

From the pages of Logistics Management

Economists say ports must prepare for the future... and soon

Patrick Burnson, Executive Editor -- 11/13/2007

Los Angeles, Ca., – While imports from Asia may have reached its all-time peak, transpacific trade will continue to add pressure on U.S. West Coast ports in the coming years.

“And California will have to step up if it’s going to continue being the leading gateway for that business,” said Paul Bingham, principal of the Global Trade and Transportation Practice at Global Insight Inc.

“Cargo volumes flowing through the Ports of Los Angeles and Long Beach are expected to double by 2020 and nearly triple by 2030,” he adds.

Bingham, an expert in long-term cargo demand forecasts, will be among the featured speakers at this Thursday’s widely-anticipated event staged by “FuturePorts” here this Thursday.

“While there are a lot of potential challenges associated with port expansion, we need to focus on the positives if we are to remain competitive in this marketplace,” he said.

A panel discussion moderated by former U.S. Trade representative, Mickey Kantor, will examine “The economy, goods movement, and your job in Southern California,” in an effort to determine how people here can continue to enjoy the good life and still accommodate growth.

“Up until now, Mexico and Canada have been our largest trade partners,” observed Bingham, but China is poised to take them both over in that regard. As a nation, we can’t afford to become an insular economy. We have to realize that globalization is here to stay, and that it’s a key determinant of GDP.”

According to Futureports, the ports of LA/Long Beach generate \$200 billion annually in throughput, and handle 43 percent of all waterborne U.S. trade and 60 percent of all imports from Asia.

Futureports, an advocacy group focused on solving goods movement problems “using a multi-stakeholder and regional perspective” has asked Bingham to also explain the benefits of grassroots “green” initiatives.

“As the California economy develops further, more and more regional associations are going to help shape the state’s environmental policies,” he said. “And we’ve already seen that these policies are soon put on the national agenda. It’s crucial, therefore, that we get the trade community involved in this process.”

Bingham maintains that enhancing port infrastructure and protecting the coastal ecosystem are not mutually exclusive. Indeed, he argues, what is good for SoCal shippers should be good for of SoCal’s residents.

“We are on the cusp of a wonderful opportunity,” he says. “But if we fail to develop a strategic plan here, someone in big government will do it for us.”

[<< Return to Main Page](#) | [Print](#)