

Effect of Geopolitical Dynamics On Freight Operations: An Indian Industry Analysis

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Abstract.

The transportation of air cargo is greatly affected by geopolitical factors, especially concerning airspace accessibility and routing limitations. This study explores the wider effects of these elements on global freight forwarding, particularly drawing on experiences acquired during an internship at ‘Skyways Air Services Ltd.’, a freight forwarder company and part of ‘Skyways Group’ in June–July 2025. The research seeks to understand how airspace rules and associated geopolitical factors influence operational choices in airline logistics. It contemplates internal operations concerning booking modifications, pricing factors, and other collaboration among departments. The paper provides a conceptual insight into the connection between global politics and logistical planning by examining how freight forwarding firms manage these uncertainties. The results emphasize the necessity for freight forwarders to stay flexible in operations and aware of geopolitical factors in a more complex global landscape.

Keywords: Airspace regulation, Geopolitical risk, Freight forwarding, Airline cargo logistics, Operational agility, Route planning, Skyways Group.

1. Introduction

Global air freight plays a critical role in supporting international trade, especially for time-sensitive shipments. However, unlike other modes of transport, airline logistics are dependent on access to foreign airspace and are very sensitive to geopolitical developments. Political tensions, regulatory restrictions, and rising overflight charges can disrupt planned routes, increase costs, and complicate booking processes.

In international shipping, airlines must pay overflight fees; essentially renting airspace from countries with sovereignty, when flying across borders. When tensions escalate, countries may restrict or close their airspace to foreign carriers, forcing freight forwarders to reroute shipments through longer or less efficient paths.

The research is based on firsthand observation of immediate issues and reactions concerning international freight transport, particularly regarding disruptions in airspace. The internship is taking place during a time of increased global and regional tensions, such as the Russia–Ukraine war, rising conflict in the Middle East, and a notable military escalation between India and Pakistan. It concentrates on how these elements affect choices in booking, routing, pricing, and communication with customers.

This study explores the effects of airspace usage and geopolitical risks on operations in the freight forwarding sector. It concentrates on how these elements affect choices in booking, routing, pricing, and communication with customers.

2. Review of Literature.

The concept of airspace - described in the Chicago Convention of 1944 - provides each country complete authority over the airspace that lies above its land (ICAO, 2008). (Abeyratne, 2014) indicates that this sovereignty allows states to limit or withdraw overflight rights, especially in times of political or military turmoil. Although these authorities aim to promote national security goals, they also present significant operational difficulties for international air cargo systems reliant on stable, cross-border access routes.

Practical instances emphasize these difficulties. After the Balakot airstrike in 2019, Pakistan restricted its airspace for Indian airlines for several months, affecting Asia–Europe flight paths. This interruption resulted in flight diversions, longer travel durations, and projected economic losses surpassing USD 50 million (The Hindu BusinessLine, 2019). (The Hindu, 2019) stated that Pakistan made the reopening dependent upon India removing military planes, highlighting how security choices directly impact civilian flight activities.

The 2025 military escalation between India and Pakistan has led to renewed restrictions on airspace. Flights run by Air India and IndiGo were redirected, resulting in extended flight times and delays in cargo (Wikipedia, 2025)

In reaction to these disturbances, the International Civil Aviation Organization (ICAO) has highlighted the necessity of robust air traffic systems, flexible routing, and collaboration among civil and military entities (ICAO, 2008). At the same time, the International Air Transport Association (IATA) emphasizes the increasing necessity for cargo airlines to function in a more conflict-aware and flexible way (IATA, 2025).

These organizations offer recommendations, but there is a lack of studies investigating how freight forwarders respond to these crises in practice. This study seeks to address that shortcoming by providing operational perspectives from Skyways Group during a period of significant airspace limitation.

3. Objectives.

The study is guided by the following objectives:

1. To examine the operational effects of geopolitical disputes and resulting airspace limitations on global freight forwarding operations.
2. To examine the strategies used by Skyways Group in managing booking interruptions, rerouting choices, and collaboration with airlines during times of limited airspace.
3. To evaluate the function and flexibility of customer service in managing shipment delays, escalations, and communication issues with clients during disruptions caused by conflict.
4. To recognize and record significant operational weaknesses and countermeasure approaches noted within the organization throughout the internship duration.

4. Research Methodology.

This research employs a qualitative observational approach, utilizing information and insights obtained during a structured internship at Skyways Group, carried out from June to July 2025.

Nature - The study is both exploratory and descriptive in character. In contrast to statistical studies, this research focuses on understanding processes and the operational context.

Data Collection – The primary source of data was the first-hand observations along with discussions and activities with the various departments of the company.

Supplementary sources of data include:

- Airline portals and booking systems.
- Industry information from IATA and ICAO portals.

Limitations - The research is limited to a single organizational setting and a fixed time frame.

*NOTE - *No personal customer data was recorded or used; only patterns were documented.*

5. Company Profile: Skyways Group.

Skyways Group is a prominent Indian logistics and freight forwarding firm, providing international supply chain services. Founded in 1983, the firm has expanded to be one of the most reliable entities in the air freight sector, with operations in logistics centers throughout India and various international sites.



1. Skyways Group Company Logo

Skyways specialize in a wide array of freight services, including:

- Air freight forwarding
- Ocean freight forwarding
- Customs clearance
- Warehousing and distribution

Skyways group has earned numerous industry awards for operational excellence, customer-focused services, and innovative logistics solutions. Its ongoing emphasis on technology, personnel, and procedures ensures resilience during geopolitical disturbances, like airspace shutdowns or international trade limitations.

The internship duration in this research (June to July 2025) aligned with ongoing geopolitical tensions, providing valuable experience.

6. Observations and Analysis.

6.1. India Pakistan Tension –



2. Airspace congestion during India–Pakistan tensions – near absence of aircraft over Pakistan (Katurwar, 2025)

The following is the restricted airspace map during the war. The short-lived, yet ferocious war between the two nations lasted around 20 days; from April 22nd to May 10th of this year.

Flights that typically navigate westward through Pakistani airspace between India and Europe/North America were redirected through the Arabian Sea and Gulf area, or travelled eastward (significantly longer), increasing flight time by 90 minutes to a total of 4 hours.

This impacted Air India, IndiGo, and Vistara flights the most particularly those to:

- London, Frankfurt, Chicago, Toronto.
- Dubai and Doha (certain Gulf routes were redirected away from conflict areas)

Similar to 2019, the India–Afghanistan and India–Central Asia/Europe routes were greatly impacted, as planes were unable to operate in the Lahore FIR (Flight Information Region). Indian cargo and passenger planes were required to take southern routes over the Arabian Sea, leading to increased fuel expenses and impacting freight rates and cargo availability.

Reciprocal Actions by India - India did not completely shut its airspace but limited access over Jammu & Kashmir air routes for Pakistani planes, including PIA (Pakistan International Airlines). PIA halted or redirected flights to Malaysia, UAE, and Saudi Arabia that utilized Indian airspace.

Impact on Freight –

- Cargo destined for Europe faced the most disruption because of reroutes through longer routes.
- Airline portals displayed limited availability or heightened chargeable weights and fees.
- Bookings experienced delays, with some being cancelled or needing to be rebooked with other airlines such as Qatar Airways or Turkish Airlines.

6.2. Iran Israel Escalation –



3. Global airspace during Iran–Israel (CNBC TV18, 2025)

During a short yet intense confrontation between Iran and Israel, several airlines altered their routes to steer clear of Iranian and Israeli airspace. Figure 2 illustrates a noticeable airspace vacuum over areas of conflict, with heavy traffic rerouted southward via Egypt and the Persian Gulf.

Iran has partially shut down sections of its western airspace, including important Flight Information Regions (FIRs) near Tehran and Kermanshah, due to missile exchanges. Emirates, Qatar Airways, Lufthansa, and Turkish Airlines needed to change their Asia–Europe flight paths to skip Iranian airspace, particularly for those traversing the Persian Gulf, Iraq, and Syria. Israel suspended all incoming and outgoing flights for several hours amid the peak of escalation. Airlines in Jordan, Egypt, and the UAE changed flight paths to bypass southern Lebanon and northern Israel.

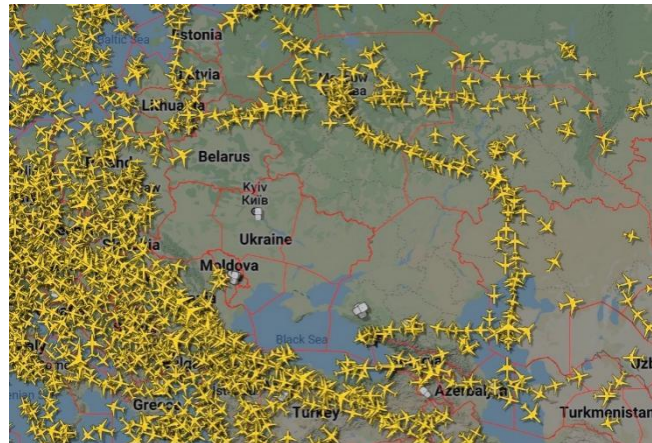
Gulf-based freight airlines such as Qatar Airways Cargo, Emirates SkyCargo, and Turkish Cargo faced extensions, impacting their timetables. Delays in timely shipments like pharmaceuticals and perishables were frequent. Airline unpredictability and absence of current route information resulted in delayed confirmations and booking delays.

Impact on Freight –

- Bookings on airlines based in the Gulf were often checked, postponed, or suspended because of route unpredictability.
- Internal teams were observed frequently cross-checking airline portals, and booking confirmations were suspended or redirected until airspace were stabilized.
- The conflict caused stress on the booking and operations teams, despite India's lack of direct involvement.

6.3. Russia Ukraine War –

Starting in February 2022, the Russian incursion into Ukraine has resulted in an entire shutdown of Ukrainian airspace for commercial flights. Airlines have been clear of Russian and Belarusian airspace, especially those from the EU, UK, and North America. Flights from South Asia to Europe have been forced to change their routes, leading to longer travel times, higher fuel usage, and increased cargo expenses. Airlines in Asia such as Singapore Airlines, Qatar Airways, and Emirates have been regularly modifying their flight routes according to security advisories and NOTAMs (Notices to Airmen).



4. Flights rerouted around Ukraine due to the Russia–Ukraine conflict (Flightradar24, 2022)

Impact on Freight –

- Routes of Central and Eastern Europe became more crowded and costly because of restricted corridors.
- Pricing and booking teams needed to revise quotes often, considering extended routes and airline surcharges.
- Transit delays occurred more frequently, especially with pharma and D.G. (Dangerous Goods) cargo destined for Europe.

7. Findings.

This part emphasizes important conclusions drawn from the internship, concentrating on the effects of global conflicts on air freight logistics as a whole, and then detailing Skyways Group's internal responses to these issues.

7.1. General Impact on Air Freight Operations:

A. Airspace Limitations Impacted Scheduling and Routing —

Geopolitical disputes like the Russia–Ukraine, Israel–Iran, and Indo–Pakistan conflicts resulted in the temporary shutdown or limitation of vital airspaces. This compelled carriers to take longer routes, raising fuel expenses and leading to timetable inconsistencies

B. Freight Costs and Shipping Time Turned Unpredictable —

Due to rerouted flights and decreased airline capacity, freight rates saw considerable fluctuations. Transit durations extend, and reliability declines, particularly for temperature-sensitive or high-priority items.

C. Fluctuating Reservations & Confirmations —

Doubts regarding space availability and unexpected operational adjustments resulted in the cancellation or rescheduling of bookings. Quotations became short-lived as airlines consistently changed their rates.

D. Increased Operational Strain Throughout the Industry —

Throughout the freight forwarding industry, there was a noticeable increase in operational stress. Freight forwarders, booking teams, and customer support divisions managed critical updates, escalations, and challenging coordination efforts.

7.2. Institutional Response to Geopolitical Disruptions:

A. Focus on Live Tracking and Communication —

Skyways quickly strengthened its real-time tracking and increased communication with partner airlines. This aided in keeping visibility on shipments and providing updates to customers.

B. Agile Quote and Booking Modifications —

The pricing and booking teams quickly adjusted by updating quotes in reaction to increases in airline fares. They rearranged shipments according to customer priorities, frequently utilizing various platforms (HIKE, AMAX, CCN Hub).

C. Customer Support Took on a Central Role —

The CS team managed a significant rise in escalations, monitoring inquiries, and claims. They employed a professional, and compassionate communication approach to update customers regarding delays and route changes.

D. Intern Participation and Education —

Interns, including the writer, engaged in activities like creating airway bills, modifying bookings, compiling TD reports, and handling claims. Experiencing real-world disruptions improved the practical grasp of the complexities in global logistics.

7.3. Table of Summary of Findings:

Aspect	Freight Industry Impact	Skyways Group Response
Airspace & Routing	Reroutes due to closures; increased transit and cost	changed to alternate airlines/routes effectively
Rate Fluctuations	Unstable prices; short quote validity	Issued quick, revised quotations
Booking Instability	Cancellations, delays, reduced confirmations	Managed bookings flexibly across portals
Operational Load	Rising work load from disruptions and updates	Strengthened internal management & coordination
Customer Concerns	Delays raised complaints and escalations	Clear, timely updates from CS team
Intern Experience	Real-time exposure to freight challenges	Practical learning in bookings, operations, and CS tasks

8. Suggestions.

The internship taught trends in the impact of global conflicts on freight operations and how Skyways Group adjusted to them. Based on the internship experience, these improvements are suggested:

- Enrolling in real-time airspace tracking systems can aid in predicting flight disturbances and more actively strategizing alternative routes.
- Implementing a centralized system for customer notifications (such as automated email updates or SMS alerts) may improve transparency and decrease manual workload in times of crisis.
- Expanding airline partnerships in various regions can offer increased flexibility in choosing routes when specific airspaces are limited or overcrowded.
- Creating a standardized response templates and more defined escalation processes within the CS team can increase complaint resolution speed and ensure more consistent communication.
- Organizing training sessions in various departments (e.g., short exposure to pricing, documentation, booking) can enhance intern involvement and employee adaptability in dynamic circumstances.

9. Limitations.

Though the research offers valuable qualitative insights on freight activities amid global disruptions, it faces limitations.

This research is mainly qualitative and relies on a short-term internship, limiting the breadth and applicability of the results. Observations were limited to the designated department and location, without access to broader company information or customer viewpoints. Furthermore, the fluidity of geopolitics resulted in real-time effects being interpreted rather than assessed via structured data. The absence of quantitative measures and structured interviews limited the analytical range even more.

Despite these limitations, the insights provided are based on direct industry experience and firsthand observations, delivering practical importance to relevant discussions in freight logistics.

10. Conclusion.

This research provided a firsthand perspective on how geopolitical disputes affect air freight logistics, particularly highlighting the operational reactions of Skyways Group. Daily observations during the internship revealed that interruptions in international airspace and freight routes necessitate swift adaptation, effective communication, and adaptable booking methods. Although the research has a narrow focus, it offers understanding of the fluctuating difficulties encountered by logistics firms in times of uncertainty. The experience highlights the importance of attentive customer service, operational coordination, and awareness of international events in developing effective freight forwarding strategies.

Looking ahead, this experience provides a solid foundation for future studies and career growth in the changing field of global logistics.

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