

Index

- ad valorem* trade, China 196, 197–9
- ad valorem* transportation costs 93–5,
103, 243, 246–9
 - China 196–7
 - impact on trade 100, 104
- aggregate trade 17–21
- aggregated freight rates 86–93, 196–7,
242–3, 244–6
- air transportation 25–30, 38
 - China 189–92, 195–6
 - Malaysia 171–3
- airport development
 - China 191–2
 - Malaysia 153–4
- Amiti, B. 12
- Anderson, J.E. 73, 75, 193
- auxiliary shipping charges 82–5, 90, 103

- balance of trade 4
- barriers to trade 97–102; *see also*
tariffs; transport costs
- Bernard, A.B. 78
- berth occupancy ratio (BOR),
Indonesia 121, 134
- Besedes, T. 33
- Blankfeld, R. 120
- Blonigen, B.A. 41–3
- Bojonegoro Port 142
- border delays, South Asia 239–41
- Bougheas, S. 79, 106
- Brooks, D.H. 200
- Build–Operate–Transfer (BOT) system
152

- cargo owners, choice of Indonesian
ports 139–41
- cargo throughput, Shanghai Port
205–6
- Charlier, J. 115
- China
 - economic growth 184
 - infrastructure development 182–92
 - ocean freight rates 82
 - seaports 189, 202–13
 - share of Asian trade 19–21
 - trade costs 193–202
 - as trade destination 19–21
 - trade growth 18
 - weight–value ratio of trade 95–7
- c.i.f. charges 42
- c.i.f./f.o.b. ratio 241
- commercial ports, Indonesia 119
- communications infrastructure 10–11
- comparative advantage effects of
infrastructure 11–12
- competitiveness
 - and transportation costs 231
 - see also* port competitiveness
- congestion 12–13
- containerization 37–8
- cost of trade, *see* trade costs
- cross-border infrastructure, China 215
- customs clearance problems, Indonesia
125

- De, P. 80
- De Langen, P.W. 115
- delivery time, effect on trade 79; *see*
also time of trading
- demand-side analysis, port
 - competitiveness, Indonesia 138–41
- direct transport costs 76
- distance, effect on trade profitability 79
- domestic infrastructure 14

- economic growth, China 184
- electrical and electronics industry,
Malaysia
 - exports 164, 165–6
 - and modes of transport 169–71
 - FDI 160–62, 165
- exchange rate, effect on exports 166–7
- exports
 - China 193–202

- destinations 19–21
- effects of trade costs 78–9
 - Malaysia 162–7
- extensive margins of trade expansion 30
- factor abundance model 77
- FDI, *see* foreign direct investment
- Feenstra, R.C. 75
- finance for infrastructure projects 2
- financial services 3
- Fink, C. 11
- firms, effect of transport costs on exports 78–9
- foreign direct investment (FDI)
 - Malaysia 148, 157–62
 - and Shenzhen Port construction 213
- Fourgeaud, P. 116
- fragmentation 27–8, 33–4
- Francois, J. 1, 2, 78, 79
- freight costs, *see* ocean freight rates; transport costs
- freight and insurance costs, Malaysia 168
- freight rate aggregation 86–93, 242–3
- freight services productivity, Indonesian ports 134
- Golub, S.S. 80
- Greater Mekong Subregion 14
- growth, economic, China 184
- hard trade barriers 75
- Hasan, Z. 159
- Heckscher, Ohlin and Samuelson (HOS) model 77
- highways, *see* road development
- hinterlands, *see* port hinterlands
- HOS model 77
- Hoyle, B. 115
- Hummels, D. 22, 25, 29, 33, 79, 86, 97, 199, 200, 242
- iceberg model 77, 78
- import sources 19–21
- income rises and demand for air transport 27
- India
 - ocean freight rates 80–82
 - port investments 51–6
 - trade flows in South Asia 233–5
 - trade growth 18
- indirect transport costs 76
- Indonesia
 - logistics costs 116
 - port competitiveness 131–44
 - port profile 116–31
- Indonesia Port Company (IPC) 119–21, 142–3
- infrastructure
 - as determinant of FDI, Malaysia 158–62
 - development, *see* infrastructure development
 - financing projects 2
 - investments, *see* infrastructure investments
 - networks 10–11
 - ports
 - China 46, 49–51, 209–13
 - Indonesia 136–7
 - Malaysia 46, 49–51
 - and trade 11–14, 79–80
 - and trade costs, Malaysia 167–73
 - infrastructure development
 - China 182–93
 - ports 209–13
 - and export of electronic goods, Malaysia 171–3
 - infrastructure investments
 - ports 44–5, 46, 49–58
 - transport, Malaysia 149–52
 - inland freight rates 87–90
 - inland provinces and trade, China 214–15
 - transportation costs 207–8
 - inland waterways, China 186, 189
 - institutional infrastructure, *see* soft infrastructure
 - institutions, effect on trade 79–80
 - intensive margins of trade expansion 30
 - inter-port competition 113, 131–44
 - intraregional trade, South Asia 231–41
 - investment
 - port infrastructure 44–5, 46, 49–58, 114–15
 - transport infrastructure, Malaysia 149–52

- IPC (Indonesia Port Company)
119–21, 141–2
- Javorcik, B.S. 12
- Krugman, P. 78
- Levinson, M. 37
- Limao, N. 14, 80
- Malaysia 12, 148–74
FDI 157–62
infrastructure and trade costs
167–73
trade patterns 162–7
transport infrastructure 149–57
- Manchin, M. 1, 2, 79
- manufacturing sector
share of FDI, Malaysia 160–62
trade patterns, Malaysia 162–7
- margins of trade expansion 30
- Mumbai, port costs 46–8
- neoclassical trade theory 76–7
- networks 10–11
- new market testing, use of air
transport 28
- new trade flows 30–33
- new trade theory 77
- non-commercial ports, Indonesia 119
- Nordås, H.K. 5, 79
- Obstfeld, M. 78
- ocean freight rates 8–9, 80–85, 102–3
- Pearl River Delta 208–9
- Penang, port costs 46
- People's Republic of China, *see* China
- Piermartini, R. 5, 79
- port activity, Indonesian ports 135–6
- port competitiveness 9–10, 113–44
indicators 115–16
Indonesia 131–44
- port costs 41–4
effect of infrastructure investments
7–8, 44–5, 46, 49–58
- port hinterlands 115
Indonesia 135–6
- port infrastructure
Indonesia 136–7
- investment 44–5, 46, 49–58,
114–15
effect on trade costs 40–58
India 51–6
- Port Klang 156
- Port of Tanjung Pelepas (PTP) 155
- port users, Indonesian ports 138–41
- ports, Asia 39–41
China 189
congestion 13
Indonesia 116–31
Malaysia 154–7
- privatization, Indonesian ports 122,
142–3, 144
- profitability, effect of trading distance
79
- Prusa, T. 33
- public ports, Indonesia 119
- public service obligation (PSO),
Indonesia 143
- rail transport
China 185, 215
Malaysia 152–3
- Ray, D. 120
- regional distribution of FDI, Malaysia
161–2
- regional infrastructure coordination
14–15
- regional trade transportation costs,
South Asia 244–52
- regulations, Indonesian ports 140–41
- river transport, China 186, 189
- road development
China 186
and E&E exports, Malaysia 171–2
Malaysia 151–2
- Rogoff, K. 78
- SAARC (South Asian Association for
Regional Cooperation) 230
- Samuelson, P.A. 77, 78
- Schaur, G. 29
- seaports, *see* ports
- Shanghai Port 202–8
congestion problems 13
port costs 46
- Sharma, K. 159
- Shenzhen Port 202, 208–13
- shipping costs, *see* transport costs

- shipping lines and Indonesian ports 138–9
- ‘ships follow the trade’ principle 115
- Skiba, A. 22, 97, 199
- soft infrastructure 3
 - Indonesia 122–6
- soft trade barriers 75
- South Asian Association for Regional Cooperation (SAARC) 230
- special economic zones, China 184–5
- special ports, Indonesia 119
- strategic ports, Indonesia 119
- supply-side analysis, port competitiveness 132–7

- Tanjung Emas Port 114, 129–31
 - competitiveness 132–49
- Tanjung Perak Port 114, 126, 129
 - competitiveness 132–44
- Tanjung Priok Port 126
- tariffs 75
 - Indonesia Port Company 121
- telecommunications infrastructure 10–11
- terminal handling charge (THC) 90, 103
 - Indonesia 125
- time of trading
 - and air shipping 25–30
 - effect of delivery delays on trade 79
 - South Asia 239–41
 - time sensitivity of trade 29–30
- Tokyo, port costs 43, 46
- trade costs 74–80
 - China 183, 193–202
 - definition 74–5, 193–4
 - as determinant of volume of trade 75
 - effect on exports 78–9
 - and infrastructure, Malaysia 167–73
 - and trade flows 30–33, 97–102
- trade flow, impact of trade costs 30–33, 97–102
- ‘trade follows the ship’ principle 115
- trade patterns in manufactured goods, Malaysia 162–7
- trade share by mode of transportation, China 195–6
- trade transaction costs and infrastructure 5–6
- trade trends, Asia 17–21
- trading distance, effect on profitability 79
- transport costs 37–8
 - and competitiveness 37–8, 75–6, 231
 - composition 85–97
 - effect on firm’s exports 78–9
 - gains from reduction 76–80
 - inland, to Shanghai Port 207–8
 - measurement 21–5, 85–97, 197–9, 241–4
 - modelling 77–8
 - ocean freight rates 80–85, 102–3
 - and trade flows 97–102
 - South Asia 231–41
 - South Asia 241–52
- transport infrastructure
 - China 185–92, 210, 211–12
 - Malaysia 149–57
- transport modes
 - electronic exports, Malaysia 169–71
 - and share of trade, China 195–6
- turn-round time, ports, Indonesia 132

- Uchida, Y. 33
- uncertainty of transportation 38

- van Wincoop, E. 73, 75, 193
- Venables, A.J. 14, 78, 80, 84
- vertical specialization 27–8, 33–4

- water transport, China 186, 189
- Waterborne Trade Databanks 42, 65
- weight–value ratio of trade 21–5, 103–4, 199–202, 243–4
 - China 199–202
 - South Asia 249–52
 - and transport cost 95–7, 104
- welfare implications of trade costs 78
- Wilson, W. 41–3
- Winkelmanns, W. 115

- Yangtze River Delta 203–5
- Yantian Port 210–11
- Yeaple, S. 80