Economics of Global Hub Ports—Container Terminal Efficiency*

Hideo Yamada**

I. Ocean Transport of Containers

1. In view of the ocean transport of containers, the most remarkable figure is the volume handled by country. Firstly, we would like to see a recent figure, especially about the top ranking countries that has been published every year by CI (Containerization International Year Book) concerning the amount of container volumes loaded and shipped including empty boxes (Table 1). China including Hong Kong assumed the world’s top rank over the U.S. in 1998. Even if the sum total of China and Hong Kong were counted in the years before their coalition on July 1st 1997, they had never surpassed the US as top. The third rank is Singapore, and fourth is Japan, who ranked second before 1993.

2. In the top six countries are five Asian countries including Taiwan(ROC) and

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** Professor of Ryutsu Keizai University. hyamada@jcom.home.ne.jp
South Korea with the U.S. Further, in the ranking to twenty there are another four Asian countries (the Philippines, Malaysia, Thailand and Indonesia) plus seven European countries, the UAE, Australia and Canada.

3. As the total amount from the top down to the 24th ranking shown in Table 1, its share occupies about 90 percent of the world container volume. Thus, the East-West Line between Asia and the U.S./Europe occupies the main trade route with only one of the North-South Line between Australia. As regards global lines, the East-West Line holding such a big share is connected with various niche trade countries in the horizontal route and also with the vertical North-West Line at the various relaying ports. Therefore, the ocean container transport on the East-West Line should be regarded as a main performer of the worldwide logistics network.

II. Competition of Hub Ports

4. For every country in the above high ranking, the most important national policy for port and harbor is the administration of terminal operation by area, where each port starts to contend for the higher level — especially to be a global hub port. In recent years, the port of Hong Kong competes with the port of Singapore for the top with other ports in Asia, Europe and the U.S. West Coast aiming for the third ranking (Table 2).

5. Before 1995 the ports of Kobe and Yokohama remained within the top ten ranking. At present the Japanese export and import trades with the U.S. and Europe have not decreased yet or increased those within Asia. But that of the export trades by Asian countries to the U.S. have suddenly increased very much and China exceeded Japan, therefore many Asian direct lines between the U.S./Europe have been sufficient to fill the space of vessels without calling at ports in Japan. This is because of the globalization of production by foreign direct investment into Asia particularly in China. A mammoth trade volume to and from China including Hong Kong will be extended tremendously soon which effects a change of programs of hub ports in Asia due to efficiency.

6. On the other hand, the import trades by all Asian countries between the U.S./