

**luckily, luckily:
A Measured Exploration into Globalization,
Shipping and the Movement of Goods**

Marc Howlett

Graduate Urban and Environmental Planning

'When you have to attend to things of that sort, to the mere incidents of the surface, the reality—the reality, I tell you—fades. The inner truth is hidden—luckily, luckily.

- Marlow in Joseph Conrad's *Heart of Darkness*

The concept of globalization is so pervasive that it is easy to overlook its widespread ramifications. An inventory of the graduate student's life quickly underscores this point. The shirt I am wearing is from Brazil and the pants from the Dominican Republic. The computer I type on was made in Taiwan and the pen I jot notes with is from Japan. My book on globalization was printed in Great Britain and the paper it rests on was produced somewhere in the United States of America. These are the items of everyday life. The locations where they originated and places where they will be disposed are generally not considered. They move into and out of life imperceptibly. Yet, the items of everyday life are definite objects with their own histories and their own futures. A quintessential aspect of their histories is transportation from origin to destination, an object typically crossing thousands of ocean miles before arriving in an American port. The movement of goods is so integrated into modern life that it is almost unknown to the typical person, but a measured exploration of shipping reveals both a vast downside to globalization and the difficulty for finding solutions to address these underlying issues.

Globalization as a concept became a popular topic of discussion in the 1980s and 1990s when the work of authors like Thomas Friedman gained mainstream attention. Shipping and the movement of goods dates back thousands of years to some of the earliest human civilizations. The Phoenicians developed a vast trading empire in the Mediterranean Sea by 1000 BC. Travel on water was much faster than on land. The volume of goods transported by ship was much greater as well. During the Roman era, the empire imported approximately 150,000 tons of grain each year by sea (Rinman and Brodefors).

By the time Christopher Columbus sailed westward from Spain in 1492 there were many well-established trading routes connecting Europe to Africa and Asia. The gamble that Columbus made was to find a quicker route to southern Asia and the goods located there. The 'discovery' of the New World was neither for military conquest nor for human settlement nor to spread religion. Columbus set sail as a merchant looking for a more

direct route to established trading ports. Columbus's trip altered western history and the shipping of goods. Foods like corn, tomatoes, potatoes and cacao moved east to Europe. Europeans brought guns, horses and slaves to this land.

The alienation of the consumer from product origins expanded tremendously in the nineteenth century. The increasing ability to mass produce goods and transport them hundreds if not thousands of miles made geographical networks much more expansive and less discernable in everyday life. William Cronon writes of Chicago: "The geography of capital produced a landscape of obscured connections. The more concentrated the city's markets became, and the more extensive its hinterland, the easier it was to forget the ultimate origins of the things it bought and sold." The ability to transport goods quickly and to great distances underscored Karl Marx's notion of the "annihilation of space by time" (Cronon, 340, 92).

In Herman Melville's *Moby Dick* the sea is never far from the mind of Ishmael. "Some years ago," Ishmael narrates, "having little or no money in my purse, and nothing particular to interest me on shore, I thought I would sail about a little and see the watery part of the world. It is a way I have of driving off the spleen, and regulating the circulation." Ishmael believes this feeling shared by everyone. "If they but knew it, almost all men in their degree, some time or other, cherish very nearly the same feelings toward the ocean with me" (Melville, 1-2). Modern life has moved far away from the thinking described by Ishmael. As the hinterland of global trade now covers almost every portion of the planet, it is easy to turn one's back to the sea. Ishmael would believe this disregard of the ocean to be foolish, for it looms over the daily actions of man.

The vast majority of products arrive and depart the United States by ship. Water ports handle almost 80 percent of all goods, incoming and outgoing, by weight. The Bureau of Transportation Statistics writes: "The U.S. water transportation system carries more trade, both in terms of tonnage and value, than any other mode" (Bureau of Transportation Statistics 2004). Overland shipping via trucks has increased with the passage of the North American Free Trade Agreement (NAFTA) and air freight is very important in terms of transporting high value cargo. For moving goods into and out of the country, however, the ocean going vessel remains supreme.

The watershed moment in modern shipping occurred on April 26, 1956 when a crane in Newark, New Jersey hauled metal boxes onto a ship named the *Ideal-X*, which five days later set sail for Houston. The rise of the containership enabled the modern distribution of goods. A single vessel can carry 3,000 40-foot-long containers, which can be unloaded in a matter of hours. Marc Levinson describes the typical movement of the modern good: "A 35-ton container of coffeemakers can leave a factory in Malaysia, be loaded aboard a ship, and cover the 9,000 miles to Los Angeles in 16 days. A day later, the container is on a unit train to Chicago, where it is transferred immediately to a truck headed for Cincinnati" (Levinson, 7). Multiply that one container by three thousand and that is the movement of goods for just one passage of one ship. Multiply that one containership by thousands more and a massive economy of scales is achieved that produces the worldwide, cheap goods located in a local mega-store like Wal-Mart.

The economies of scale are so massive that transportation costs comprise only a minimal amount of a product's price. Because of labor and other expenses, it is cheaper to make a University of Virginia shirt in Honduras and ship it by sea to the United States, than make the same shirt locally. Transportation efficiencies of the containership are so enormous that freight costs often factor only minimally into economic decisions. The economists Edward L. Glaeser and Janet E. Kohlhase have suggested: "It is better to assume that moving goods is essentially costless than to assume that moving goods is an important component of the production process" (quoted in Levinson, 8). The assertion is stunning but helps explain how Yellow Tail, an Australian wine, has become a staple of American wine buyers. According to *Wine Business Monthly*, Yellow Tail boasts the top two selling red wines of any variety in the United States. For the Ishmaels of the world, the distance between Australia and Virginia by sea is unimaginably expansive.

Joseph Conrad was another author intensely familiar with the sea. The Polish Conrad was born in modern day Ukraine, became a seafarer at a young age, and did not learn English until the age of 21. This blurring of national boundaries and identities would become increasingly central to shipping in the twentieth and twenty-first centuries. Conrad knew the power of the sea and the danger of looking too closely into it for meaning and explanation. Marlow in *Heart of Darkness* reflected Conrad's ideas about water navigation. Marlow had to look out for wood and other obstacles to keep his vessel the Nellie afloat. "When you have to attend to things of that sort, to the mere incidents of the surface, the reality—the reality, I tell you—fades. The inner truth is hidden—luckily, luckily." What made Marlow most afraid was running aground and losing his ship. "After all," he explains, "for a seaman, to scrape the bottom of the thing that's supposed to float all of the time under his care is the unpardonable sin" (Conrad, 42).

In December 1999, a relatively small oil tanker named the *Erika* broke in half off the coast of France. When slicks of oil began washing ashore, the European public started to ask questions, such as the seemingly simple: who owned the ship? The captain was jailed for a week in France and after his release claimed he had no information as to who owned the vessel. The captain worked for the ship's management company Panship Management & Services of Ravenna, Italy. "Panship worked for the ship's registered owners, Tevere Shipping Valletta, Malta," writes William Langewiesche, "which in turn was held by two other companies, Agosta Investments and Financiers Shipping, both of 80 Broad Street, Monrovia, Liberia." There were other companies and other banks involved as well, in such countries as Switzerland, Scotland, the Bahamas, Panama, and England. French authorities after a month of inquiries declared they could not ascertain who actually owned the vessel. (Langewiesche, 93-95).

The German sociologist Ulrich Beck has written extensively about globalization and its effects. He argues that the world is moving from a 'first modernity' centered on the power of the nation state to the 'second modernity' where globalization undermines the nation state and transnational organizations assume prominence. Beck writes, "Corporations acting in the framework of world society have gained additional scope of action and power beyond the political system. Over the heads of government

and parliament, public opinion and the courts, the balance-of-power contract that characterized the first modernity of industrialized society is now being terminated and transformed to the independent realm of economic action” (Beck 5, emphasis in original). The transnational networks and actors of the second modernity are very difficult for the nation states of the first modernity to deal with. This difficulty is evidenced by the French officials who worked exhaustively to determine who owned the Erika, when ownership was a mere formality in a global economic transaction.

The products of everyday life at some point surpass a point of utility and must be disposed of. Often, that waste goes to the proper place, a well-designed landfill. Sometimes, the waste is recycled in a safe and environmentally friendly process. More rarely, but with devastating effects, that waste gets dumped in the communities of the world’s poorest people. On August 19, 2006 the *Probo Koala* docked in the Ivory Coast port city of Abidjan. The vessel had an ownership structure typical for the shipping industry. The *Probo Koala* was a “Greek-owned tanker flying a Panamanian flag and leased by the London branch of a Swiss trading corporation whose fiscal headquarters are in the Netherlands.” A local company named Tommy arrived at the docks with more than a dozen trucks, loaded a sludge substance into them, and proceeded to drive around the city of Abidjan and dump its contents on at least 18 sites. The black sludge released noxious fumes causing mass sickness in the city. At least 8 people have died and over 85,000 have sought medical attention (Polgreen and Simons).

Over a month before arriving in Ivory Coast the *Probo Koala* docked in Amsterdam. A company named Amsterdam Port Services offered to dispose the 250 tons of “marslops” for about \$15,000 but after tests determined the waste was in greater volume and more hazardous than initially expected the fee was raised to around \$300,000. Trafigura, the operator of the *Probo Koala*, decided that the increased fee, the additional day in port, and penalties for arriving late to the next port outweighed the disposal of the sludge. With the permission of Dutch authorities, the waste was loaded back onto the *Probo Koala* and the vessel sailed to Estonia. It would later find a cheaper place to unload its waste in Abidjan, Ivory Coast.

The ability for transnational corporations to use countries against each other in search of maximizing economic benefits is a central component to life in the second modernity. The sludge on the *Probo Koala* could have been safely disposed of in the Netherlands but the costs were deemed to be too high. Ulrich Beck writes concerning transnational corporations: “in the manufactured and controlled jungles of global production, they are able to decide for themselves their investment site, production site, tax site, and residence site, and to play these off against another” (Beck, 4). Disposal site for hazardous waste could be added to the list. The environmental regulations of some countries are in part having unintended but devastating effects on others. Companies can exploit differences in regulation and labor costs in large part because of the relatively inexpensive ability to transport goods in massive quantities around the globe.

Responding to the human and environmental problems produced by shipping is a difficult proposition. Human and environmental justice is a subject rife with complexity and

this complexity is no more evident than in the disposal of the great ships themselves. If Americans are in general alienated from the places where the products of everyday life originate, they are even less familiar with the infrastructure needed to transport these items. Ships are disposed of in a process called ship breaking or ship scrapping. Some parties prefer to invoke the term “ship recycling”. With almost all economic use squeezed out of them, the ships make their way to the few countries that still perform ship scrapping. The United States and European countries formerly scrapped ships, but as environmental concerns rose so did the associated costs, and the business was sent elsewhere. At the moment, the majority of the world’s ship breaking occurs in India, Bangladesh, and Pakistan.

When a ship arrives at Alang, India or Chittagong, Bangladesh, the crew gets into radio contact with an established scrapper on the beach. At high tide, the ship drives straight to the shore and up on the beach. There are no docks, just water and sand. A large contingent of laborers descends on the vessel and tears it apart using rudimentary blowtorches, hammers, and crowbars. Laborers use mostly their bare hands and sleep in close proximity to the vessels they dissect. The toll on the environment and the humans who work on these beaches is enormous, with thousands being hurt and untold numbers dying each year (Langewiesche, Casey).

Greenpeace and other transnational organizations concerned with ship breaking propose a simple solution to the environmental and human dangers posed by the process: cleaning the ships thoroughly in the western ports so that they arrive in south Asia with no toxic substances aboard. Like many other aspects of shipping, once you look past the surface layer of these arguments they become much more complex. If the vessels were cleaned in western ports, the costs for disposing ships would rise significantly and the need for sending the ships to Bangladesh and India would be diminished. Alang in India is already suffering greatly from competition in Bangladesh; because of lower labor costs Chittagong can offer higher prices than Alang for scrap ships (“Shortage of demolition tonnage continues”). India is also facing mounting pressure from environmental groups to discontinue the practice of ship breaking in the country. This movement gained additional attention in February 2006 when the *Clemenceau*, a French aircraft carrier, was turned away from India’s coast (Barker). Many of the workers in Alang worry about the future of the business there and the fate of their jobs.

Globalization is suffused with contradictions. India and increasingly Bangladesh are utilized as sites for ship breaking because of minimal environmental and labor regulations. The lack of regulations, however, brings business and resources like steel to the countries. To work as a ship scrapper is incredibly dangerous, but people travel hundreds of miles to be able to attain these positions. One Indian worker was quoted as saying: “What can we do? Back home, there’s no work. There’s no question of me being happy or sad. It’s a question of me being able to eat” (Barker). We must be cognizant of the global ramifications of our daily actions, but simple solutions rarely suffice for such a complex world.

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