

CONTAINER SHIPPING AND THE ECONOMY: PERSPECTIVES AND POLICY CHALLENGES

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The container shipping industry – and, more broadly, transportation and logistics – and the global economy (e.g., growth and inflation in different areas of the world, government policies and regulations, manufacture production and specialization of countries, global and regional trade patterns) are deeply intertwined. A demand-side transmission channel links the macroeconomic performance of the global and regional economies – via international trade – to the performance and functioning (e.g., prices, quantity and quality of provided services) of all segments of transportation and logistics industries (e.g., port infrastructures, inland intermodal facilities, carriers, forwarders, etc.). The new normalcy of the global economy and international relations after the Covid crisis has highlighted the importance of the reverse, supply-side transmission channel. The containerization and, more recently, the digitalization processes have been accompanied by the growth of complex, globally interconnected transportation and logistics “networks”. In such a context, transportation and logistics infrastructures and services play the role of “essential facilities” for many economic sectors and, particularly, for manufacture industries. As the post-Covid inflation dynamics point out very well, higher shipping costs or disruptions of shipping routes may be at the origin of supply troubles in several manufacture industries and ultimately drive widespread inflation bursts and slowdown in economic growth across the world. The supply-side link between container shipping and the global economy should also be considered to properly assess overall costs and risks associated to important structural trends such as the decarbonization and energy transition in the shipping industry, the de-risking policies pursued by some important countries (e.g., the US, the Member States of the EU), the economic diversification and restructuring of global supply chains. The importance of supply-side effects of transportation and logistics also bring with it extraordinary challenges for policies and regulation in sectors such as competition and antitrust or infrastructure construction and management; moreover, it requires an unprecedented effort towards the international coordination of transport and logistics regulations.