

Sea Lane Safety and Supply Chain Resilience for Economic Security

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As economic globalization has accelerated, each nation's activities across the world have become increasingly dependent on sea lanes. These routes have become a critical element for the global supply chain, but simultaneously its vulnerabilities have become exposed. These include the expansive maritime claims by a certain state in the South China Sea, the warlike effects on the Black Sea due to the conflict in Ukraine, tensions in the Middle East, and attacks on commercial ships by non-state actors in the Red Sea, all of which threaten free and smooth navigation for commercial vessels.

With the common universal goal of stabilizing sea lanes in mind, this symposium hosted experts from the maritime industry, government and academia to address the various challenges that respective maritime authorities and industry in Japan and the U.S. are faced with. The discussion included, among others, the following points:

- The global spread of COVID-19 greatly increased the number of vessels detained, highlighting the vulnerabilities of the maritime industry in the global supply chain.
- The vulnerabilities have also been exposed by various factors including extreme weather events and geopolitical risks. The water shortage in the Panama Canal area has also highlighted such risks.
- The U.S. and Japan recognize maritime security as an essential element for national security, and, in cooperation with allied or similar countries, are pursuing the rule-based "Free and Open Indo-Pacific" through capacity building support and joint training for ASEAN and the Pacific Island nations. Cooperation under the QUAD initiative is also important and moving forward.
- To ensure a stable supply chain, it is essential to secure additional trade/transportation routes and for each nation to maintain sufficient shipping capacity.
- The U.S. government has been strengthening the economic security of its maritime industry from a national security perspective, although the level of its subsidiary support is not yet enough.
- The capacity of the U.S. shipbuilding industry has been shrinking significantly, with some major maritime states now depending on China for their shipbuilding and maintenance needs. It is essential to consider China's presence when discussing economic security.
- In 2022, Japan enacted the Economic Security Promotion Act, the first law aiming to take comprehensive measures to prevent harmful actions in the context of economic activities, with the maritime industry included as one of its core infrastructure services.
- The significance of economic security as well as of a stable maritime industry and resilient supply chain is not yet widely recognized among the general public. There is a strong need to raise public awareness.
- It is essential for stakeholders in Japan and the U.S. to address the abovementioned challenges. Collaborative efforts by Japan and the U.S. are expected to contribute to the stability of the global supply chain.

