
Transportation Networks in Northeast Asia and Japan's Trading Activities

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CHANGES IN TRADING ACTIVITIES IN ASIAN COUNTRIES

In today's modern society, various kinds of activities have been globalized. Countries have formed close-knit networks in order to realize effective and cost-saving production and high-quality and reasonably priced consumption products. In 1985 only 22% of the container movement within the Asian region originated in or was destined to the region, and most of the containers originated in or were destined to America and Europe. In 1997, however, the share of the internal movement within the region greatly increased to 37%.

Foreign trade transport used to be characterized by large lots, across a long distance, and on a monthly or weekly basis. Transport among the neighboring countries, however, would be carried out in small lots and on a more frequent basis, because transport distances are relatively short.

JAPAN'S TRADE WITH NORTHEAST ASIA AND PORT ACTIVITIES ON THE JAPAN SEA

Although the economic relationship between Northeast Asia and Japan has become closer year by year, the share of trade transport handled at the ports on the Japan Sea coast has been decreasing.

One of the reasons for this trend seems to be the fact that most port activity is at the ports on Japan's Pacific Sea coast. The share of cargo volume handled at the ports on the Japan Sea represents only 3.3% of the national total, partly because these ports are not equipped with enough berthing facilities, especially those for large vessels and container vessels, although development work is gradually being undertaken.

SEVERAL ISSUES ON TRANSPORT NETWORK IN THE NORTHEAST ASIAN REGION

The following measures are needed to promote prosperous port activities at the ports on the Japan Sea coast.

- to develop port infrastructure at the ports and land transport infrastructure between the ports and the Pacific Coast area as well

- to carry out “port sales” (sales activities for ports to port users) to domestic and foreign shippers
- to make effective use of SLB and CLB
- to formulate more efficient transport networks among the neighboring countries.

There are a lot of problems to be solved for realizing the third and fourth of these measures. First, transport delays often occur for the following reasons:

- complicated custom procedures at borders
- multiple inspections by both customs and border police
- inadequate business hours at borders
- preferential treatment to military transport
- inaccurate arrival time of railway services
- necessity of cargo transshipment because of barring foreign-truck traffic

Secondly, the following issues have to be solved or improved in order to cope with fluctuation of transport time:

- lack of transshipment capacity at the border railway stations
- inadequate development of container transport facilities at sea ports
- low speed of railways
- load shifting because of unstable railway beds
- insufficient development of roads.

Lastly, the following issues have to be solved in order for the system to be cost efficient:

- high cost for customs clearance of transshipped cargo
- unreasonable tariff system of transport modes
- unreasonable transport cost for crossing borders because of a lack of a proper tariff system
- insufficient inspection facilities at the borders.

EFFECTS OF DEVELOPMENT OF THE TRANSPORT NETWORK

An efficient and stable transport system is indispensable to people’s daily lives and to the development of industry. Moreover, transport industries can employ a lot of people and generate various forms of income. Handling the cargo of third countries, in particular, is an important source of foreign currency generation.

Development of transport infrastructure requires a lot of funds. But the benefits are enormous and can contribute a lot to the development of the regions themselves. Model analysis by the Economic Research Institute for Northeast Asia (ERINA) reveals that investment in transport/communication infrastructures has a great effect on the income and production of regions, and moreover, there is

a clear correlation between the quality of transport infrastructure and regional transport time.