage, and distribution, while retaining perishability.
- **There are bounds on labor availability on each link as well as a productivity factor relating product flow to labor.**
- **Impacts of the reduction of labor (capacities) on supply chain network links** can then be quantitatively evaluated on the perishable product flows, the prices that the consumers pay, and profits of the firm.
- The framework enables a variety of sensitivity analysis exercises.

Our findings include:

- ① The lack of labor on a single link, even a freight one, may significantly negatively impact a food firm.
- ② Preserving productivity in all utilized supply chain network economic activities is critical since the impact of a drastic reduction can severely reduce profits.
- ③ Adding more direct sales, whether at farmers' markets or nearby farm stands, may help a food firm in a pandemic.
- ④ Also, if a firm enhances its marketing so as to have consumers be willing to pay a higher price for its fresh produce, major profit increases can occur.

Game Theory Supply Chain Network Modeling with Labor

In “Supply Chain Game Theory Network Modeling Under Labor Constraints: Applications to the Covid-19 Pandemic,”
A. Nagurney, *European Journal of Operational Research* 293(3),
(2021), pp 880-891, a game theory model for supply chains with
labor was constructed, under three different sets of constraints,
building on our previous work.



Game Theory Supply Chain Network Model with Labor

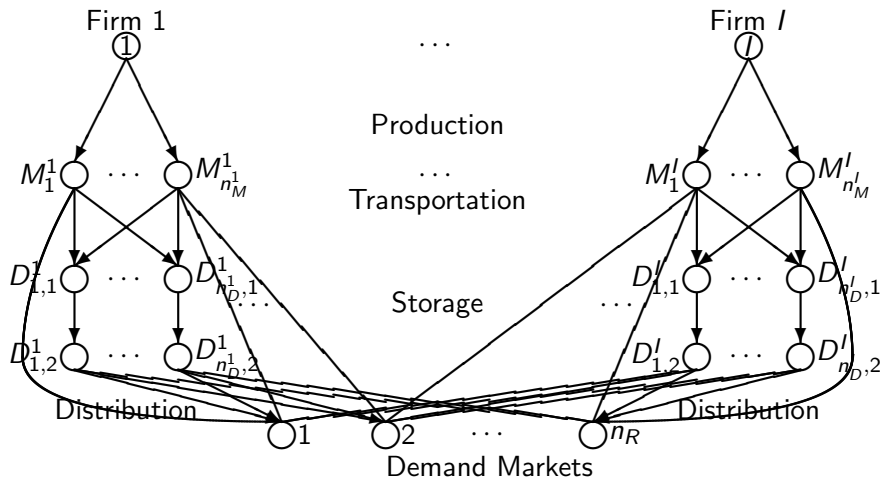


Figure: The Supply Chain Network Topology of the Game Theory Model with Labor

Numerical Experiments

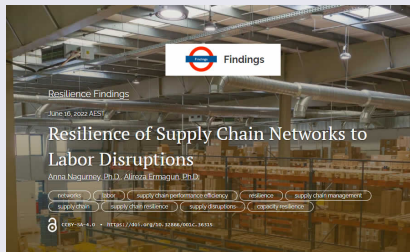
Our numerical examples are based on disruptions in migrant labor in the blueberry supply chain in the Northeast of the US in the summer of 2020.

- Disruptions in labor on a supply chain network link;
- Addition of a competitor;
- Modifications in demand price functions;
- Sensitivity analysis in terms of labor availability.

The full input and out data are available in our paper in the *European Journal of Operational Research*.

Farmers should do everything possible to secure the health of the workers at his production/harvesting facilities, so that the blueberries can be harvested in a timely manner and so that profits do not suffer. Keeping workers healthy, through appropriate measures, impacts the bottom line!

Resilience of Supply Chains to Labor Disruptions



- **Question 1:** What is the impact on efficiency and on resilience of allowing workers to perform different tasks in a supply chain network, with the constraint represented by a single bound on labor, as opposed to bounds on labor on each supply chain link?
- **Question 2:** Does resilience with respect to labor availability yield similar results to resilience with respect to labor productivity?
- **Question 3:** What can be the effect of a modification in the supply chain network topology, for example, as in the case of the introduction of electronic commerce, on network efficiency and resilience?

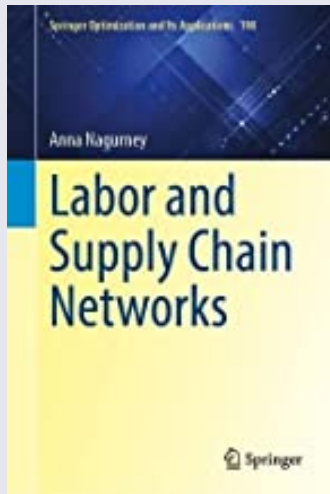
Resilience of Supply Chains to Labor Disruptions

The paper proposes two resilience measures with respect to (1) labor availability disruptions and (2) labor productivity disruptions.

Solving five distinct supply chain network examples, we find:

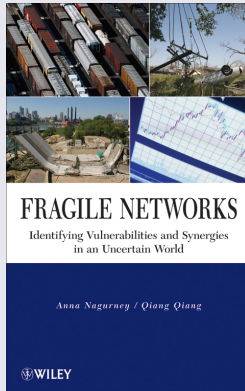
- (1).** A free movement of labor across the supply chain network results in a higher efficiency of the supply chain as well as a higher resilience.
- (2).** A reduction in labor productivity can impact the supply chain network efficiency and the corresponding resilience.
- (3).** The presence of electronic commerce escalates the efficiency of the supply chain network but diminishes resilience.

New Book



How I Became Interested in Cybersecurity

One of my books, written with a UMass Amherst Isenberg School PhD alum, was “hacked” and digital copies of it posted on websites around the globe.



In a sense, this may be viewed as a compliment since clearly someone had determined that it has some sort of value. ➤

Cybercrime and Cybersecurity

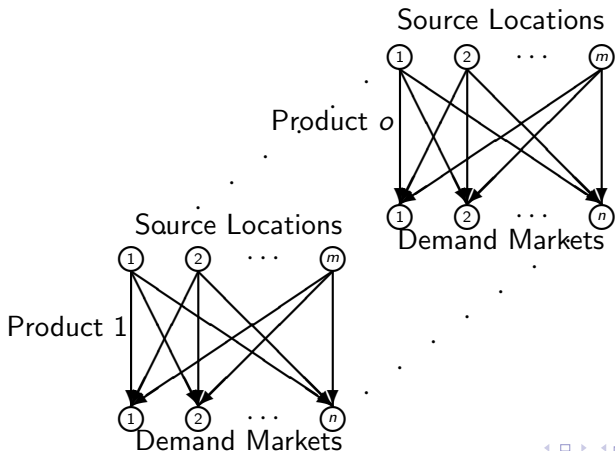
The publisher John Wiley & Sons was notified and lawyers got involved but how do you contact and then influence those responsible for postings on rather anonymous websites?

Clearly, hackers go where there is money.



Perishability and Cybercrime in Financial Products

The paper, “A Multiproduct Network Economic Model of Cybercrime in Financial Services,” A. Nagurney, *Service Science* 7(1) (2015) pp 70-81 provides insights into the perishability of value of credit cards.



International Trade and Challenges

International Trade

International trade provides us with commodities throughout the year and has benefits for producers and consumers alike.



World's Biggest Importers

Largest Importers In The World



In 2022, global imports climbed to \$25.6 trillion in value, or about the size of the U.S. GDP. As an engine of growth, global trade broadens consumer choices and can lower the cost of goods. For businesses, it can improve the quality of inputs and strengthen competitiveness.

*(in Billion USD)

	United States	\$3,376B
	China	\$2,716B
	Germany	\$1,571B
	Netherlands	\$899B
	Japan	\$897B
	United Kingdom	\$824B
	France	\$818B
	South Korea	\$731B
	India	\$723B
	Italy	\$689B
	Hong Kong SAR	\$668B
	Mexico	\$626B
	Belgium	\$621B
	Canada	\$582B
	Spain	\$493B
	Singapore	\$476B
	Taiwan	\$436B
	UAE	\$425B
	Poland	\$381B
	Türkiye	\$364B

	VietNam	\$359B
	Switzerland	\$356B
	Australia	\$309B
	Thailand	\$303B
	Malaysia	\$294B
	Brazil	\$290B
	Russia	\$242B
	Indonesia	\$237B
	Czech Republic	\$236B
	Austria	\$232B
	Sweden	\$202B
	Saudi Arabia	\$188B
	Hungary	\$163B
	Ireland	\$146B
	Philippines	\$144B
	South Africa	\$136B
	Romania	\$132B
	Denmark	\$127B
	Portugal	\$115B
	Slovakia	\$113B

Source: World Trade Organization, USAFacts
www.rankingroyals.com

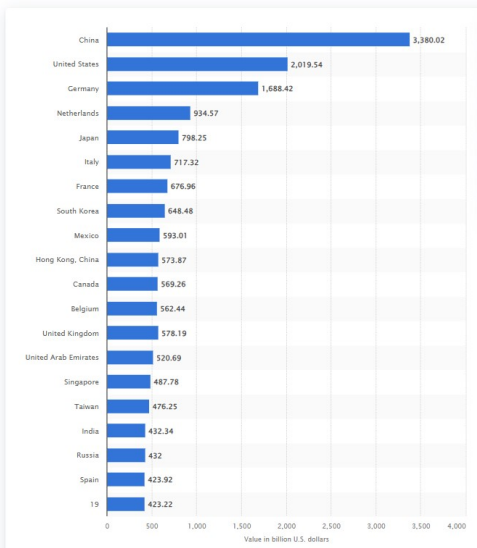
RankingRoyals



World's Biggest Exporters

Leading export countries worldwide in 2023

(in billion U.S. dollars)



Global Trade Policies

Examples of policy instruments that have been applied by governments to modify trade patterns include: **tariffs**, **quotas**, and a combination thereof - **tariff rate quotas**.



Tariffs Are Regularly in the News!

The imposition of tariffs by certain countries is leading to retaliation by other countries with ramifications across multiple supply chains, and a **trade war**.

With Higher Tariffs, China Retaliates Against the U.S.



The Yangshan Deep Water Port in Shanghai, China. The Chinese government said on Monday that it would raise tariffs on goods from the United States as of June 1, giving negotiators from the two countries time to strike a deal. *Aly Song/Reuters*

Trump's Tariffs Would Deal a Big Blow to the Auto Industry

Automakers and parts suppliers would struggle if President-elect Donald J. Trump followed through on his threat to impose 25 percent tariffs on imports from Canada and Mexico.



Nissan and other automakers are cutting thousands of jobs as they struggle to cope with sagging demand and a growing preference for hybrid and electric cars. *Ueno/Reuters*

President-elect Donald J. Trump's threat to impose 25 percent tariffs on goods from Mexico and Canada sent shivers on Tuesday through the auto industry, which depends heavily on both countries for parts and manufacturing.

Tariffs Are Regularly in the News!

CANADA INTERNATIONAL UNITED STATES

Trump's Proposed 25% Tariff on Canada and Mexico: Potential Impacts on Agriculture and Trade

By Jim Kadle - January 23, 2025



NEWS

Shipping companies warn of delays and new charges from Trump's China tariffs

Temu, Shein, and Amazon Haul are about to get wrecked



/ Delays, taxes, &
– shipping from
just got more co

What might be the impact on agriculture of tariffs on Canadian and Mexican imports?

// BLOG // WHAT MIGHT BE THE IMPACT ON AGRICULTURE OF TARIFFS ON CANADIAN AND MEXICAN IMPORTS?

Tariffs on Canadian and Mexican Imports: The Impact on Agriculture

It should come as no surprise that Mexico and Canada are the top-two US agricultural export markets

PUBLISHED ON JANUARY 29, 2025

America's favorite beer, avocados, gas and cheap stuff from Temu will get more expensive as economists warn of Trump tariffs impact

By Ronny Reyes
Published Feb. 2, 2025, 6:29 p.m. ET

1.8K Comments

New Tariffs That Start Tomorrow Could Affect Farmers and Food Prices

The Trump administration will impose a 25 percent tariff on imports from Canada and Mexico, the U.S.' first and third largest suppliers of agricultural products.

BY USA TODAY • JANUARY 31, 2025

Trump's tariffs will hurt UK wherever they're imposed, says Bank

A global trade war would hit growth even if Britain is not a 'direct recipient' of the US president's levies on imports, the Bank of England governor says

NEW

LOCAL NEWS

Colorado agriculture producers brace for tariff impacts



By Chris Young
February 5, 2025 | 7:02 AM MST | CBS Colorado



We have been developing **computable operational mathematical models** that enable the assessment of the impacts of trade policy instruments such as tariff rate quotas on consumer prices, trade flows, as well as on the profits of producers/firms.

This is very challenging research!

Motivation

- A tariff rate quota (TRQ) is a **two-tiered tariff**, in which a lower **in-quota tariff** is applied to imports until a quota is attained and then a higher **over-quota tariff** is applied to all subsequent imports.
- The Uruguay Round in 1996 induced the creation of more than 1,300 new TRQs.
- The world's four most important food crops: rice, wheat, corn, and bananas have all been subject to tariff rate quotas.



Some of Our Papers on Tariffs and Other Policies



An Example of Our Trade Policy Research

A. Nagurney, D. Besik, and L.S. Nagurney, “Global Supply Chain Networks and Tariff Rate Quotas: Equilibrium Analysis with Application to Agricultural Products, *Journal of Global Optimization* 75 (2019), pp 439-460.



Another Example of Our Trade Policy Research

A. Nagurney, D. Besik, and J. Dong, “Tariffs and Quotas in World Trade: A Unified Variational Inequality Framework,”
European Journal of Operational Research 275(1) (2019), pp 347-360.



International Agricultural Trade

International agricultural trade provides us with essential agri-food commodities throughout the year, ensuring our food security and simultaneously benefiting the farmers.



Disasters and Food Security

- Climate change and COVID-19 impacted the affordability and accessibility of agri-food products around the globe.
- With the added disruptions of Russia's full-scale invasion of Ukraine on February 24, 2022, around 47 million people are estimated to have been added to the more than 276 million who were already facing food insecurity.
- Critical links such as the Panama Canal and the Red Sea and Suez Canal have been disrupted because of a drought affecting the former and Houthi attacks the latter.



Acknowledgment



I acknowledge the partnership between the University of Massachusetts Amherst and the Kyiv School of Economics, which facilitated our research on international agricultural trade.

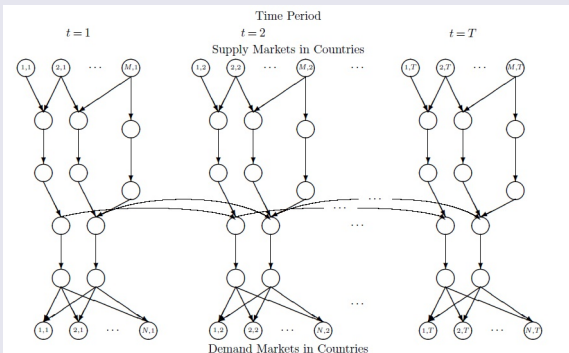


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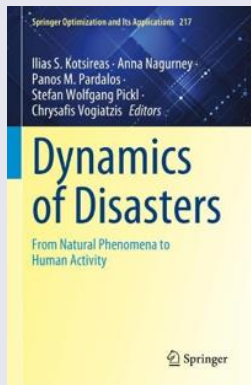
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A Multiperiod International Agricultural Trade Network Topology



D. Hassani, A. Nagurney, O. Nivievskyi, and P. Martyshev, "A Multiperiod, Multicommodity, Capacitated International Agricultural Trade Network Equilibrium Model with Applications to Ukraine in Wartime," *Transportation Science* **59**(1) (2025), pp 143-164.



In the edited volume is the paper, “Quantification of International Trade Network Performance Under Disruptions to Supply, Transportation, and Demand Capacity, and Exchange Rates in Disasters,” by A. Nagurney, D. Hassani, O. Nivievskiy, and P. Martyshev, pp 151-179.

The Multicommodity International Trade Model

The Multicommodity International Trade Model

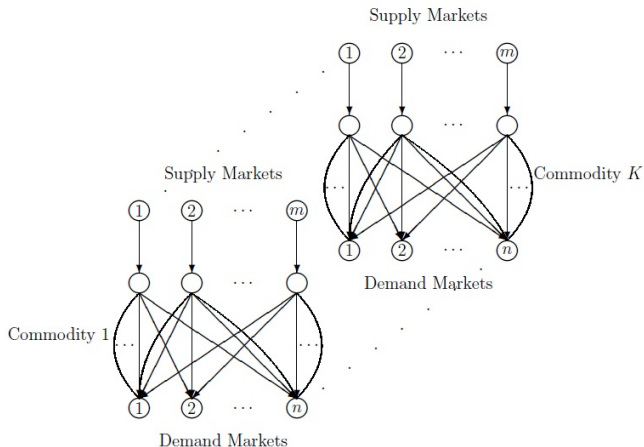


Figure 1: The Multicommodity International Trade Network

Parameters

Notation	Parameter Definition
$u_i^{s^k \xi_l}$	upper bound on supply of commodity k ; $k = 1, \dots, K$ at supply market i ; $i = 1, \dots, m$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$.
$u_{ijr}^{Q^k \xi_l}$	upper bound on transport of commodity k ; $k = 1, \dots, K$ from supply market i ; $i = 1, \dots, m$ to demand market j ; $j = 1, \dots, n$ on route r ; $r = 1, \dots, P$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$.
$u_j^{d^k \xi_l}$	upper bound on the demand of commodity k ; $k = 1, \dots, K$ at demand market j ; $j = 1, \dots, n$, under disaster scenario ξ_l ; $l = 1, \dots, \omega$. We group all the upper bounds for all the disaster scenarios into the vector u .
$e_{ij}^{\xi_l}$	exchange rate from supply market i ; $i = 1, \dots, m$ to demand market j ; $j = 1, \dots, n$ and disaster scenario ξ_l ; $l = 1, \dots, \omega$. We group the exchange rates for disaster scenario ξ_l ; $l = 1, \dots, \omega$ into the vector $e^{\xi_l} \in R_+^{mn}$ and then group all the exchange rates for all the disaster scenarios into the vector $e \in R_+^{mn\omega}$.

Variables

Notation	Variable Definition
$s_i^{k\xi_l}$	the supply of the commodity k ; $k = 1, \dots, K$, at supply market i ; $i = 1, \dots, m$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$. We group all the supplies at disaster scenario ξ_l ; $l = 1, \dots, \omega$ into the vector $s^{\xi_l} \in R_+^{Km}$, and then group all the supplies for all the disaster scenarios into the vector $s \in R_+^{Km\omega}$.
$d_j^{k\xi_l}$	the demand for the commodity k ; $k = 1, \dots, K$ at demand market j ; $j = 1, \dots, n$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$. We group all the demands at disaster scenario ξ_l ; $l = 1, \dots, \omega$ into the vector $d^{\xi_l} \in R_+^{Kn}$, and then group all the demands for all the disaster scenarios into the vector $d \in R_+^{Kn\omega}$.
$Q_{ijr}^{k\xi_l}$	the shipment of the commodity k ; $k = 1, \dots, K$, from supply market i ; $i = 1, \dots, m$, to demand market j ; $j = 1, \dots, n$, on route r ; $r = 1, \dots, P$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$. We group all the commodity shipments at disaster scenario ξ_l ; $l = 1, \dots, \omega$ into the vector $Q^{\xi_l} \in R_+^{KmnP}$, and then group all the commodity shipments into the vector $Q \in R_+^{KmnP\omega}$.

Functions

Notation	Function Definition
$\pi_i^k(s^{\xi_l})$	the supply price function for commodity k ; $k = 1, \dots, K$, at supply market i ; $i = 1, \dots, m$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$.
$\rho_j^k(d^{\xi_l})$	the demand price function for commodity k ; $k = 1, \dots, K$ at demand market j ; $j = 1, \dots, n$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$.
$c_{ijr}^k(Q^{\xi_l})$	the unit transportation cost associated with shipping the commodity k ; $k = 1, \dots, K$, from supply market i ; $i = 1, \dots, m$, to demand market j ; $j = 1, \dots, n$ via route r ; $r = 1, \dots, P$ under disaster scenario ξ_l ; $l = 1, \dots, \omega$.

Equilibrium Conditions

Definition 1: The Multicommodity International Trade Network Equilibrium Conditions Under Capacity Disruptions in Disasters

A shipment and Lagrange pattern $(Q^{\xi_I*}, \lambda^{s\xi_I*}, \lambda^{Q\xi_I*}, \lambda^{d\xi_I*}) \in \mathcal{K}^{\xi_I}$, where

$$\mathcal{K}^{\xi_I} \equiv \{(Q^{\xi_I}, \lambda^{s\xi_I}, \lambda^{Q\xi_I}, \lambda^{d\xi_I}) | (Q^{\xi_I}, \lambda^{s\xi_I}, \lambda^{Q\xi_I}, \lambda^{d\xi_I}) \in R_+^{KmnP+Km+KmnP+Kn}\}$$

is a multicommodity international trade network equilibrium under disaster scenario ξ_I ; $I = 1, \dots, \omega$, if the following conditions hold: for all commodities k ; $k = 1, \dots, K$; for all supply and demand market pairs: (i, j) ; $i = 1, \dots, m$; $j = 1, \dots, n$, and for all routes r ; $r = 1, \dots, P$:

$$(\tilde{\pi}_i^k(Q^{\xi_I*}) + c_{ijr}^k(Q^{\xi_I*}))e_{ij}^{\xi_I} + \lambda_i^{s^k\xi_I*} + \lambda_{ijr}^{Q^k\xi_I*} + \lambda_j^{d^k\xi_I*} \begin{cases} = \tilde{\rho}_j^k(Q^{\xi_I*}), & \text{if } Q_{ijr}^{k\xi_I*} > 0, \\ \geq \tilde{\rho}_j^k(Q^{\xi_I*}), & \text{if } Q_{ijr}^{k\xi_I*} = 0; \end{cases} \quad (1)$$

Equilibrium Conditions

For all commodities k ; $k = 1, \dots, K$, and for all supply markets i ;
 $i = 1, \dots, m$:

$$u_i^{s^k \xi_l} \begin{cases} = \sum_{j=1}^n \sum_{r=1}^P Q_{ijr}^{k \xi_l^*}, & \text{if } \lambda_i^{s^k \xi_l^*} > 0, \\ \geq \sum_{j=1}^n \sum_{r=1}^P Q_{ijr}^{k \xi_l^*}, & \text{if } \lambda_i^{s^k \xi_l^*} = 0; \end{cases} \quad (2)$$

for all commodities k ; $k = 1, \dots, K$, and for all supply and demand
markets (i, j) ; $i = 1, \dots, m$; $j = 1, \dots, n$, and for all routes r ;
 $r = 1, \dots, P$:

$$u_{ijr}^{Q^k \xi_l} \begin{cases} = Q_{ijr}^{k \xi_l^*}, & \text{if } \lambda_{ijr}^{Q^k \xi_l^*} > 0, \\ \geq Q_{ijr}^{k \xi_l^*}, & \text{if } \lambda_{ijr}^{Q^k \xi_l^*} = 0; \end{cases} \quad (3)$$

and for all commodities k ; $k = 1, \dots, K$, and for all demand markets j ;
 $j = 1, \dots, n$, and for all routes r ; $r = 1, \dots, P$:

$$u_j^{d^k \xi_l} \begin{cases} = \sum_{i=1}^m \sum_{r=1}^P Q_{ijr}^{k \xi_l^*}, & \text{if } \lambda_j^{d^k \xi_l^*} > 0, \\ \geq \sum_{i=1}^m \sum_{r=1}^P Q_{ijr}^{k \xi_l^*}, & \text{if } \lambda_j^{d^k \xi_l^*} = 0. \end{cases} \quad (4)$$

Variational Inequality Formulation

Theorem 1

A multicommodity shipment and Lagrange multiplier pattern $(Q^{\xi_I*}, \lambda^{s\xi_I*}, \lambda^{Q\xi_I*}, \lambda^{d\xi_I*}) \in \mathcal{K}^{\xi_I}$ is a multicommodity international trade network equilibrium under capacity disruptions in disasters, according to Definition 1, if and only if it satisfies the variational inequality:

$$\begin{aligned}
 & \sum_{k=1}^K \sum_{i=1}^m \sum_{j=1}^n \sum_{r=1}^P \left[(\tilde{\pi}_i^k(Q^{\xi_I*}) + c_{ijr}^k(Q^{\xi_I*})) e_{ij}^{\xi_I} + \lambda_i^{s^k \xi_I*} + \lambda_{ijr}^{Q^k \xi_I*} + \lambda_j^{d^k \xi_I*} - \tilde{\rho}_j^k(Q^{\xi_I*}) \right] \\
 & \quad \times (Q_{ijr}^{k \xi_I} - Q_{ijr}^{k \xi_I*}) \\
 & \quad + \sum_{k=1}^K \sum_{i=1}^m \left[u_i^{s^k \xi_I} - \sum_{j=1}^n \sum_{r=1}^P Q_{ijr}^{k \xi_I*} \right] \times (\lambda_i^{s^k \xi_I} - \lambda_i^{s^k \xi_I*}) \\
 & \quad + \sum_{k=1}^K \sum_{i=1}^m \sum_{j=1}^n \sum_{r=1}^P \left[u_{ijr}^{Q^k \xi_I} - Q_{ijr}^{k \xi_I*} \right] \times (\lambda_{ijr}^{Q^k \xi_I} - \lambda_{ijr}^{Q^k \xi_I*}) \\
 & \quad + \sum_{k=1}^K \sum_{j=1}^n \left[u_j^{d^k \xi_I} - \sum_{i=1}^m \sum_{r=1}^P Q_{ijr}^{k \xi_I*} \right] \times (\lambda_j^{d^k \xi_I} - \lambda_j^{d^k \xi_I*}) \geq 0, \quad \forall (Q^{\xi_I}, \lambda^{s\xi_I}, \lambda^{Q\xi_I}, \lambda^{d\xi_I}) \in \mathcal{K}^{\xi_I}.
 \end{aligned}
 \tag{5}$$

International Trade Network Performance Indicator

Definition 2: International Trade Network Performance Indicator Under Capacity and Exchange Rate Disruption ξ_I

For an international trade network $G = [N, L]$, where N is the set of nodes and L is the set of links, as depicted in Figure 1, and, given the underlying multicommodity supply price, unit transportation cost, and demand price functions, and exchange rates and capacities associated with disaster scenario ξ_I , we define the performance \mathcal{E}^{ξ_I} as follows:

$$\mathcal{E}^{\xi_I}(G, \tilde{\pi}, c, \tilde{p}, u^{\xi_I}, e^{\xi_I}) = \frac{1}{Kn} \sum_{k=1}^K \sum_{j=1}^n \frac{d_j^{k\xi_I*}}{\hat{p}_j^k(Q^{\xi_I*})}, \quad (6)$$

where the demands and the incurred demand market prices are obtained through the solution of variational inequality (5) for the problem.

Unified International Trade Network Performance Measure

Assessing Performance of International Trade Networks

Definition 3: Unified International Trade Network Performance Measure

The performance indicator \mathcal{E} for an international trade network under disruption set Ξ and with associated probabilities $p_{\xi_1}, p_{\xi_2}, \dots, p_{\xi_\omega}$, respectively, is defined as:

$$\mathcal{E} = \sum_{l=1}^{\omega} \mathcal{E}^{\xi_l} p_{\xi_l}. \quad (7)$$

We let \mathcal{E}^0 be the performance of the international trade network under its original (not disrupted) upper bounds/capacities and original exchange rates, such that:

$$\mathcal{E}^0(G, \tilde{\pi}, c, \tilde{\rho}, u^0, e^0) = \frac{1}{Kn} \sum_{k=1}^K \sum_{j=1}^n \frac{d_j^{k*}}{\hat{\rho}_j^k(Q^*)}, \quad (8)$$

where u^0 denotes the vector of original capacities not under disruptions and e^0 denotes the vector of exchange rates, also, not under disruptions. We refer to the expressions in (7) and (8) as “efficiency” measures.

Robustness Measurement

Definition 4: Robustness of an International Trade Network Under Disruptions

The robustness, \mathcal{R} , of an international trade network under capacity and exchange rate disruptions is calculated as:

$$\mathcal{R} = \mathcal{E}^0 - \mathcal{E}. \quad (9)$$

According to the above definition, an international trade network is more robust if, under disruptions, its performance lies close to its performance in the absence of disruptions; that is, the closer the value of \mathcal{R} is to 0.00, the more robust to disruptions the international trade network is.

Importance Indicator of an International Trade Network Component

Assessing Performance of International Trade Networks

Definition 5: Importance Indicator of an International Trade Network Component

The importance indicator of an international trade network component g where g can correspond to a supply market, a demand market, or a transportation route, or a combination thereof is defined as:

$$I(g) \equiv \frac{\mathcal{E}(G, \tilde{\pi}, c, \tilde{\rho}, u^0, e^0) - \mathcal{E}(G - g, \tilde{\pi}, c, \tilde{\rho}, u^0, e^0)}{\mathcal{E}(G, \tilde{\pi}, c, \tilde{\rho}, u^0, e^0)}, \quad (10)$$

where $G - g$ denotes the graph with the component g no longer functioning.

Note that the international trade network component importance indicator (10) quantifies the relative efficiency/performance drop of the trade network when the component is no longer available.

Some of the Insights Gained

Numerical examples, drawn from the consequences of Russia's war on Ukraine, and focused on the agricultural trade of wheat and corn from Ukraine to MENA (Middle East and North Africa) countries; specifically, Lebanon and Egypt, were solved using an easy to implement algorithm to feature several disaster scenarios in addition to the baseline scenario.

Our results reinforce the importance of the maritime routes for the efficiency of this international trade network. For example, pre-war, Ukraine used to export more than 90% of its grains via maritime freight through its Black Sea ports.

When we considered disruption scenarios of reduction to supply capacity, to transportation capacity, and to both, as in wartime, which are quite representative of the actual scenarios as the war on Ukraine by Russia has progressed for over 3 years, the international trade network considered here is not robust.

Some of the Insights Gained

In various studies, focusing on international trade of wheat and corn, and with countries such as Ukraine, and MENA countries of Egypt and Lebanon, we have demonstrated:

- The impacts of the Black Sea disruptions on food insecurity in terms of prices and quantity of trade flows of wheat and corn;
- The importance of efficient, effective transportation routes that include maritime transport on the Black Sea;
- How subsidies can assist farmers in wartime;
- The effects of arable land reduction on crop planting decision-making;
- The importance of various transportation links (and their ranking), among other findings.

Some of the Insights Gained

Plus, our recent research has also investigated quantitatively the impacts of the drought in the Panama Canal on the banana trade to the US and Europe from South America, with the inclusion of quality deterioration due to time delays.

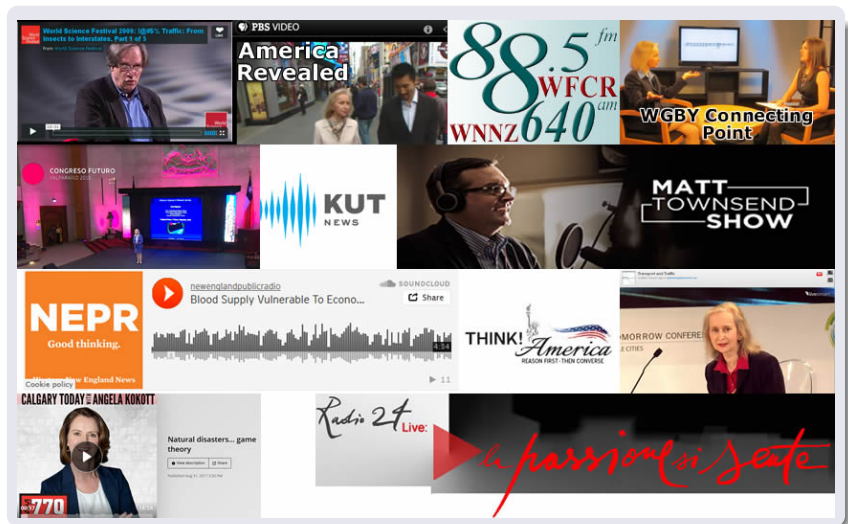


Making a Positive Impact

Writing OpEds



Coverage by the Media



Writing OpEds in the Pandemic

On March 11, 2020 the WHO declared the pandemic. On March 12 my article on blood supply chains in *The Conversation* appeared and, on March 24 my article in *INFORMS Analytics Coronavirus Chronicles*.

Writing OpEds in the Pandemic

On August 4, 2020, I published an article in *The Conversation*,

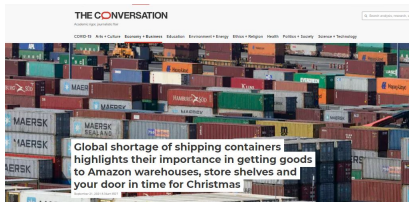
“The Raging Competition for Medical Supplies is not a Game, but Game Theory Can Help.”



On September 18, 2020, I published another article in *The Conversation*,

“Keeping Coronavirus Vaccines at Subzero Temperatures During Distribution Will Be Hard, but Likely Key to Ending Pandemic.”

Writing OpEds in the Pandemic



On April 5, 2021, I published the article,

“Today’s Global Economy Runs on Standardized Containers, as the Ever Given Fiasco Illustrates,” also in *The Conversation*.

On September 21, 2021, my article,

“Global Shortage of Shipping Containers Highlights Their Importance in Getting Goods to Amazon Warehouses, Store Shelves and Your Door in Time for Christmas,” appeared in *The Conversation*. It has had over 330,000 reads.

Writings After the Full-Scale Invasion



Ukraine's Students

TO THE EDITOR:

Re "For Children of War, a Time for Play" (news article and photo essay, Aug. 8):

As children, their families and teachers get excited about the new school year throughout the world, it is imperative



OTHER VIEWS COMMENTARY

Ukraine will need 'Marshall Plan' to address human toll of war

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OPINION

LETTERS TO THE EDITOR

Scholars from Ukraine, UMass find common ground

Photo courtesy of The Ukrainian

of our Ukrainian partnership. In

Some of My Media Interviews in the Pandemic



Some of the Media Interviews on the War on Ukraine

Economic dangers from Russia's invasion ripple across globe

By PAUL WISEMAN and DAVID MCHUGH March 2, 2022



Feedstuffs went live.

March 16 at 2:00 p.m.

The war in Ukraine is no longer just a story about a conflict between nations. It's having an immedi...

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Anna Nagurney with John Moore



The John Batchelor Show

1/2: #Ukraine: The Kyiv School of Economics is open for business under fire. Paul Gregory @HooverInst @PaulR_Gregory. Anna Nagurney @Supernetworks, University of Massachusetts. Paul Becker, Duke University



Russian war in world's 'breadbasket' threatens food supply

By JOSEPH WILSON, SAMY MAGDOY, AYA BATRAWY and CHINEDU ASADU March 6, 2022

'I fear a cultural genocide'; Ukrainians in Western Mass. watch, worry and help

Published: Feb. 28, 2022, 5:55 p.m.

Threat of Russian cyber attacks likely for not just Ukraine, but also in the US

No Ikea Shelves, No Levis: The Retail Exodus From Russia Is On

Since the invasion of Ukraine began, the increasing financial and reputational risks of doing business in Russia are leading Western brands to halt operations.

Russian Sanctions Snarl Shipping Even as Pandemic Pressure Eases

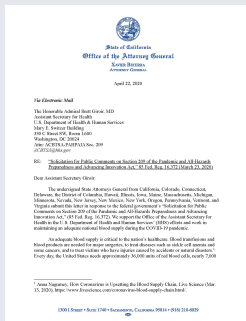


March 11, 2022

Liz Alderman and Jerry Gross

On April 22, 2020, a letter from California Attorney General Xavier Becerra to Admiral Brett Giroir, the Assistant Secretary of the US Department of Health & Human Services, and signed by US Attorney Generals of 21 other states, requested updates, because of the pandemic blood shortages, to blood donation policies that discriminate.

My March 2020 article in *The Conversation*, which was reprinted in LiveScience, was the first reference and was cited on the first page.



Xavier Becerra, then CA Attorney General, became the Secretary of Health and Human Services in the US under President Biden!

Thank You Very Much!



The Virtual Center for Supernetworks

Supernetworks for Optimal Decision-Making and Improving the Global Quality of Life



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The Virtual Center for Supernetworks is an interdisciplinary center at the Isenberg School of Management that advances knowledge on large-scale networks and integrates operations research and management science, engineering, and economics. Its Director is Dr. Anna Nagurney, the Eugene M. Isenberg Chair in Integrative Studies.

Mission: The Virtual Center for Supernetworks fosters the study and application of supernetworks and serves as a resource on networks ranging from transportation and logistics, including supply chains, and the Internet, to a spectrum of economic networks.

The Applications of Supernetworks Include: decision-making, optimization, and game theory; supply chain management; critical infrastructure from transportation to electric power networks; financial networks; knowledge and social networks; energy, the environment, and sustainability; cybersecurity; Future Internet Architectures; risk management; network vulnerability, resiliency, and performance metrics; humanitarian logistics and healthcare.

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More information on our work can be found on the
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