Three port city relationships

9.1 INTRODUCTION: ABOUT THE CONCEPTS, OUTCOMES, AND COMPARISONS: FOCUS AND LOCUS

The interviews (36) and the annual reports (18) having been analyzed, the outcomes are evaluated using two approaches. The first discusses each concept of the research model that presents us with an insight in the port–port city relationships. This is done by comparing the results per port and deriving conclusions per concept for the three ports. The result is that each concept is compared in its manifestation in the three port regions. Differences in how these concepts materialized for each port are made clear. The second approach takes the port/port city itself as the object of analysis, and the interplay of the concepts within each port/port city are analyzed and evaluated. For both approaches, the interviews and the port authorities' annual reports are used as input. To enhance or illustrate the analysis and the conclusions, relevant empirical literature is used. Some of the concepts are further illustrated by relevant desk research data that make the concluding arguments more plausible. Analysis of the concepts allows the study to give a picture of how prominent port/port city actors look at the port–port city relationships currently manifested. In Chapter 10, which follows this analysis, the relationship between the findings and the historical situation is described and evaluated from the perspective of the political-economic models presented in Chapter 5. The thesis ends with a synthesis, conclusions, and suggestions for enhancing port–port city relationships.

This chapter analyses the relationships between port and port city by using the concepts formulated in the research model (economy of touch, company's contribution to society, business relations, trust and, taken form the cluster characteristics, the concept of shared values), extended with the concepts as mentioned in the methodology chapter: complementarities and diversity, foreign ownership, and closed community as an expression of social networks.

9.2 EXPLORING BUSINESS RELATIONS

The business relations concept is defined in such a way that it is not only about relationships between companies, but also about the relationships between a diversity of possible actors as long as they are organization based. So, it deals with the relationships between companies, the port authority (which, in its various manifestations, can also be seen as a company), the port city, other cities, other governmental levels, business organizations, and universities. These relationships were described in previous chapters. Relationships in the three ports differ considerably.

This thesis started with the observation that the relationship between port and port city was under pressure as a result of the dynamics as described in the theoretical part: increase in scale, containerization, and globalization. In all three ports, these dynamics have had their effects, both between the companies and between the port and the port city and its environment. Special attention is given to the position of the port authorities, for which input is sourced not only from the interviews but also from the annual reports.

9.2.1 Rotterdam

"But when I said, 'I am your neighbor now, I come along to have a cup of coffee', he said 'Whatever, but now you are my competitor I will do everything within my power to make your life a misery'."[53]

The relationships between the companies and the port and the port city of Rotterdam have been changing over time. In the 1980s and 1990s in particular, this relationship was considered to be minimal. This represented a change from the period of the *wederopbouw* (reconstruction), as illustrated in Chapter 8 where the history of the port of Rotterdam was sketched. In particular, the establishment of new container terminal operators did not advance the relationship between the main terminal operator, the port authority, and the port city as its main shareholder, but other changes have also occurred (Van den Eijnden, 2016; Kuipers, 2018b). The relationships are characterized by being more formal and business oriented, although old structures of the networks based on personal relationships still exist. Internationalization can be seen as the main cause of this more rational approach, besides the fear of being accused of entering into agreements forbidden by antitrust legislation. This affected the time required to make some decisions. Being away for a long time and returning to Rotterdam, one may experience this change in relationships in a striking way, as the opening quote of this subsection articulates. The climate for doing business in Rotterdam has changed over the years. The atmosphere between container companies seems to be still weak. Despite tougher competition-based business-oriented behavior however, there is the attitude that, when after discussions a decision is taken in a formal setting, the actors stick to that and there is no moaning afterwards. But that is the formal setting, arranged in fora like Deltalinqs. During the research, the general feeling among actors appeared to be mixed. Loyalty among the Rotterdam actors changed over the years; and, compared with loyalty between actors in other ports, as reported in section 9.2.3, loyalty

53 *"Maar toen ik zei, 'ik ben nou jouw buurman', ik kom eens even bij je buurten, zei hij: 'even goede vrienden maar nu jij mijn concurrent bent, zal ik alles doen om jou het leven zuur te maken'."*

within the Hamburg community is perceived to be much stronger. There has been a growing apart of the port, port city, and port authority in Rotterdam, based also on tough competition and a changed entrepreneurial climate as described in section 9.5 on foreign ownership. Compared with the 1970s, the change is remarkable. In those days, the bonds were quite strong, especially between the (municipal) port authority and the leader firms in the port's industries. However, the more formal relationships of today seem to be important as a foundation for more informal contacts. The role of the previously more person-based relationships that made it easier to do business between companies and between companies and formal institutions like the port authority or the city may have given room to formalized structures that create the necessary informal networks.

The relationships with governmental levels outside Rotterdam are very strong, especially if individual actors have access to the relevant national departments in The Hague, not only on a functional, but also on a personal level, because many local actors have strong ties with national politics or vice versa – people like the Rotterdam-born former Minister of Transport and Water Management, Neelie Kroes; former Minister of Home Affairs, mayor of Rotterdam Bram Peper; and Rotterdam alderman and top executive of Urban Planning in the Dutch Ministry of Spatial Planning, Public Health, and Environmental Affairs, Roel den Dunnen. Very good relationships with important national level actors opened doors for Rotterdam on very high levels. In fact, the Rotterdam lobby was very efficient at getting things done for the Rotterdam port, especially regarding the Maasvlakte II project (Koppenol, 2016). For port business and the port authority, the relationships with the national government, which is responsible for the region's overarching infrastructure, are far more important than the relationships with the port city. This situation was envied by port authorities as well as port companies in other countries, especially Germany.

The Port Authority of Rotterdam's business relations have changed over the years. In former days, attention was paid to the role of landlord and intermediary in the development of the port area, and the Port Authority of Rotterdam wanted to invest in relations with port companies: "We invest in building relationships with our stakeholders by having a planned dialogue. This means that we do not wait to communicate when there is a need for it" (Havenbedrijf Rotterdam N.V., 2012).[54] It even sees its responsibility as stretching beyond its direct customers, in that it sees the customers of its customers as a group with whom to keep in contact (Havenbedrijf

54 *"Wij investeren in relatieopbouw met onze stakeholders door de dialoog structureel te voeren. Dit betekent dat we niet pas in gesprek gaan wanneer er een concrete aanleiding is."*

Rotterdam, 2014). Not everybody was happy with the Port Authority of Rotterdam's move to become a more relationship builder and play an entrepreneurial role. One interviewee remarked that he told the CEO of the Port Authority of Rotterdam that he should be more in the port and less abroad visiting his customers. This action by the CEO has its origin in the fact that the Port Authority of Rotterdam realized that its relationships with Southern Germany should be strengthened because economic growth is stronger there than in Nord Rhine Westphalia, where heretofore the bonds had been strong (Paardenkooper-Süli, 2014). The change in the port authority's position is not viewed positively by everyone. Smaller companies find that their relationship with the Port Authority of Rotterdam has become more difficult regarding tariffs and port duties compared with the position of bigger companies that are able to negotiate better terms. The Port Authority of Rotterdam has a too dominating position without a countervailing power. In a formal sense, of course, the city and the national government are the shareholders, but their evaluation of what is going on is very dependent on the information provided by the supervisory organization (the Port Authority of Rotterdam). The knowledge of how to do that does not exist as in former days, and this puts the port authority at a big advantage compared with the city. But this can also be nuanced. The relationship between the Port Authority of Rotterdam and the city is also more professionalized as they are now two separate entities. This forces the city into the position of being on the same level in terms of being a professional countervailing partner.

It has not been long since the Port Authority of Rotterdam broadened its definition of stakeholders, which now explicitly mentions NGOs and the general public because "the port must be able to expand in balance with her environment" (Havenbedrijf Rotterdam N.V., 2017, p. 17). This is the first time that it really acknowledges corporate social responsibility, underlining 13 of the 17 goals formulated by the United Nations Global Compact (UNGC), the OESO guidelines, and the UN Sustainable Development Goals (SDGs) (Havenbedrijf Rotterdam N.V., 2017, p. 18), all of which relate to core business and stakeholders' expectations. Two excluded goals are *no poverty* and *peace, freedom, and strong public services*. Apparently, business first and license to operate still dominate policy in the Port Authority of Rotterdam.

In its business relations and its behavior, the Port Authority of Rotterdam has gradually moved from exploitation (the landlord model) to exploration (more entrepreneurial) (Van der Lugt, 2015). This can be viewed as putting its own business interests in a more central position in its business scope. With strong players like the container terminal operators or oil companies, it is a positive development that the port is professionalizing so that it can be on the same level in its business relations with these large international players. On the other hand, the question is whether this is developing in a way in which the city itself, being the most important shareholder and a stakeholder in the context of its governmental role, should also be as enthusiastic. Van der Lugt (2015), too, is of the opinion that the government's involvement should be safeguarded, as the privatization of port authorities could be executed to the extreme. The port authority was privatized during the 1990s and the early 2000s, then brought back into public ownership under Hans Smits' directorship of the port authority, and it has re-emerged as an issue from the perspective of some port companies.

9.2.2 Antwerp

"This entanglement, that was responsible for the setback we experienced. Absolutely. A setback that we hadn't known for decades. But in my opinion, one that was less in Antwerp than it was in Rotterdam, and perhaps that entanglement helped us. The fact that there was always locally destined cargo, although on a lower level. That could feed stevedoring."[55]

In Antwerp, changing the composition of the port authority's board to bring devolution into effect was not an overnight process. The whole process of redesigning the composition of the board, especially reducing the number of politicians, was not very smooth and easily done. In time, this 'interference' with the way of doing business within the port authority was met more and more with opposition, as it was seen as the public sector meddling in the port's business. With half an eye on the developments in Rotterdam however, this change was effectuated, and, instead of 16 of the 18 members being politicians, now 7 of 13 members are politicians (Antwerp Port Authority, 2017), which, in comparison to Rotterdam, is still a considerable number. In the first reform phase, managers of several port companies held a position on this board, and so they also had access to city representatives, but this was not considered to be a healthy situation: too much influence of companies on a board of an organization that was also their business counterpart. Therefore, they were replaced by independent managers who bring in their business orientation and experience, but who do not have a direct interest in the port authority's actions.

The strong influence of politicians from the city of Antwerp guarantees the city's interests in the port. From the point of view of a port authority that wants to have as much freedom as possible, this port authority composition is not the most favor-

55 *"Die verstrengeling daar heeft volgens mij ervoor gezorgd dat wij de klap gevoeld hebben. Absoluut. Een klap die we decennia niet gekend hebben. Maar die volgens mij minder hard was bij ons in Antwerpen dan in Rotterdam en mogelijk daar door die verwevenheid elkaar wel wat geholpen hebben. Het feit dat er toch altijd lokale lading bleef, weliswaar op een lager niveau. Die dan stouwerij kon voeren."*

able. From the perspective of balancing the interests of port and city however, this is a construction that allows the city to have a strong influence on what is happening in the port area. The chairman of the Port Authority of Antwerp board has an office not only in the council, but also at the port authority's premises. Consequently, he really gets to know the business well, and the port's interests are his interests too. Conversely, the city's needs are in the direct view of the port community.

The fact that the port of Antwerp is characterized as a port with a strong presence of logistics companies has proven to be a strength for the port. The logistics business of petrochemical companies (a strong industry in Antwerp) is handled by logistics companies that have been based in Antwerp for many years. Van Moer and Katoen Natie are companies that fulfill this role and provide a lot of employment in the port. This functional partnership in the logistics chain was even strengthened in the crisis of 2008/2009 when there was a need to cut costs and work as efficiently as possible. Thanks to their business relations (in combination with the various actors' complementarities), it was possible to get actors around the table shortly after the start of the 2008 crisis to discuss the possibilities of joining forces instead of addressing individual interests. The recognition of shared interests was catalyzed by the former CEO of the port authority. He foresaw that this complementarity could be a survival kit, and he was not the only one; other respondents stressed the importance of the presence of a strong logistics sector in the port of Antwerp. The presence of the industry also ensured the constant influx of large amounts of input for processing. It is seen as the only guaranteed part of the tonnage handled in Antwerp, because *"the rest is footloose"*. The statistics, in terms of tonnage, reveal that Rotterdam performed better in the years 2008–2010 than Antwerp, but a breakdown of Antwerp's added value (Tables 8.6 and 8.7) shows how much of the added value stays within the Antwerp region. There is a high degree of concentration, with 5% of Antwerp firms responsible for the direct added value and 13 companies generating 50% of the added value (Gueli et al., 2019, p. 31). Regarding the strength with which they coped with the crisis, it should be noted that the total direct added value in 2008 amounted to €9.2 bln (Port of Antwerp, 2009), whereas in 2010 it amounted to €10 bln. The crisis was coped with partly by the fact that there was no decline in cargo, but this is not reflected in employment numbers, as illustrated in Figure 9.1, which is based on several reports (Mathys, 2010, 2017; Van der Lugt et al., 2018). Figure 9.1 compares the changes in direct employment between Antwerp and Rotterdam to see whether the cooperation between the different industries, as fostered by the CEO of the Port Authority of Antwerp, paid off.

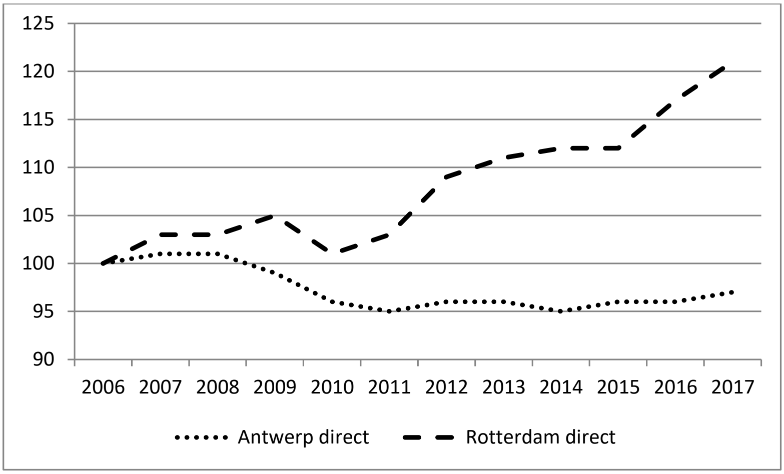

Figure 9.1 Development of direct employment 2002–2017, Antwerp and Rotterdam: Base 2006
Sources: Mathys, 2010, 2017; Van der Lugt, et al., 2018. For figures 2015–2017: Source: https://www.mobiliteitsraad.be/mora/thema/kerncijfers/-vlaamse-havens/werkgelegenheid. Retrieved: 15 January 2020

Figure 9.1 shows a remarkable trajectory that is not in line with the opinion as expressed above. Although there is a perception of an interrelationship between the different segments of the Antwerp port cluster, when compared to the data for Rotterdam, the idea of these relationships in terms of protecting employment is not borne out by reality. After the 2008 financial crisis, direct employment in Antwerp decreased and did not recover in subsequent years. The effect of 2008 was felt in Rotterdam as well, but quickly recovered in 2011 and the following years and started to increase again. It is clear that Rotterdam, in terms of employment, withstood the effects of the crises better, without explicitly addressing cooperation between companies as Antwerp claimed to have done. Antwerp's underlying data for the indexes in Figure 9.1 have to be taken with caution, as every year that these figures are published a new calculation is computed for the previous years (Mathys, 2017), and the figure for the final two years are from another source.[56] For Antwerp however, the decrease in employment is unmistakable. In Rotterdam, there was a slight decrease in direct employment in 2010, but this soon recovered.

This put more emphasis on the relationship between the different segments in the port instead of focusing on maritime business only, meaning that, this time, the port really was recognized as an industrial cluster, which for a long time was getting

56 https://www.mobiliteitsraad.be/mora/thema/kerncijfers/-vlaamse-havens/werkgelegenheid. Retrieved: 15 January 2020

too little attention from the port authority. The effect of the change in that period (2008–2011) continues to the present day. Before that time, the focus was on the port area itself and the entrance to the docks, and less attention was paid to the supply chain in its interrelationship. This attention on the total configuration of the port and the possibilities presented by its interdependence is officially formulated in the 2011 annual report of the Port Authority, which states: “In 2011, Antwerp Port Authority and the private companies within the port finalized the Total Plan outlining their vision of the future. The emphasis was on optimizing the logistics chain so as to bring goods to their destination as efficiently as possible” (Antwerp Port Authority, 2012, p. 14). This is not illogical for a port, and other ports may have done the same, but it is Antwerp that pays explicitly attention to this co-development. Besides this task as an intermediary that brings together various port actors to be able to have a port that performs more than its individual members could have accomplished, the port authority sees it as its core task to “act as a landlord and to develop the port infrastructure” (Antwerp Port Authority, 2012, p. 92). It says that “the trinity of maritime transshipment, industry, and logistics …. must develop further into a highly efficient platform on which the most sustainable and efficient supply chains converge” (Antwerp Port Authority, 2014, p. 6). Therefore, the port of Antwerp with its variety of companies and activities can be seen as a truly connected industrial logistics cluster.

However, the port of Antwerp is also characterized by relationships that are more strained. The leap over the Scheldt, by developing the Left Bank, needed because of the increasing scale of container vessels, brought Antwerp into conflict with the municipalities on the Left Bank, in particular Beveren and Zwijndrecht. The Chabert Law was enacted to regulate the responsibilities and the nature of the relationships between Antwerp and these municipalities, as discussed in section 8.3.6. This is a striking example of particularism (interested only in one’s own position) and the inclination to solve this in legal frames, as often happens in Belgian or Flemish politics, as some of the respondents remarked. In the annual reports, not so much attention is given to the ‘subtle’ relationship with the Left Bank and the role of the Left Bank Company, Maatschappij Linker Scheldeoever. In the years 2011 and 2012, the Regional Land Use Plan with the extensions on the Left Bank was an important subject, but since 2015 nothing has been said. Of course, there is no need to do so. With the exception of the Saeftinghedok, the biggest invasions of the Left Bank have already taken place. In later years, the port itself tried to elaborate on its relations with the surrounding stakeholders, and the port authority stressed its role in terms of employment and sought opportunities to play its role in society. It has tried to establish more personal relationships with the inhabitants of the different municipalities, e.g. by being present at info markets to inform people about the port's boundaries (the Regional Land Use Plan). It does so because it acknowledges that "in recent decades the port has developed geographically away from the city, and unfortunately 'out of sight is out of mind'" (Antwerp Port Authority, 2013, p. 62); but this is also done with an eye to ensuring societal support, especially the license to operate (Antwerp Port Authority, 2013, p. 2).

Over the years, the port of Antwerp kept on stressing the business relationships between the various actors from the perspective of complementarity, as the 2011–2016 annual reports constantly show. The relationship with surrounding municipalities is strengthened by the accession of the mayor of Beveren (Left Bank) to the port authority board. This rather powerful local authority[57] understands that is better to cooperate with big brother Antwerp than to constantly fight it, as neighboring municipalities did. Fighting for local interests hampers the development of shared interests; this is a common outcome of the existing particularism in Belgian and Flemish society. Consequently, port actors are quite jealous of Rotterdam's position, which is viewed as important for the national economy and therefore treated from a national policy perspective.

9.2.3 Hamburg

"So, Hamburg, the business families here, the business level, has a much better relationship with London than with Munich or Berlin."

Business relations are quite tight in the port/port city of Hamburg. In fact, this section cannot be viewed on its own but must be intertwined with other factors such as economy of touch and family-owned companies, as will be made clear later. Business relations are strongly influenced by the elite families in Hamburg. There was the issue about DP World wanting to establish their terminal on land along the river Elbe, but this was stopped by the city thanks to "the influence of the families". These families of the Hamburg companies have such an influence that their relations with the government of Hamburg are stronger than with the port authority. That puts the real power of the port authority in a rather strange position. The relationship between some of the businesses goes back a long time. Business relations in Hamburg are charaterized by the inclination to keep things "within the house". The French firm L'Oréal showed interest in buying Beyersdorf, the big industrial pharmaceutical company. To prevent that, the city-state bought the company

57 Mayors in Belgium are rather powerful local authorities; because they are locally elected, they feel backed by the mandate from the population of their village or city.

(which they later sold again). The same applies to the energy sector. The city bought back the formerly privatized Hamburger Elektrizitäts Werke, which was owned by Vattenvall. Another example of how close business relations manifest themselves in the port is the way in which the Hamburg Port Authority deals with the increasing importance of cruise shipping for the port. Together with Hamburg Airport, the Hamburg Port Authority created a joint venture for managing the three cruise terminals in Hamburg (Hamburg Port Authority AöR, 2016). The inner structure of relationships in Hamburg spans various sectors. As illustrated in section 9.4.3 in relation to diversity, Hamburg ranks high as a hotspot for cross-sectoral communities in a study researching Europe's hotspots for logistics services based on social network analysis (Sirtori, Caputo, Colnot, Ardizzon, & Scalera, 2019).

Thanks to the excellent railway connections, via Deutsche Bahn, the port of Hamburg is the port for the southern part of Germany and beyond. The north–south axis is the lifeline between German regions, as more than 1 million jobs are dependent on exports via the German seaports (Institut für Seeverkehrswirtschaft und Logistik, 2019). The relationships between the port and the railway system, which is one of the assets of the infrastructure, are very close. Traditionally the port and Deutsche Bahn have shared interests regarding the connections to the south, but there are also other bonds. For example, HHLA and DB Schencker Rail hold shares in each other's subsidiaries, creating strong bonds between these companies.[58] By doing so, they in fact closed the door to foreign competition over shipments for Switzerland, Austria, and Poland.

Financial relationships also used to be tight, although this has changed in recent times. In former times, if a business plan made it clear that the loan payback period was within an acceptable time horizon, the banks – local Sparkassen or Genossenschaften – were willing to go along with a firm and finance the project; and the banks were not only interested in the finance, but were an advisory institution as well. Indeed, this was the case not only for the Sparkassen, but also for Deutsche Bank. Globalization has changed this, as has been made clear. Loan terms are more restricted, and willingness to invest has decreased strongly.

Shared financial interests between the city and the outside world is not limited to port companies only. For a long time, there has been a close relationship between Germany and China. As Germany had a rather short history as a colonial power

58 https://www.railwaygazette.com/freight/db-and-hamburger-hafen-agree-intermodal-freight-restructuring/36884.article. Retrieved: 13 April 2020

(briefly in Africa, mainly in Tanzania, Namibia, Ruanda, Burundi, Cameroon, and Togo), German companies are perceived as partners in business, and their reputation and image, especially that of Hamburg, is surprisingly good, as acknowledged in Beijing, Tianjin, and Guangzhou. Hamburg shipping lines to China prove this position.[59] In former days, there was a Chinese quarter in Hamburg. China is still Hamburg's most important trade partner with 30% or 2.6 m TEUs (Hamburg Port Authority, 2012). Although in the past the Hamburg elite was composed of the trading companies, nowadays it is more connected to shipping. It is especially this group of company owners (the patron of the elite) that meet frequently and are rooted in tradition. The Hamburg community is still strong – a feature that is considered to contribute to the cluster – but business relations between the companies in the Free and Hanseatic City of Hamburg and other governmental entities in Germany are rather weak. This creates the strange situation whereby the bonds between those business families and their business relations in London are better than their bonds with Munich or Berlin. This influences their position in the national policy of strengthening certain industry sectors, or focusing on them, in such a way that Hamburg is not seen as *the* national port of Germany.

Because of the effects of internationalization and globalization, the relationships between shipping lines and terminal operators worries the Hamburg port community. The 2013 annual report speaks cautiously about the projected consolidation of the three liners Maersk, MSC, and CMA CGM in the P3 alliance. They fear that this consolidation would give the lines a much greater power than before (Hamburg Port Authority AöR, 2014, p. 15). This is the first time that an annual report speaks about the risks of these consolidations. It is a power shift related to the general dynamic of globalization. This is never remarked upon in the annual reports of the port authorities of Antwerp or Rotterdam.

There is a remarkable process going on in the relationship between the port city and the port companies regarding city development as conducted by the organization of HafenCity. HafenCity's success has pushed land prices sky high and has created competition for land from a land value perspective. This puts tension on the port–port city relationship, not only on a functional level, but even between individual actors that are prominent representatives of the factions involved. Port companies feel

59 The universal port of Hamburg is Europe's leading seaport for China's foreign trade. The Middle Kingdom is its most important partner for container traffic. Volume handled totals around 2.5 million TEUs. Almost one in three of the containers handled in the port of Hamburg comes from China or starts the sea voyage to China from there. Source: Port of Hamburg Marketing; https://www.hafen-hamburg.de/en/shanghai. Retrieved: 22 August 2019

threatened, but business relations between port companies and city governance are strong. The companies are protected by the Port Development Law, which created a fixed boundary that protects the port from the city. So, there is an effect of land-rent-seeking port operators that try to protect themselves against the increasing land values consequent to the pressure from HafenCity port rejuvenation activities. This creates a rather strange situation whereby a public entity,[60] with its own goals as set by public governance, is constrained by that same governance that has other interests in port business. Because, in the end, it is the Hamburg parliament that decides – based on the evaluation of which land use creates the most added value and employment – the kind of development to which city areas will be exposed. This position of the Hamburg government and its management of the port authority is also the cause of the strong relations between companies and the government (the Senate). If possible, they bypass the port authority completely. The fact that former members of political institutions are also employed in port business shows the entanglement of politics and the Hamburg economy.

So, the Hamburg tradition of strong, historically built business relations is under pressure from rejuvenation projects restructuring the city as well as from globalization effects in terms of the increasing power of global shipping lines/container terminal players. These international dynamics are at the threshold of the port city of Hamburg, but the question is how long it will take before they stop knocking at the ‘closed port’ and enter the port and so the port city.

9.2.4 Conclusion

Concerning business relations, there are striking differences between the three ports. In Rotterdam, the relationships between businesses and the city used to be tight, united as they were for realizing the reconstruction of the ports and the city, and in later years for continuing to be the largest port in the world. This harmonious model has come under pressure, however, from the active promotion of competition by allowing other companies into the port of Rotterdam, where at that time ECT had a de factor monopoly on containers. The other dynamic that contributed to the erosion of this harmonious model was globalization, noticeable in company takeovers. Some (especially politicians) welcomed this development, others mourned the loss

60 HafenCity GmbH: 100% owned by the Free and Hanseatic City of Hamburg. Supervisory board members are representatives of the Hamburg Senate; their task is to look after the interests of the Free and Hanseatic City of Hamburg. The ongoing development and implementation of the masterplan that is taking place to realize HafenCity Hamburg is authorized by HafenCity Hamburg GmbH. Source: https://www.hafencity.com/en/management/the-supervisory-board-of-hafencity-hamburg-gmbh.html Retrieved: 6 September 2019

of cohesion in the port. Relationships between the port and the national government are very strong, as the port is seen as a national asset, but that does not mean that influence on the governing of the port authority is secured by that. The relationship is 'handy' when it comes to realizing projects; so, this is an instrumental approach rather than a way of establishing public governance. The port authority is taking the devolution process very seriously, as it has progressed from an exploitation role to an exploration role, so acting as a truly commercial company. This is in line with the New Public Management approach discussed in Chapter 3. Indeed, the Port Authority of Rotterdam underwent a change from rowing to steering, but, as remarked in section 9.2.1, this has influenced the relationship with the city in such a way that the separation became very apparent. A move to the network approach might be more apposite, as a project such as Rotterdam Maritime Capital would demand. By doing do, the relationsips with the port companies could gain trust.

Relations in Antwerp are strongly influenced by the political constitution of society, where public entities like port authorities have a strong political influence. There has been a change; the council's influence has diminished numerically but still, compared to the other models of port devolution, it is a publicly influenced entity. The relations between the companies are strengthened by the Port Authority of Antwerp's active policy to create a strong, integrated cluster. This, however, did not prevent a reduction in employment in the years after the financial crisis of 2008. Relationships between communities are under pressure from the differences in attitude towards port extensions on the Left Bank. This does not hamper business relations, but it makes new developments on the Left Bank more difficult. Antwerp is a port on its own. It is not valued as a national asset, partly because of the split between Flemish and Wallonia society, partly because of the attitude of advancing one's own interests as a separate community, either big or small.

Hamburg is quite the opposite to the other two ports because of its strong belief that business relations should be kept within the town walls. Every attempt to break up this world by trying to establish a company, or to get a foothold by buying one, is prohibited by the inner business circle that uses financial instruments to prevent the complete takeover of companies, at least in such a way that the decision center stays in Hamburg and the Hamburg influence is guaranteed. The city-state is exemplary in this, by buying back former state-owned companies, or by taking stakes in prominent industries. So, although the general dynamics of globalization have not bypassed Hamburg's gates, they are mitigated by the socio-political structure of this city-state, where companies and politics are closely related. Relationships with international markets are traditionally strong: China, South America, the Baltic, and

London. Like Antwerp, Hamburg is not its country's national port. Its relationships with the national government are weak. Political influence is restricted mainly to the local (Stadtsstaat) level.

De Langen's (2004) evaluation of strengths and weaknesses of the Rotterdam port cluster can also be interpreted for the level of business relations, operationalized by his using the quality of collective action regimes. In the comparison, an average of six ports is used as a benchmark (score 1), and then the scores for Rotterdam, Antwerp, and Hamburg are compared with it. In this score, Rotterdam is equal to average, Antwerp scores the best with 2.2, and Hamburg follows with 1.6 (De Langen, 2004, p. 180). This could indicate that De Langen's respondents felt that the relations underlying these collective action regimes are weaker in Rotterdam than in the other two cities. This thesis goes one step further by stating that, although hardly noticeable, these regimes are strongest in Hamburg, but tacitly present, as will be shown in sections to come. In his overview of strengths and weaknesses, De Langen also remarks that the presence of internal competition scores higher in Antwerp than in Rotterdam. This observation is not confirmed by the research in this thesis: port actors in Rotterdam and Antwerp perceive this degree of internal cluster competition as being the result of the Port Authority of Antwerp's active cluster policy.

9.3 EXPLORING COMPLEMENTARITIES

Researching the business relations concept from the perspective of clusters suggested that more detailed attention was needed on a typical feature of clusters concerning relationships: complementarity. So, although related to business relations in section 9.2 and particularly to diversity in section 9.4, complementarity influences the forces enhancing or weakening cluster development. This characteristic of the cluster is responsible for the flexibility of the cluster to withstand economic downturns and to be the start of new activities in the future, as discussed in section 2.10.

9.3.1 Rotterdam

"For I think that part of the urban economy can also be very important for the port economy."[61]

61 *"Want ik denk dat een deel van de stedelijke economie ook heel erg belangrijk kan zijn voor de haveneconomie."*

The complementarities of the different sectors are not actively exploited very strongly in the port of Rotterdam. In the container business in particular, there is hardly any inclination to do things together with other companies within the Rotterdam region. There are activities with distribution, value-adding companies, but not locally as prominent as in Antwerp. In the petrochemical sector, companies cooperate by availing of one another's core competences. There are platforms where people meet to discuss how to organize processes in a better way. Examples include Deltalinqs and the Smart Port community, but everybody seems to have their own agenda, and there is no real synchronization of activities. This might be an effect of the stronger supervision exercised by the Anti-Trust Authority when it suspects that cooperation between companies might influence competition within the sector. Companies could overreact to this by completely avoiding even the suspicion of it by not actively trying to cooperate with one another in day-to-day business. Of course, the port authority can play a role in this. Supply chain coordination is a subject that certainly has the port authority's attention, but it does so by strengthening the relationships with the centers in the hinterland, and not so much with companies in the Rotterdam area (Havenbedrijf Rotterdam N.V., 2016). It is one of the companies themselves, ECT, that with European Gateway Services (EGS) invests in a synchromodal network with inland terminals (Van Riessen, 2018). This is a perfect example of how the butterfly model, presented in section 1.8, is applicable to the regionalization of the value-adding services. These services are more and more realized in the intermodal network, using Tilburg, Venlo, and so on. The activities are redistributed along waterways and railways and influence activities in the country (Kuipers, 2018a). It is remarkable that the respondents hardly mentioned this when debating the reorientation in complementary functions. The general perspective is that, even if the port did nothing with the cargo, it would come anyway, thanks to its position as a transit port.

9.3.2 Antwerp

"So, I think that 2009, the year when we did the roll out, that that was extremely important for finding again the alliance between industry, logistics, and transshipment."[62]

As already stated in the discussion on business relations, it is the complementarity of business that characterizes the industrial port of Antwerp. Besides the fact that the port of Antwerp is an industrial port, it is also seen as a logistics port. This shows the entanglement of the three pillars – transshipment, logistics, and industry – used

62 *"Dus ik denk dat 2009, het jaar waarin we dat hebben uitgerold, dat dat enorm belangrijk was geweest voor het hervinden van de verbondenheid industrie, logistiek, overslag."*

to add value to what comes into or goes out of the port. The three pillars enhance one another; they are in symbiosis, promoted by the active involvement of the port authority following the crisis of 2008. It is stated in the port authority's mission statement, and it is repeated in all the annual reports year after year, that it is the presence and the enhancement of the supply chain that makes Antwerp strong.[63] It is this complementarity of the port that guarantees that cargo will come its way: if it did not have these logistical, value-adding activities, cargo would probably not come in the same quantity as it does now. So, the port has a pull factor. Besides the activities as a result of the maritime function of the port, the chemical sector plays a very important role, as presented in section 9.4.2, discussing diversity. For now, it must be remarked that, although complementarity in Antwerp is a characteristic widely recognized by the Antwerp actors, the chemical sector, contributing the most in terms of added value, is perhaps the one that takes part in that complementarity the least.

9.3.3 Hamburg

"And that is the reason why we have, we have eh, three big clusters in Hamburg. One is aviation, one is logistics. And logistics and aviation is…[64] *they are now working closely together. So that means cluster-wise we have to achieve the needs of different clusters and working closer together."*

The Hamburg cluster consists of various industries that are working closely together. Aviation is strongly related to logistics in the port, where Airbus, for example, ships more than 1,000 containers a week to a production plant of theirs in Beijing. Companies like Jungheinrich and Still owe their more than 50% world market share to their growth in the port area, which was in need of equipment for moving cargo around. Universities are strongly involved in research benefitting these companies and their marine counterparts. Thus, Hamburg's port cluster can be seen as an ecosystem. If one speaks of complementarities in the port of Hamburg, they must be placed in a direct relationship with the city. The complementarities in the port city are not only in its industrial role where logistics are a next step to the handling of containers, but also in the relationship between the direct maritime activities and the maritime advanced producer services (MAPSs) like shipbrokers, container financing agencies,

63 "When it comes to carrying out the Business Plan in 2015, the starting points remain as follows: The need to think in terms of supply chains. The realization that the port of Antwerp is a unique platform for the interplay of industry, logistics, and maritime transshipment" (Antwerp Port Authority, 2015).

64 This thesis wants to present quotes exactly as they were recorded, and this mistake of mentioning three and giving two examples is a result of that.

insurance companies, and, including the cruise industry, the city itself. Hamburg is the most important container world city in Europe (Verhetsel & Balliauw, 2015). This is strikingly reflected in Hamburg's position in the ranking of maritime services and operations as illustrated in Tables 2.2 and 2.3. It owes this position to the presence of these companies with their international contacts. This is in line with the strong relationships between Hamburg and China as described in section 9.2.3, but, on the other hand, it is rather remarkable given the 'situation' – the topic of section 9.8.

9.3.4 Conclusion

Complementarities in Rotterdam are spatially more stretched with the activities of the inland ports with their logistics functions, thereby using the river and the railways as the modalities to move goods as economically as possible towards their destinations. That means, however, that this complementary function is no longer within the city's boundaries. The petrochemical complex is traditionally a perfect example of complementarity of the maritime function and the processing of its output. Government nowadays plays hardly any role in this, as it is in the hands of the Port Authority of Rotterdam, which takes a (spatially) wider perspective to complementarity by actively supporting the ports in the hinterland.

From the cluster point of view, interrelationships in Antwerp between the factor condition (e.g. the site), the related industries, and the influence of governance are very prominent in terms of complementarities. As stated, they enhance one another, and government, partly represented by the Port Authority of Antwerp, plays an active role in this by emphasizing that the strength of Antwerp is in the entanglement of its three pillars – transshipment, logistics, and industry.

In Hamburg, there certainly is complementarity, but this is especially strong between the maritime function and MAPSs. Industry has a complementary relationship with the maritime function, but these industries are big enough to act completely on their own, and they are considered to be as equally important as the port and not just a related part of it.

Just as the previous section ended by mentioning the results of De Langen's (2004) cluster study, it is interesting to reference that in this section as well. Here, the elements that he mentions in his table summarizing the strengths and weaknesses of Rotterdam's port cluster and that can be used here are the presence of embedded leader firms and the presence of intermediaries (De Langen, 2004, p. 180). For De Langen, these are parts of Rotterdam's strengths compared to Antwerp and Hamburg. The section above shows that this is not really the case (anymore?). This might be explained by the fact that this thesis explicitly encompasses only the city within the port cluster, whereas De Langen includes the municipalities in the vicinity (up to Dordrecht, Alblasserdam, Hardinxveld, and so on) (De Langen, 2004, p. 99). In his comparison of strengths and weaknesses – a judgement by experts (De Langen, 2004, p. 177) – this places Hamburg (and Antwerp) in a less favorable position. Looking at the port city itself however, one can conclude that, within that spatial area, the city of Hamburg might be considered as being more entangled with the port compared with the other two port cities.

9.4 EXPLORING DIVERSITY

The concept of diversity takes the element of complementarities one step further. The latter concept is strongly related to cluster theory, which recognizes commonalities and complementarities (section 2.6). This is about the inner relationships that define the clusters' most prominent industry. The concept of diversity also looks at other, less related industries that provide the region with more resilience when the main industry is suffering economic hard times. It should be noted that the city is included in this concept. So, to look at diversity, the city is included as part of the port/port city cluster. Again, based on De Langen, one would expect diversity in Rotterdam to be much stronger than that in Antwerp and Hamburg, as it has a score of 3.0 versus 2.4 and 1.3, respectively. The sections below show that, if one looks at the port city as a whole, other activities will be included, resulting in another outcome.

9.4.1 Rotterdam

"Posthuma was not interested in results in financial terms, he was only interested… in results in terms of tonnage and square meters. ….. a lot of money was spent and suddenly there was no more money. But they had these areas, five refineries. So, Rotterdam had become a refinery port."[65]

Rotterdam's maritime cluster is seen as diverse with its related industries like the headquarters in the city with insurance, finance, and legal consultancy. It is therefore strongly connected to the activities in the port itself. But Rotterdam is very much a petrochemical- and oil-oriented port. These units are production units and not so much decision centers that are in need of other kind of activity within the port itself (like insurances and banking at top level). Many maritime-related

65 *"Postuma was niet geïnteresseerd in uitkomsten op financieel gebied, hij was slechts geïnteresseerd… in uitkomsten op tonnengebied en vierkante meters…. er werden enorme hoeveelheden geld… En ineens was het geld op. Maar wel terreinen, wel vijf raffinaderijen. Nou, Rotterdam is dus een raffinaderijhaven geworden."*

offshore industries are located in the cities more upstream of the river – with the exception of the port of Schiedam – and it depends on the scale whether the port city of Rotterdam is considered as diverse as one would expect of the sixth largest port in the world. There is diversity in directly related industries, but, in terms of non-marine-based industries, the diversity compared to a city like Hamburg is less. From a cluster heterogeneity perspective, the resilience to overcome crises like that of 2008 is less compared with Antwerp, as Rotterdam is so much a transit port and the wellbeing of the city is more easily affected. The economic development of the port has much more to do with the economic development of The Netherlands and not so much with the city of Rotterdam itself. The city reflects national economic developments much more than it reflects developments in the port (Kuipers, 2018a, p. 27). The activities in the port are primarily labor extensive, as shown in the monograph on Rotterdam, and the labor employed in the port attracts a lot of employees from outside the city, as the city itself cannot offer employees with the needed educational level. As Tables 2.2 and 2.3 illustrated, in terms of a score in the ranking of port cities on maritime services and operations, it is only in the last couple of years that Rotterdam has held a position in the top 5 (but still below Hamburg). However, more and more campuses and start-ups are creating a network of an educational and research community that creates knowledge spill-overs. So, the city of Rotterdam is really catching up after a period of not really benefitting from the port's activities. Regarding the composition of Rotterdam's port cluster in terms the contribution per sector in direct added value, Table 9.1 exhibits the diversity in the cluster, clearly showing the dominance of the transport sector. The maritime sector accounts for half of the added value. This table is based on Table 8.4. The maritime sector declined a fraction in the period 2012–2017, but on the whole the various sectors' contributions were stable. The total added value (direct and indirect) of the port of Rotterdam is €23 bln (Havenbedrijf Rotterdam N.V., 2018). The added value of the economic activities of the Rotterdam Rijnmond cluster is €60.8 bln (Stadsontwikkeling Gemeente Rotterdam, 2018), meaning that the port activities account for 37.8% of the total value.

Table 9.1 Contribution cluster segments in % of total 2012 and 2017 Rotterdam, direct added value

Sector	% Added value 2012	% Added value 2017
Transport	20.0	21.0
Transport services	15.7	14.5
Transshipment and storage	15.9	13.9
Maritime	*51.6*	*49.4*
Food industry	2.5	2.3
Oil industry	11.6	10.8
Chemical industry	14.8	18.6
Metals	2.1	2.2
Transport equipment	0.8	0.7
Electricity	5.1	2.7
Others	1.6	2.4
Non-maritime	*38.5*	*39.7*
Wholesale	5.1	6.4
Producer services	4.8	4.7
Wholesale + services	*9.9*	*11.1*
Total	100.0	100.0

Based on Van der Lugt et al., 2018

9.4.2 Antwerp

"Then I say, don't only look at it from that perspective. And especially, especially don't only look at it from the nautical perspective."[66]

Diversity in the port city of Antwerp is grounded in the three-pronged complex of industry, warehousing, and transshipment. These three are the main components of the port city's cluster, which, as noted in section 9.3.2, are complementary and thus add value to maritime traffic. Table 8.6 shows the shares of the diverse companies that are responsible for this added value. So, in terms of cluster heterogeneity, Antwerp has the resilience to overcome crises that affect the maritime industry, as discussed in section 9.2.2. Regarding the composition of Antwerp's port cluster in terms of the contribution per sector in direct added value, Table 9.2 exhibits the diversity in the cluster, clearly showing the dominance of the chemical industry.

66 *"Dan zeg ik, bekijk toch niet alleen dat plaatje. En vooral, vooral bekijk het nu eens niet alleen nautisch".*

Table 9.2 Contribution cluster segments in % of total 2012 and 2017 Antwerp, direct added value

Sector	% Added value 2012	% Added value 2017
Cargo handling	14.7	15.8
Shipping agents and forwarders	5.9	5.3
Shipping companies	5.5	3.9
Other maritime	7.0	6.5
Maritime	*33.2*	*31.5*
Chemical industry	29.3	31.9
Fuel production	9.7	10.3
Trade	9.0	9.3
Other non-maritime	18.9	17.0
Non-maritime	*66.8*	*68.5*
Total	100.0	100.0

Based on Gueli et al., 2019

The maritime sector within the port cluster is smaller than that of Rotterdam. For a port that claims the three-pronged strategy and puts an emphasis on logistics, the share of logistics is rather modest and would not be expected in light the interviewed actors' perception of Antwerp as the value-adding logistics port. In Antwerp too, the shares in terms of added value per sector hardly changed. Like Rotterdam, the share of the maritime sector decreased. If anything, in terms of added value, it is an industrial port with chemicals as the dominant sector. So, the resilience of the port in terms of being less dependent on one dominant activity is manifested by a smaller share of the maritime segment. On the other hand, the chemical sector more or less compensates for that, so saying that dependence on one industry is avoided could be considered an exaggeration. The total added value in Table 9.2 in 2017 was €20.7 bln. The total added value of all economic activities in the Antwerp cluster in 2017 was €50.1 bln.[67] This means that share of the maritime sector is 41.3%. This is larger than that of Rotterdam, meaning that the Antwerp economy is more dependent on the port cluster.

9.4.3 Hamburg

"However, …you can also say the strength of Hamburg economy is, is diversification. The largest company is Hamburg is not, by far not, a port company. HHLA, if you look at the largest of these companies, I don't know its place, 30 or something. The largest company in Hamburg…… is Airbus."

67 http://stat.nbb.be/Index.aspx?DataSetCode=REGACSEC&lang=nl./. Retrieved: 4 February 2020. Unit of analysis is Antwerp arrondissement.

Maritime-related industry is less prominent in Hamburg than in Antwerp and Rotterdam. This statement may come as a surprise. The port of Hamburg is presented as a port with a high level of maritime node functions (Kuipers, 2018c). So, from the perspective of comparing ports regarding maritime and maritime-related activities, Hamburg is a logistics port. However, as this thesis approaches the cluster from a broader perspective, another evaluation emerges. The diversity of the port city of Hamburg is especially rooted in MAPSs, which are more city-center bound and add value to the typical city's economic knowledge-based community. In fact, the largest company in Hamburg is not a direct port-related company. It is Airbus, which is considered to be not only the largest, but also the most important. The wealth of the city is grounded historically in its port function, but that is definitely no longer the city's only resource. Chemicals, tourism, cruising, universities, the medical sector, the publishing sector, research in physics and biology, make Hamburg a knowledge-based center within Germany. In addition, Beyersdorf for personal care, and the medical sector producing medical devices, places Hamburg seventh in the ranking of the top regions of Europe (Sirtori et al., 2019). This might be the basis for the (undoubtedly exaggerated) remark that Hamburg is not really waiting for these big vessels, which could equally well berth in Wilhelmshaven. This remark is based on the presence of large value-adding firms in this city-state, meaning that Hamburg's economic position is less vulnerable to global maritime developments. Recent detailed data as presented for Rotterdam and Antwerp in Tables 9.1 and 9.2 are not available,[68] so Tables 9.3 and 9.4 give an overview that approximates these table. In Table 9.3, the breakdown is based on employment per sector and shows a viable cluster that is very heterogeneous.

Table 9.3 Employment per sector Hamburg

Sector	Employment
Healthcare	160,000
Maritime	130,000
Media & IT	110,000
Aviation	40,000
Life Sciences	20,000
Creative	14,000

Source: https://www.hamburg.com/business/clusters. Retrieved: 16 January 2020

68 There is only the integrated overview for the three ports in the NBB Planco study of 2013, partly presented by Kuipers (2018c, p. 268).

Table 9.4 presents a breakdown per sector in terms of contribution to added value for Hamburg, which amounted to a total of €105.9 bln for the year 2017 (Statistisches Amt für Hamburg und Schleswig-Holstein, 2019, p. 195) .

Table 9.4 Contribution cluster segments in % of total 2005 and 2017 Hamburg direct added value

Sector	% Added Value 2005	% Added Value 2017
Agriculture and forestry	0.1%	0.1%
Manufacturing	14.2%	14.8%
Construction industry	2.3%	2.4%
Trade, transportation, storage	30.9%	31.9%
Finance, insurance, real estate	36.4%	32.1%
Public and private service providers, education, healthcare	16.2%	17.9%

Source: Statistisches Amt für Hamburg und Schleswig-Holstein, 2019

The port's contribution in terms of added value is not specified in Table 9.4.[69] The value added for the port is quite stable throughout the years, ranging from €11.7 bln in 2011 (Hamburg Port Authority, 2012) to €12.6 bln in 2016 (Hamburg Port Authority AöR, 2017), making a contribution of 11.9 % from the port itself (% of Hamburg's total added value). This must be a part of the 30.9% presented in Table 9.4 for the Trade, transportation, storage sector. This makes it a rather small figure within Hamburg's total added value. Despite the fact that Tables 9.4 and 9.5 cannot be exactly compared to those for Rotterdam and Antwerp, what these tables do say is that the prominence of the port of Hamburg, however important it is for the port city as an employer, as a center for activities, and as a node around which diverse activities are organized, in terms of added value plays a far less important role compared to Rotterdam and Antwerp.

Looking at the employment figures changes the picture based on added value. Now, the differences between the ports are less visible. It is difficult to compare figures because of definitions, but Table 9.5 shows some similarities and differences between the three ports.

69 The NBB Planco study shows the three ports' direct port-related added value, but it covers only one year (2013).

Table 9.5 Employment structure in the regions of Rotterdam, Antwerp, and Hamburg 2012

	Rotterdam	Antwerp	Hamburg
Agriculture	0.9%	0.8%	0.1%
Manufacturing	8.8%	11.1%	13.1%
Construction	5.1%	5.5%	3.4%
Trade	16.6%	17.8%	16.3%
Transport and communication	7.6%	7.0%	9.0%
Hotels, restaurants, and catering	3.8%	4.9%	3.7%
Business and financial services	24.7%	21.8%	54.3%
Public and personal services	32.6%	31.0%	
Total	100%	100%	100%

Source: De Koning, Zandvliet, & Gelderblom, 2018

Although these figures are not as recent as the tables presented before, this overview is interesting because of the illustration of the manufacturing sector in Rotterdam, which is modest compared with the others, as Rotterdam does not have a steel industry as it is located near Amsterdam. This activity does take place in Hamburg (Arcelor Mittal). At the same time, although comparison is tricky as stated, the service sectors are more alike, with the three of them over 50% (Hamburg's 54.3% must include Public and personal services). This is something that was not to be expected given the more prominent position of MAPSs in Hamburg. One could conclude that, because of Hamburg's 54.3%, the Business and financial services category reflects a larger share compared with the other two ports.

9.4.4 Conclusion

If, as theory claims, diversity makes clusters more resilient in economically hard times, it is Hamburg that has the best credentials to overcome such circumstances. Rotterdam is a port/port city with diverse activities, but the base of its major activity is founded on the transshipment function. This puts the port city in a more unstable position in economically tough times. And looking ahead, if the need for oil and coal decreases because of the need for more sustainable sources of energy, these activities will be under pressure. The diverse complex in Antwerp, although very maritime based, is supported by the local demand for the logistics function, but the chemical sector accounts for a large share of Antwerp's added value, which is the product of a limited number of firms. For Hamburg, the presence of MAPSs makes it less vulnerable and, in addition, the presence of a variety of non-maritime-based activities makes this cluster strong and resilient. Hamburg's share of port activities is rather modest. So, the city of Antwerp and the city of Rotterdam are truly part of a port cluster; for the city of Hamburg, this is less the case. The presence of MAPSs in

Hamburg makes this city functionally entangled with the port – a sector that is very dominant, as seen in section 2.11. In terms of port business however, Hamburg has a very diversified economic base that is not directly related to the port.

9.5 EXPLORING FOREIGN OWNERSHIP

One of the dynamics influencing port–port city relationships has to do with the influence of globalization. A result of this dynamic is the concentration of companies in multinational firms and even conglomerates. This means that former domestic firms are taken over by larger companies that often are in foreign ownership. In the port industry, this is most prominently articulated by the container terminal industry and the liner industry. This has had an influence within the ports, as dealt with in the next section.

9.5.1 Rotterdam

"These are all passing travelers. Hired men."[70]

The attitude towards the taking over of home-based companies by international players like Maersk, Dubai Ports World, and Hutchison is quite mixed in Rotterdam. On the one hand, it is seen as the logical result of global developments and something that should not be mourned. It is appreciated, even welcomed, as something that brought Rotterdam more expertise, a more business-oriented attitude, a professionalization in doing business, but it is also seen as a loss in terms of losing more control and the fact that strategic decisions are taken in Singapore and Hong Kong instead of at the Weena (or Kralingen, if business was to be discussed at home). This has affected the speed and the effectiveness of the decision-making process, and also local managers. Like former directors of home-based companies, they did not really become members of the inner circle of port actors as one would expect for such large and very present entities. Having decisions taken abroad was not completely new. In the past, strategic issues concerning Exxon were taken in the US and not in The Hague. For that, the fact that Shell, one of the most important players in Rotterdam, has its headquarters in The Hague was a blessing, so the port could do business with the decision makers on a personal level, as one respondent remarked. This surely benefitted the investments undertaken in Rotterdam. For smaller port companies, doing business as a subcontractor with these foreign-based companies has not made life easier. There is less understanding of their cost structure, and

70 *"Dit zijn allemaal passanten. Zetbazen."*

the live-and-let-live concept is less practiced than in the past when everyone knew the one another's business; instead, companies try to squeeze out the last dime to achieve designated cost reduction goals. The acquisition of ECT by Hutchison apparently seemed to have been avoidable, as some well-known Rotterdam businessmen were willing to take action but were not supported by the bank, which wanted a financial partner and not a strategic partner. How strange that the result of all of this, Hutchison, was a strategic partner *pur sang*. It is, however, interesting that also in Rotterdam in those days, initially there was a group of men who were able to find one another and were likeminded about preventing the alienation of one of the most highly esteemed Rotterdam companies. In the end however, they were not able (or did not want) to raise the funds to realize this ambition, as the port authority itself did not really make an effort to find a 'Dutch solution'. Thus, the port of Rotterdam has more and more foreign owners in its portfolio of maritime-related companies – very often operational companies that are process oriented and therefore cost oriented. These companies are not marketing- or governance-oriented companies that are able to make decisions that go beyond their own operations. It is therefore harder to get them involved in policies that are directed towards the development of the cluster itself and that require decisions that do not have a direct effect on their own business. Nijdam (2010, p. 218) consequently concluded that foreign-owned companies exhibit less leader-firm behavior and thus have a negative effect on investments in local cluster infrastructure. Concerning the container terminal operators in particular, foreign ownership, besides bringing tougher competition, has had a negative effect on the former cooperation that existed between companies and the port authority. Because of this and the fact that some of these terminals are liner terminals, whose shipping company owners can play the game of choosing which port to call on because they have their terminals in multiple ports, the port authority's position is becoming less powerful regarding doing business with them.

9.5.2 Antwerp

"And I think that you should not underestimate solidarity if you want to make progress. You observe it in another way if you defend the interests of your port as a port manager when you deal with companies, with people, in fact mercenaries. Managers who in fact businesswise, I mean, what, what… You get another kind of debate. Another kind of common endeavor."[71]

71 *"En ik denk dat je dat niet mag onderschatten, die, die verbondenheid als je vooruit wilt gaan. Je bekijkt het toch echt met andere ogen als havenbestuurder je de belangen van je haven verdedigt, en als je dan met mensen, in feite huurlingen hè. Managers die eigenlijk gewoon puur zakelijk, ik bedoel wat, wat… Je krijgt toch een ander soort debat. Een soort, eh, een ander soort gemeenschappelijk streven."*

The common feeling in Antwerp concerning the change in ownership of the former companies (especially the naties) is one of losing the interconnectivity within the cluster. The change meant that the relationships became stricter and directed at the business. Common goals, in terms of port policies in favor of the whole port, no longer have the support enjoyed in former days, because the interests of these international companies are not always in line with Antwerp's interests. This was far less the case formerly when companies had a strong bond with the local community. After the crisis of 2008/2009, the headquarters of the container terminal companies became more and more centralized, and decisions were made more than ever in the international headquarters abroad. There is less control in Antwerp on what is happening in headquarters in Singapore, Hong Kong, and the Emirates. Doing business with these companies means that the Antwerp Port Authority has to keep in mind that their interests in Rotterdam, Hamburg, or wherever in their broader network, also play a role in their decision making, as in the case of the decision making concerning the Deurganck dock. There is a sense of regret that the original companies were not able to get the funding needed to make the necessary investments that the container terminals needed, and that foreign companies with deep pockets bought the infrastructure but also the knowledge, which is now no longer the intellectual property of the Antwerp community. This is regarded as a lost opportunity, an opportunity seized by Mr. Fernand Huts with his Katoen Natie by taking his company to 38 countries worldwide (and, as was suggested, as he could have done concerning the terminals). The fact that the owner of MSC, the Swiss Aponte family, is very rooted in the Antwerp community mitigates this phenomenon.

9.5.3 Hamburg

"And what always happens is that the headquarters of these companies vanish. They are not here. That is the difference. Hapag Lloyd[72] *would vanish and therefore we buy it."*

Foreign ownership is a phenomenon that, when it comes to strategic companies, is just not allowed by the inner circle of businessmen in Hamburg. The above quote is a striking illustration of Hamburg's attitude. Hapag Lloyd, being metaphorically in stormy weather, needed funding. Foreign capital was available and prepared to step

72 The owners of Hapag-Lloyd, as of June 30, 2019, are CSAV (27.5%), Klaus Michael Kühne (incl. Kühne Holding AG and Kühne Maritime GmbH) (26.2%), HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (13.9%), Qatar Investment Authority (14.5%), the Public Investment Fund on behalf of the Kingdom of Saudi Arabia (10.2%), plus a free float of 7.7 % (percentages have been rounded and the free float includes institutional shareholders with a shareholding of less than 5%). Source: https://www.hapag-lloyd.com/en/home.html. Retrieved: 7 October 2019

in but, to prevent loss of control and loss of the decision-making center, one of the most visible Hamburg entrepreneurs, Klaus Michael Kühne, invested together with the city of Hamburg. So, 40.1% of the shares are in German hands, placing them in a strong position. A Dutch firm wanted to buy a company in Hamburg that had gone bankrupt. Having been in the "waiting room" for several weeks, it was told that there needed to be a German solution, "if they understood what that meant for them". This type of business culture is non-existent in the Rotterdam cluster but is common practice in Hamburg and favored by the city-state. If this policy is not exercised soon enough, then there is the labor force to contend with. When the shares in HHLA were on the brink of being sold to an Arab investor, the port workers went on strike. This lasted only three hours because the mayor of Hamburg, Otto von Beust, promised the workers that the company would not be sold. Feelings about this were mixed, as was proven by the stepping back of the chairman of the HHLA supervisory board who found it intolerable that the government intervened directly in the company's business policy. So, the fact that there was a tendency to sell shares to make new investments possible in Hamburg's largest container terminal operator shows that change was taking place. In the end however, the old structure still proved to be intact and prevented this.

9.5.4 Ownership, employment, and decision centers

In the interviews, a lot was said about foreign ownership, and different opinions were expressed about it. Tables 9.6a, 9.6b, and 9.6c and Tables 9.7a, 9.7b. and 9.7c give an overview of what this means for the three ports and port cities under study. They name the largest container terminal operators in the three ports and illustrate the employment situation in the top 10 companies in the port cities in combination with the location of each company's head office. Ownership of the largest container terminal operators is shown in Tables 9.6a–9.6c.

Table 9.6a Deep sea container terminals Rotterdam 2019

Company	Terminal	Owner	Location head office
ECT	ECT Delta Terminal	Hutchison	Hong Kong
ECT	ECT Euromax Terminal	Hutchison/Cosco Shipping Ports	Hong Kong
APM	APM Terminal Maasvlakte	Möller Maersk	Copenhagen
APM	APM Terminals Rotterdam	Möller Maersk[b]	Copenhagen
RWG	Rotterdam World Gateway	APL, MOL, HMM, DP World[c]	Tokyo/Busan/Marseille/ Dubai
Steinweg	Uniport[a]	C. Steinweg Group	Rotterdam
Steinweg	Rotterdam Shortsea Terminals	C. Steinweg Group	Rotterdam

Source: Company websites. Retrieved: February 2020.
Note: a: Uniport was closed on 31 March 2020; b: This was the situation in 2019; the situation in spring 2020 is that there are activities regarding a takeover by Hutchison; c: CMA CGM sold its shares to CM Port. Source: https://www.nieuwsbladtransport.nl/havens/2019/12/23/ derde-chinese-bedrijf-krijgt-belang-in-containeroverslag-op-maasvlakte/. Retrieved: 14 April 2020.

Table 9.6b Deep sea container terminals Antwerp

Company	Terminal	Owner	Location head office
PSA	MSC PSA Terminal	PSA International	Singapore
PSA	Noordzee Terminal	PSA International	Singapore
	Europa Terminal	PSA International	Singapore
DP World	Antwerp Gateway	DP World	Dubai
Sea-Invest	Antwerp Container Terminal	Van de Vyvere	Antwerp

Source: Company websites. Retrieved: February 2020

The largest container terminal companies in Rotterdam are owned by companies located abroad. Only Steinweg is still Rotterdam based and also active in other countries with its maritime container handling and stevedoring business. Foreign ownership is clearly present in the most striking port-related activities. The situation regarding ownership in Antwerp is not different from that in Rotterdam. Here too, foreign companies dominate the terminal operations in the port, especially since the merging and takeover of the former Hessenatie and Noord Natie terminals by PSA.

The situation in the port of Hamburg is quite different. Here, regarding container handling, foreign companies are completely absent, and the business is dominated by one company, HHLA as discussed in section 8.4.5.

Table 9.6c Deep sea container terminals Hamburg

Company	Terminal	Owner	Location head office
HHLA	HHLA Altenwerder	City of Hamburg[a]	Hamburg
HHLA	HHLA Burchardkai	City of Hamburg	Hamburg
HHLA	HHLA Tollerort	City of Hamburg	Hamburg
Eurogate	Eurogate Hamburg	BLG Logistics/Eurokai	Hamburg/Bremen
Steinweg	Steinweg Hamburg	C. Steinweg Group	Rotterdam

Source: Company websites. Retrieved: February 2020.
Note: a: The Free and Hanseatic City of Hamburg owns 68.4% of the shares in the HHLA Port Logistics Group.

In terms of foreign ownership of container terminals, the difference between Rotterdam and Antwerp on the one hand and Hamburg on the other is quite clear. This situation does not really change if not only ownership of port companies, but also other activities are taken into account. The port cities are compared in terms of employment regardless of whether this was maritime based.

The next set of tables show the structure of employment in the three port cities. Tables 9.7a, 9.7b, and 9.7c show the names of large companies in the three cities and the location of these companies' head office. Size is defined in terms of number of employees located in the port city. Antwerp is also represented by the public sector, which is explicitly mentioned in the available databases.

Table 9.7a Top 10 companies Rotterdam and location of head office

Company	Industry	# employees	Location head office
Shell	Oil	3,355	The Hague/London
Nationale Nederlanden	Insurance	2,485	The Hague
ECT Delta Terminal B.V.	Logistics	1,961	Hongkong
Eneco	Energy	1,611	Tokyo
Bilfinger Industrial Services	Construction	1,305	Mannheim
Stedin	Energy	1,147	Rotterdam
Coolblue B.V.	Retail	1,098	Rotterdam
Deloitte	Finance	1,081	London
ISS Cleaning Services	Facility management	1,069	Utrecht
ABN Amro Bank NV	Finance	1,048	Amsterdam

Source: LISA database. Retrieved: February 2020. Note: Only the Rotterdam employment is shown.

Most of the largest companies in Rotterdam have their head office – and so their decision center – in another town, even in another country. When it is located in another country, one certainly can speak of foreign ownership. The situation in Antwerp is similar. Table 9.7b exaggerates Antwerp's position, because (semi) public entities like CEPA and the Port Authority of Antwerp are included.

Table 9.7b Top 10 companies Antwerp and location of head office

Company	Industry	# employees	Location head office
CEPA	Union	8,815	Antwerp
BASF	Chemicals	3,200	Ludwigshafen am Rhein
NMBS	Public transport	700	St. Gillis
MSC	Logistics	2600	Geneva
Katoen Natie	Logistics	3000	Antwerp
Total Refineries	Oil	4,900	Paris
Exon Mobil Petrochemicals	Oil and chemicals	2,200	Irving (Texas)
Evonik	Chemicals	1,000	Essen
Electrabel	Energy	418	Paris
Dredging International	Maritime	4,937	Antwerp

Source: websites companies; retrieved: February 2020. Note: Only the Antwerp employment is shown.

The largest companies in Hamburg mostly have their head offices in Hamburg. Here, the port does not play as important a role as in Rotterdam or Antwerp in terms of number of people employed. Other industries have a position in the top 10. The largest port employer, HHLA, employs about 3,800 people in Hamburg.

Table 9.7c Top 10 companies Hamburg and location of head office

Company	Industry	# employees	Location head office
Asklepios Kliniken GmbH	Healthcare	14,500	Hamburg
Airbus	Aviation	12,500	Toulouse
Universitäts Kliniken Eppendorf	Healthcare	11,340	Hamburg
Deutsche Bahn	Transport	9,500	Berlin
Lufthansa	Aviation	8,000	Frankfurt
Deutsche Post	Transport	6,500	Bonn
Elbkinder	Childcare	8,845	Hamburg
Edeka	Retail	5,520	Hamburg
Haspa	Banking	5,000	Hamburg
OTTO Group	Retail	4,900	Hamburg

Source: https://zutun.de/hamburg/jobs/top-10-arbeitgeber; websites firms. Retrieved: 13 February 2020

Table 9.8 Family companies located in Hamburg

Company	Industry	# employees	Location head office
Otto Group	Retail	4,900	Hamburg
Marquard & Bahls AG	Energy/logistics	1,600	Hamburg
Maxinvest AG[a]	Consumer products	2000	Hamburg
Helm AG	Manufacturing	627	Hamburg
Gebr. Heinemann SE & Co. KG	Retail (travel shops)	950	Hamburg
Jungheinrich AG	Manufacturing	N.A.	Hamburg
Asklepios Kliniken GmbH	Health care	14,500	Hamburg
Peter Cremer Holding GmbH	Manufacturing	1,721	Hamburg
Bauer Media Group	Media	1400	Hamburg
Neumann Group	Food & drinks	250	Hamburg

Source: https://www.stern.de/wirtschaft/news/tchibo--stellenabbau-in-der-zentrale-in-hamburg-6456552.html. Retrieved: 13 February 2020. Source: https://www.famcap.com/top-500-german-family-businesses-the-economy-most-dependent-on-family-enterprises/; websites; request for information via email or telephone. Only the Hamburg employment is shown.
Note: a: Maxinvest is the Herz family's investment company that holds a majority share in the Tchibo and Beiersdorf companies. Figure shown is number of employees Tchibo in Hamburg Head Office.

Hamburg's economic structure in relation to ownership becomes even more interesting if the origin of ownership is taken into account. Local ownership in terms of families running and owning the business is evident in Hamburg. These companies belong to the top 500 family companies in Germany and are Hamburg based (see Table 9.8).

9.5.5 Conclusion

Foreign ownership influences port industry, although this global phenomenon is manifested in different ways when the three ports are compared. In Antwerp, it made doing business more formal and made the Port Authority of Antwerp aware that these companies could no longer be considered as representatives of the port but would, at a managerial level, take care only of their own interests. For Rotterdam, there was a mix of increasing competition in the container business combined with takeovers like ECT. This changed the social fabric of the port community. The former inner circle was composed of local decision-making businessmen. These are getting rare. The managers responsible for operations have taken over and do not belong to that same inner circle. They cannot be expected to participate in developing visions that go beyond their operating business. In the ports of Antwerp and Rotterdam, power balances between both the port authority and these large firms have changed, as local authorities have to deal with international conglomerates that have interests in various ports and thus can play the game of choosing their favorite port.

In contrast, deeply rooted in the Hanseatic tradition, Hamburg tries to withstand the efforts of large international companies to take over Hamburg-based container terminal companies. Although international firms participate more frequently financially, to date they have not succeeded in getting full control. Hamburg, anxious to keep the headquarters where the decisions are made, locally based, is still able to cope with this trend by using its social fabric in combination with help from the government. The Hamburg firms are truly Hamburg based, as illustrated by the fact that some of the largest employers are family companies originating from Hamburg.

This shows clearly the attitude towards the ownership of companies in the three ports. For the top companies and for the container terminal operators, the situation in Germany is in line with the theory about the varieties of capitalism, as the most important actors in Hamburg are German companies (and many of them originate from Hamburg). For Rotterdam and Antwerp, quite the opposite is true. Summarizing these findings generates the evaluation in Table 9.9. Here, the high score on foreign ownership for Rotterdam and Antwerp – with both scoring "++" based on container terminals being in foreign hands and the decision centers of large companies in their cities being located elsewhere – contrasts highly with the "- -" score for Hamburg, with its inclination to try to keep business "in local hands", as illustrated in the interviews and accentuated by the overview of family-based companies with their head offices in Hamburg. In Rotterdam in particular, this foreign ownership is not found to be a problem or undesirable, but rather a result of the changing international economic landscape.

Table 9.9 Evaluation foreign ownership

	Rotterdam	Antwerp	Hamburg
Foreign ownership	++	++	–

9.6 EXPLORING COMPANY'S INVESTMENT IN SOCIETY

The company's investment in society concept is defined in a way whereby investments of port companies, port authorities, but also individual businessmen should contribute to the economic, cultural, and/or social activities – and so to the welfare – of the city. It helps to explain how the relationship between port industry and port city is forged. Although in all three ports there are examples of these activities, their nature differs.

9.6.1 Rotterdam

"…giving back to the city. Of course, in time that has become more difficult."[73]

When we look at the individual level, the city of Rotterdam has a history of beneficiaries of the town. The city owes a lot to the so-called port barons (*havenbaronnen*) of years gone by. Van Beuningen, Van Ommeren, and Kröller are illustrious names because of their contributions to society. Companies also contributed a lot. The Zoo, Boymans-Van Beuningen museum, the Oostelijk Zwembad (swimming pool), the Feyenoord stadium, and a lot of art bear witness to that. And companies still do so by funding activities such as the Children's Cancer Fund and research at Erasmus University Rotterdam. There is a growing realization that, in a country where the split between the haves and the have-nots is too big, society is not balanced and harmonious. Company managements acknowledge personally that living as a private person in a country with such a divided economic structure is not a desirable situation. In Rotterdam, foundations like the Van der Vorm family's Verre Bergen do a lot in a very professional, structured way (Depot Boijmans Van Beuningen museum), but there is also skepticism about how the companies are willing to contribute to Rotterdam society as long as their own position (license to operate) is not involved. The old way of taking care of a project when financing was a problem is no longer the case, and the companies are no longer beneficiaries of the city.

There have been other times, in the 1950s, 1960s, and 1970s, when deals were made about who-pays-for-what regarding city development. Private entities contributed financially to public goods, and government contributed to private investments. It was a mix of financial constructions but nobody cared about that because it favored the city and everybody profited from it. The directors of the companies in those days also had a seat on several committees concerning city government. It was *bon ton* to do so because it showed that one was one of Rotterdam's 'big guys'. But one should not romanticize these times. Companies also attracted labor from abroad because they did not want to pay the salaries that other sectors paid to Dutch employees. So, the labor shortage observed by Postuma might have been created by the port companies themselves by their unwillingness to pay a good salary. An interesting fact is that, as result of this labor shortage, the establishment of labor-intensive companies was rejected (Posthuma, 1972, p. 54). This labor shortage as a factor shap-

73 *"…wat teruggeven aan de stad. Ja, dat is steeds moeilijker aan het worden natuurlijk."*

ing the character of port business in Rotterdam was not so much an independent external factor but in fact one that was created by the employers' attitude towards cost reduction. So, with extensive labor, large areas demanding industrial activities located in Rotterdam expanded rapidly after the war and contributed to the spatial separation and drifting away from the needs of the town and its people.

As we see employment as a manifestation of a company's contribution to society, the Port Authority of Rotterdam has a history of being the intermediary in terms of balancing supply of, and demand for, labor: in quantitative and qualitative terms. It stresses its support in the search for young talent and education. Besides this role, the relationship with society, especially in terms of preserving the environment, was more and more emphasized in the years 2011 to 2013. In 2013, there was even a dedicated section in the annual report on responsibility for societal developments: "We want to contribute to an outstanding town for living leisure. The port has an indirect interest for this because it makes the town a more attractive place for companies to settle"[74] (Havenbedrijf Rotterdam, 2014). Two remarks need to be made regarding this quote. The first one is that this involvement derives not from the port authority's idea of license to operate, but from companies' business needs. The second is that the quote shows that the Port Authority of Rotterdam is emphasizing its attention on employment in the city regarding companies that are not directly involved in port business, but rather are supporting and related industries: MAPSs. Besides this attention on the environment from an attractive city perspective, attention is paid to art, culture, preserving natural environments, and recreation. However, the 2013 annual report is the last one to make these kinds of remarks. Annual reports 2014 and later do not mention anything about this. So, given these developments, it appears that individual contributions (on company level or individual level) still exist, but the actual getting together, and from that coming to a joint contribution from the perspective of what the town itself and the citizens need as a matter of course, seems to be absent in comparison to the past. In the top 10 priorities summed up in the 2016 annual report, the relationship with the city is not mentioned at all (Havenbedrijf Rotterdam N.V., 2017, p. 20). Activities enhancing the welfare of the city's population are more directed to the wellbeing of the port's economy. Even the update of the Port Vision 2030, *Port Compass* (Havenbedrijf Rotterdam, 2017) emphasizes only (but quite exhaustively) the need for the right education from the perspective of port employment as an exponent in its relationship with the city. New developments with a more holistic

74 *"wij willen hiermee bijdragen aan een hoogwaardig woon- en leefklimaat in de stad. De haven heeft hier een indirect belang bij omdat het de stad aantrekkelijker maakt als vestigingsplaats voor bedrijven."*

approach might alter this again, as discussed in the concluding Chapter 10 about the port–port city relationship and where the relationship between cluster governance and triple helix policies is demonstrated and supported.

9.6.2 Antwerp

"….so, from that perspective, there is a contribution from the port community, but directly, I doubt that a little bit."[75]

In Antwerp, the activities for fostering welfare in the economic and cultural sphere focus specifically on the need for education in the city. Recently, the companies' contribution has been directed at that under the port authority's supervision by means of so-called talent houses. Here, the aim is to get highly educated people interested in a job in port business, as well as to get less educated people motivated to take a job. This, however, is stimulated by the local government and not so much by the port companies. The individual activities of the chairman of the board (and city alderman) are particularly responsible for that. He himself is more nuanced in this, stating that especially the petrochemical sector is involved in on-the-job training for young people, although he sees this as a rather recent phenomenon. These activities are also driven the notion that the port is not always visible to those who live in the city. Various events have been organized to bring the port back into the minds and hearts of the Antwerp people. The Museum aan de Stroom (MAS) is a striking example of how the port is being brought back into focus, partly by the permanent exhibition about the history of the port of Antwerp. In the researched annual reports of the port authority, there is a shift of attention from supporting cultural activities to supporting institutions with a social objective. This attention is absent in later editions of the reports. Throughout the years, attention is paid to getting the young into the port as employees, but it cannot be denied that these efforts are taken from an economic perspective given the emphasis on employment consequent to the needs of the port employers. The fact that in the annual reports there is constant reference to the license to operate confirms this. In the annual reports for different years, it can be observed that this attention too is diminishing and even absent in the 2016 annual report, even in the sense of a license to operate. There is no mention of individual companies taking care of special projects in the city.

75 *"…dus in die zin is er wel een bijdrage vanuit de havengemeenschap, maar op directe wijze twijfel ik een beetje."*

Antwerp-based businessmen play their part in contributing to society for their personal motives. One of the most striking examples (and, as he is the only one often mentioned in the Antwerp port city community, the most prominent one) is Fernand Huts, the CEO of Katoen Natie. He involves himself in the cultural assets of Flanders by buying objects that represent Flanders culture and makes them accessible to the general public by means of the Phoebus Foundation, which is supported financially by the Katoen Natie company and its subsidiaries. He knows that this cannot be expected from other companies, as they are under the control of foreign-based multinationals. So, even if local management would like to make a large contribution, this will always have to be approved in far distant foreign countries. This aspect of a lesser relationship of a company or its leadership with non-core business-driven activities is reflected in companies' investment in society.

9.6.3 Hamburg

"…and that is also the reason why we try to support the government concerning their voters. And that's… we are coming back to the story, eh, good relationships with the neighborhood that is also an entrance that the government can still govern the city in a way in which we are benefitting too."

Living together as port and city at such a short distance is reflected in the way in which port companies contribute to the city. The well-known Kühne family has created the University of Logistics that bears its name (Kühne Logistics University: KLU), not only because the company would benefit from it because of its need for highly educated future personnel, but also because something had to be done about people's education. Hapag Lloyd also donated to it financially. The University of Hamburg has received donations from a consortium of banks, the HSH (nowadays the Hamburg Commercial Bank). It was acknowledged that it is more common to have private investors in education in Germany than in The Netherlands. Besides these direct investments, a lot has been done to avoid the negative externalities that the port generates, but, as companies are driven by their own interests, this is of course also a way to secure the license to operate. The companies and the Hamburg Port Authority (HPA) contribute to society in different ways, for example, the annual Elbjazz Festival (Hamburg Port Authority, 2012). The HPA sponsors master's studies in IT Management and Consulting at Hamburg University (Hamburg Port Authority AöR, 2013). It especially addresses its contribution to society regarding preservation of the natural environment. The fact that the Grüne Fraktion presides over the city's council does help, but so does the role of the Elbe in that it is not only a waterway, but also hosts many leisure activities along its banks. So, this living together goes beyond the city's boundaries, and, as the owner, the port authority cleans the banks daily to provide the people with clean beaches. This, too, can be seen from the perspective that the Elbe as a waterway is under pressure. The widening of the Elbe river, needed for so-called encountering boxes (where vessels can pass each other) is in fact having more impact on the environment than the deepening. Here, the port authority has been challenged for a long time by environmentally inspired groups who want to protect the banks. So, to win public sympathy, the port authority does as much as it can in terms of preserving the environment, to make this widening (and deepening) possible. So, a lot is also done as a license to operate. By organizing meetings with people living near the port area, it explains why things are happening and how it comes about that sometimes the port interferes with people's comfort. It is interesting that it emphasizes that providing technical knowledge to the people creates a greater understanding and acceptance of these negative externalities.

9.6.4 Conclusion

As in Antwerp, companies join in educational programs directed by the port authority, so governance mainly leads. Recently, some industries have been launching their own initiatives. This is driven by the idea of getting the right people for existing vacant jobs. Besides this, companies undertake activities to get people closer to the port, driven by their desire to protect their license to operate. On an individual level, initiatives taken for the wellbeing of the city are driven by prominent businessmen's personal interests. This is now under pressure, however, because owners of the large companies are less likely to be local. In Rotterdam in former days, companies were strongly involved in the social fabric of the city. Their owners felt a personal obligation to the city, as a kind of *noblesse oblige*, and they used their companies to do good, in collaboration with the city. This is far less the case nowadays. Some people still play that role in an institutionalized and less visible way. The Port Authority of Rotterdam is working on how it can contribute to the wellbeing of the city, based partly on getting people for jobs and getting jobs for people by investing in education (the latter being more altruistic and the former more economically based). The city is important for the port authority because an attractive city attracts interesting new business (MAPSs), so this is economically driven as well. However, a real getting together as in the past does not happen nowadays, and the port's mental position is not as it was in the years 1950–1980. Beneficiaries of (port) companies are still very present in Hamburg, personally based as well as at a company level. This is a consequence of the typical Hamburg situation whereby port activities produce negative externalities that are easily detected because of site and situation. So, the need to work on the license to operate is omnipresent, but there is a general feeling that the port and the city are stuck with each other and have to make the best of it. Hamburg people's pride proves that this is still a (more than) viable situation.

A summary of the company's investment in society concept reveals the picture as presented in Table 9.10. The scores for both Rotterdam and Antwerp are equal. Of course, it is difficult to attribute these kinds of scales to this subject, but both port cities have more or less experienced the same development, for example concerning the position of former port barons. This personal influence is still more present in Hamburg, besides the extensive contributions made by many companies, hence the "++" under this heading.

Table 9.10 Evaluation company's investment in society

	Rotterdam	Antwerp	Hamburg
Investment in society	+/-	+/-	++

9.7 EXPLORING ECONOMY OF TOUCH

A cluster is characterized by its internal relations. These relations are fostered by meeting one another as an expression of social proximity (see section 4.5.2). So, one needs to be able to 'touch' the other to really establish a personal relationship in which trust can be built. The way in which actors in the different port businesses and the port city establish these real personal contacts is the subject of section 9.7.

9.7.1 Rotterdam

"Together with the managing director of that time Gerrit Wormmeester of course. We, we were always dreaming about: 'then we do this and we automate that'."[76]

In the 1950s and 1960s, the port of Rotterdam had a face. It was about people who knew one another very well and wanted to get things done. This was a logical result of the fact that Rotterdam had to recover from the destruction in the years 1940 and 1943. People like Van der Mandele and the mayors of the city joined forces, and on a personal basis worked together to create growth and prosperity for the port and the people of Rotterdam. In later times too, the managing directors and owners of companies and the city department responsible for running the port worked closely together. Wormmeester, director of ECT, and director of the Havenbedrijf, Molenaar, both engineers, spent a lot of time thinkingof how to optimize the handling of the containerships. In the early 2000s, the director of the port authority was a member of the ECT board. A project at RDM Campus was decided rather quickly

76 *"Samen met de toenmalige directeur Gerrit Wormmeester natuurlijk. Wij, wij zaten altijd te fantaseren over: 'dan gaan wij dit doen en automatiseren wij dat'."*

and smoothly because it was arranged by just a couple of influencers and decision makers. However, these relationships, like in Antwerp, have loosened. Increasing competition between container terminal operators and foreign ownership have disturbed these personal bonds. Another frequently made observation relates to the respondents' concern that agreements that reflected a too close relationship might be "food for legal actions". This does not mean that there is no cooperation in the port. Deltalinqs plays a prominent role, but this is a formalized structure and not the typical person-based structure that, with all its disadvantages of an old boys' network, has the capability to smooth processes and pave the way for a more communal approach to cluster development. If, however, that is not the aim of the individual elements of this cluster, there is less need for this economy of touch.

9.7.2 Antwerp

"No, here that really is the case. Ehm…, very often you've those sectors, started as naties, as terminals, stevedores e.g., that are still united. And who see one another in that way."[77]

The Antwerp port community is still a rather strong group of people who have known one another for years. This guarantees stability and creates trust within the group. It is seen as a kind of biotope, as one respondent called it; and especially between the naties, originating from the 19th and the early 20th century, the bonds are rooted in history. The position of prominent and characteristic representatives was strong. Port CEOs like Delwaide or Bruyninckx had positions that could not be bypassed. They had very personal relationships with the shipping lines and the terminal operators. Today, there are still quarterly stakeholders' meetings for maritime, logistics, and industry to discuss relevant topics, chaired by the chairman of the port authority board. Alfaport, as a representative of the port companies, meets the former port authority CEO on a weekly basis. In Antwerp too, times are changing. This business management by using one's own personality is becoming rare. Accelerated by the presence of international companies and more strict European Law concerning competition, there is a tendency to make the relationships more formal, as they are careful not to be accused by the anti-trust agency of distorting competition, as noted in section 9.2.2. Furthermore, relations are more subject to legal frameworks that give less room for informal, personally based agreements.

9.7.3 Hamburg

"Hamburg is a village. And, of course, they all know one another."

77 *"Neen, bij ons is dat echt wel zo. Ehm…, heel vaak heb je ook van die sectoren die als naties gegroeid zijn, als terminalspelers, stouwers bijvoorbeeld, die nog altijd met elkaar verenigd zijn ook hè. En die op die manier elkaar zien."*

Of the three cities researched on the economy of touch concept, Hamburg has the strongest representation of it. Existing family bonds ensure that companies are in close contact with one another and give it a dynamic that is not present in the other two port cities. This relates strongly to the fact that the main companies are family businesses. The owners form an elite who know one another personally. In these inner circles, tacit knowledge is very strong. As the business families always did business with English companies, their children very often studied in London, resulting in a close relationship between the London-based business world and the Hamburg-based business world. So, they have known one another since they were very young. Two of the important actors in Hamburg society, Thomas Eckelmann, chairman and major shareholder of the Eurokai Group, and Raetke Müller, CEO of J.F. Müller and member of the Eurokai board, went to study together in Switzerland. They are very close friends and can be found on different councils and at different occasions. If one is in need, the others are very willing to help, and the attitude of keeping this within the community is based upon these close relationships. Within these circles, the shipping circle is the most prominent, as these families are old and rooted in tradition. There is a strong feeling that this should be safeguarded against the outside world and should not disappear because of globalization, which can be seen as a threat to this social fabric.

9.7.4 Conclusion

In Antwerp, meeting one another on a personal basis in networks that have their origin in the past is still the case. Personalities that dominated the Antwerp port business community were also responsible for bringing people together to realize common goals. However, the more business-oriented approach is changing the character of the meetings in such a way that they are becoming more formalized. It is within the naties that a personalized-based community still exists. The same has happened in Rotterdam. In former days, strong personalities, who behaved as if they were personally representing the port, built close contacts with the aim of getting the development of the port as a whole to a higher level. In Rotterdam too, this has changed over the years. A fading economy of touch does not mean that there are no longer contacts between port representatives. It means that the character of the personal ambitions for developing port business has changed – more competetion, less getting together around a common goal. Proximity, as a prerequisite of economy of touch, is a condition *sine qua non* for building real trust, the concept dealt with in section 9.9. So, this idea of being physically close together in a community that meets frequently is seen as important for smoothing relationships and making business easier. The fact that this is decreasing as a result of internationalization where a check with the international level needs constantly to be made, and where there is a fear of being accused of illegal agreements, is regretted by many respondents. The evaluation of the differences regarding this concept is depicted in Table 9.11. As Rotterdam scores rather low, it is Antwerp and Hamburg that still have those person-based relationships, the former because of old structures such as naties, the latter because of family ties. Hence, the "++" for both cities.

Table 9.11 Evaluation economy of touch

	Rotterdam	Antwerp	Hamburg
Economy of touch	-	++	++

9.8 EXPLORING CLOSED COMMUNITY

As presented in section 7.3.3, the concept of closed community arose during the analysis of the Hamburg interviews. The original sensitizing concept of social networks was so dominated by this that it became the perfect example to use as a descriptive and expanding concept. Although there are latent manifestations of a closed community in Antwerp and Rotterdam as well (the latter less than the former), this phenomenon was so omnipresent in Hamburg that it was necessary to elaborate on it because it supports the final conclusion of the characteristics of Hamburg's port–port city relationships. This is not done for Antwerp and Rotterdam, as neither of them had such strong indications as Hamburg did.

9.8.1 Hamburg

"Our weapon[78] has, I don't know if you know, has a port of a castle with a closed door."

The Hamburg people find themselves special within the German Umfeld when it comes to characterizing their identity. It starts by being a Protestant enclave in Catholic surroundings – 100% protestant, as one respondent remarked – and very focused on their own business and community. It even means that people like to stay within this ecosystem, and going abroad is going very far away. There are even people within the port authority's community who hardly speak English. The business language in Hamburg is German; this is rather strange as there is a trend for leading business families to have their children study in London to get an international feeling. However, this closed shop attitude is reflected in many aspects. In doing business and the corresponding business relations, the actions to keep firms in German hands, and the way the Hamburg people socialize with one another, as dealt with in sections 9.2.3, 9.4.3, and 9.6.3, are very much based on a tacit knowl-

78 The respondent meant the city's coat of arms.

edge that is very strong. The important decision makers know what is going on but will not speak too much to the outside world about it. They know when to act and know how the others will respond to that. Besides this tacit knowledge within this group, there is another tacit knowledge from which port business benefits strongly. They rely on the empathy of the Hamburg people who have 800 years of port history to reflect on and which they can see and experience daily. It is therefore difficult to make rational decisions about the port of Hamburg.

9.9 EXPLORING TRUST

As stated in section 3.3, trust is an important coordinating mechanism in networks. So, to research the cluster as a network, this mechanism needs to be addressed. It is a concept that was hard for the respondents to grasp, as it is something that they see as rather obvious in relationships. That there are varieties in this obviousness is the subject of this section. The most obvious one is the difference between business-oriented reliability and personal trust, as discussed in the theoretical part in section 3.3.1 and 3.3.2. Reliability is the concept that is most often recognized. It can be described in terms of quality and business agreements. Personal trust is much harder to identify, because then emotions, experiences, and expectations based on personal perceptions come into play.

9.9.1 Rotterdam

"…because of the spirit of the age and due to all kinds of society developments, the connections between people have loosened. So, I don't think there was a moment of distrust, but people have…, in the end the context has, has become like that; and they have anticipated that, and even collaborated, in that you had less and less to do with one another."[79]

There is the element of trust between businessmen: once accepted, a given word is trusted. This is based on personal trust but, as shown in sections 9.2.1. and 9.5.1, this is shifting. Because of global developments, people are experiencing more distance between one another. That was not always because of distrust, but these developments made the community less connected and, as a result, relationships became more rational. This meant that making agreements with one another became more legally based. In fact, there is a shift from personal relations to more expedient rela-

79 *"…nou dat is door de tijdgeest en door allerlei maatschappelijke en wereldwijde ontwikkelingen, is men steeds meer los van elkaar komen te staan. Dus ik denk niet dat er een moment was van wantrouwen, maar men heeft…, uiteindelijk is die context is, is zo geworden; en daar heeft men ook op geanticipeerd, en zelfs aan meegewerkt, dat je steeds minder met elkaar te maken had."*

tions, as discussed in section 3.3.1. This does not enhance trust in a community. The basis of trust changed: from personal trust to business-oriented reliability, partly because fewer projects and activities were shared as being everyone's responsibility; on the other hand, this was caused by the more legalized nature of business relationships. Furthermore, global dynamics have also had an influence. Like Antwerp, when foreign companies settled in the port, the relationships between port companies, but also between settled port companies and the port authority, changed dramatically. As a respondent remarked, representing the port abroad as a joint effort between port company and port authority was no longer possible. The fact that this has since then been restricted to the company itself weakens the port's position. The company will 'sell' itself abroad and will not 'sell' the port as an integrated cluster (why should it, as the relationship between the company, being part of a larger unit, and the port has changed in nature?). In particular, the situation concerning ECT and its position on the Maasvlakte amidst other container terminal operators has damaged the degree of trust to this day. A second element in the port community concerning trust is the attitude of the port authority as experienced by companies: because it is a monopolist, it can behave as it pleases. That does not really stimulate trust. On the other hand, this port authority is valued for the way in which it interacts with neighboring municipalities that are upfront in the underdog position in terms of power and influence. The port authority has regular contacts and makes its ideas and plans clear a long time before any implementation takes place. This creates trust with these local governments, and furthermore it supports small local projects to enhance goodwill. However, to call this real (personal) trust is to give it too much credit, as it is an example of creating a license to operate. This growing apart from personal trust to reliability has to do with a professionalization of society, where relationships are formalized into roles played by people in their professional relations with their own individual, role-based responsibilities and interests. This is in contrast to the more shared responsibilities of the past.

9.9.2 Antwerp

"Eh…, I think there are a number of objective reasons why the Left Bank is somewhat suspicious towards the opposite of the river. For the reality is of course that in the past, a couple of times the right bank did not address the Left Bank in a very friendly way by saying 'this and this belongs to us'."[80]

80 *"Eh, ik vind, er zijn een aantal objectieve redenen waarom de Linkerscheldeoever ietwat argwanend is ten opzichte van de overzijde van het water. Want de realiteit is natuurlijk dat in het verleden een aantal keren de rechteroever tegen de linkeroever in af en toe niet zo vriendelijke bewoordingen zegt: 'Dit komt, dit komt bij ons'."*

As section 9.7.2 stated, trust, knowing one another, can only be achieved by a high degree of proximity. When the foreign container companies settled in the port, consequent to the taking over of the Noordnatie/Hessenatie combination, the trust among the companies disappeared to a great extent, because these new companies operated from their own perspective and had no inclination to work together to enhance the port. This created an individualistic and fragmented transshipment sector, despite the (successful) efforts of the port authority to have the different sectors (transshipment, logistics, and industry) work together. However, once the home base of the container terminal operators was located abroad, the element of proximity disappeared completely, and with that, the trust between them, and the trust towards the other entities in the port. Moreover, the concept of trust, or to be more precise, the absence of trust, is a central theme in the relationship between the right bank of the Scheldt where the city is located and the Left Bank where the largest part of the port is situated. This is also grounded in the fact that these are also culture-wise two worlds: Antwerp versus East Flanders: in fact, an urban versus a rural community. The Left Bank felt that it had been taken over by the right bank and had to give up land destined for agriculture. Thus, the Left Bank experienced the negative externalities, and the positive effects (port rights and so on) accrued mainly to Antwerp. It took a special law (Chabert's Law) to regulate the cooperation between the two. For that, the Left Bank Company, Maatschappij Linker Schelde Oever, was created in which representatives of the city and the Left Bank communities tried to share the benefits on more equal terms. As mentioned before, this must be called particularism, as it is in the fragmentation of opposite interests that this cooperation is forced, because of legislation. A third issue where trust was under pressure was the issue between the public and the private sector concerning the appointment of the members of the board of directors. Here, the fact that many political representatives needed to have a seat was not very appreciated by the private sector. The former port authority considered that as meddling with the prerogatives of the port authority, and it took some time before it acknowledged the positive side of having a more mixed (non-political) board. For the port community however, this was a blessing, as the more business-oriented reliability approach of the present board is more stable than the former personal relations-based political approach of the city's council representatives who could change during election time. So, in Antwerp, trust is mostly provided by institutionalized mechanisms.

9.9.3 Hamburg

"…and that is something that is usually completely overlooked. Because it has something to do with business ethics. ….it means that you can trust if you sit and talk, yes, that's agreed. No piece of paper. No signature, we can rely on it."

As previously discussed, reliability is an issue that is most recognizable for the respondents. And certainly, reliability is an issue that plays a role in the Hamburg relationships, but especially for the Hamburg case, personal trust is a very prominent phenomenon, as it is also the logical outcome of the other aspects discussed above in the elaboration on foreign companies, economy of touch, and closed community. Starting with reliability, there is a perfect example illustrating this aspect in the extreme. The Hamburg logistics companies are considered to be very reliable because of their close relationships with Deutsche Bahn. How else can one explain that frozen rabbits from Australia are first shipped to Hamburg before they are transported to Kazakhstan? It is because the shipper knows that this is a very reliable connection; and it is these connections built over decennia, even centuries, that create this belief in the reliability of the job done by Hamburg (German) actors. Or even more strikingly, Eurogate has a stake in a container terminal in the port of Giao Tauro. It owns it together with AP Möller. Containers destined for Rome are not dropped off there, but sent to Hamburg and then by rail to Rome because that is more reliable. So, the concept of the system's reliability is very strongly perceived for Hamburg. Besides this reliability, trust, personal trust, was very strong in the past between all the actors, and also between unions and employers. This has suffered in the port because of how HHLA was managed in the past. It was putting moneymaking first by selling off a lot of assets. Nowadays, the new management is doing its utmost to regain and re-establish this personal trust by putting the port's business first and seeking connections with the labor unions. Apart from this breach in how trust was created within the port and which was valued for many years, trust within Hamburg's inner circles has hardly ever had a downturn, because, as elaborated on section 8.3 (history of the port), section 9.2.3 (business relations), and section 9.5.3 (foreign ownership), the largest companies with a lot of influence are family companies. They are rooted in tradition. There is a general understanding, a real tacit knowledge, amongst company owners and CEOs that what the family owns now has to be more than what the family owned in the past. So, nothing can be spent that does not create value. This informs employees that decisions by the management are taken for the good of the company, and that creates trust, although even family businesses can go wrong. When the next generation wants to monetize the company's assets for their own benefit, the business suffers; Hamburg Süd is an example of that when it was sold by the Oetker children.[81]

81 Respondent who is well acquainted with the families on a personal basis.

9.9.4 Conclusion

In line with the decline in economy of touch and the closed community, trust has changed from personal trust, based on more or less friendly relationships, into reliability, knowing that the other will deliver, based on a business-oriented attitude. This is the case in Antwerp and in Rotterdam. In both cities, companies' changing ownership and their likewise changed objectives have influenced the character of trust between business people. For Antwerp, the absence of trust on governmental level is a pivotal element concerning the Left Bank development, finding its origin in differences between Antwerp and East Flanders based on urban/rural conflicting interests. In addition, the East Flanders cities had negative experiences in the past with Antwerp's expansive attitude towards developing new port areas. Within the port community, it is striking that the decreasing influence of politics on the Port Authority of Antwerp's board has increased port businesses' trust in the port authority's professional attitude. Rotterdam's port was extended carefully by keeping good relationships with neighboring local councils, so trust was created. Within the port community, the port authority is distrusted from time to time as it is seen as a monopolist, acting as a company, but able to have a policy that can hardly be influenced, thereby risking its reliability. Hamburg has the reputation of being able to deliver thanks to the quality of its services and connections. Reliability is high, as the examples given illustrate. Personal trust is very much alive between the inner circle of family companies because of tacit knowledge. No surprises, one knows what can be expected. This was breached by the way in which HHLA, a company owned by the city, was managed for some years when the financial output seemed to be more important than how business operated. New management is trying to restore this, as trust is an important element between Hamburg port and port city members. The relationship between the port community and the HafenCity project is therefore a rather uncommon development in terms of trust. De Langen conducted an analysis of the strengths and weaknesses of the Rotterdam port cluster in which the ports of Rotterdam, Antwerp, and Hamburg were compared regarding their culture of trust (De Langen, 2004, p. 180). In his study, Rotterdam scores the lowest and Antwerp almost the same as Hamburg, but De Langen does not differentiate strongly between trust as reliability and trust based on personal relations (he does mention intentional trust). So, making this difference clear, the result of the analysis for this thesis is summarized in Table 9.12, where the lower score for Antwerp compared to Rotterdam on trust as reliability can be attributed to the political climate and the need for legislation. In Rotterdam, trust defined as reliability (business oriented) scores higher compared to Antwerp, but on trust based on personal relations scores lower (confirming De Langen's findings). Hamburg's high score on both manifestations of trust can surely be attributed to the presence of the inner circle of important families who have strong ties with politics and have been doing business with one another for a very long time.

Table 9.12 Evaluation trust

	Rotterdam	Antwerp	Hamburg
Trust as reliability	++	+	++
Trust as personal trust	-	+/-	++

9.10 EXPLORING SHARED VALUES

Shared values constitute the embracing concept in which the elements discussed in sections 9.1 to 9.8 are embedded. This embeddedness is not a direct causal relationship. One cannot say, because of this shared value, business relations will be like that. However, as was more or less the case with some of the elements above where the elements influenced one another, shared values provide a foundation under, for example, business relations and the way they might develop in time. And vice versa, if these business relations alter consequent to external dynamics, this will influence shared values. The nature of the shared values of the three ports is the subject of this section in which indeed one can again see differences between the ports. Coding the text fragments revealed that a distinction needed to be made in shared values from an economic perspective and from a cultural perspective. So, in the representation of the degree of shared values within the port city communities, this distinction is made.

9.10.1 Rotterdam

"Our only test is, there is not much discussion about that with certain projects that can affect some individual companies, 'does it enhance the efficiency and attractiveness of the port as a whole?' That is the only standard."[82]

The "no words but action" slogan has long been the leitmotiv not only for the supporters of FC Feijenoord, but also for the workers in the port, their employers, and politics. Developing the port equaled developing the city. Government, industry, and university worked together to create the largest port in the world, which would be the motor of the national economy and the source of welfare for Rotterdam. There was a general attitude of showing the world that business had to be done on a global scale with a town of just half a million citizens. This was a real shared value

82 *"En onze enige toets is, en daar hebben wij weinig discussie over bij bepaalde projecten die bijvoorbeeld individuele bedrijven kunnen hinderen, 'Verhoogt het de efficiency en aantrekkelijkheid van de haven als geheel?' Dat is de enige norm."*

in everyone's hearts and minds. There was a pride in having industries that were leading the world. City and port were together. As is the theme of this dissertation however, the separation of the port and the city was not only spatially articulated. Of course, the process of port and city growing apart has been going on for decades, but Rotterdam's attitude has also changed in the last two decades. The idea that a large part of industry is in foreign hands, especially concerning container terminals, is viewed by Rotterdam politics as a given situation that should not bother people too much. The presence of foreign companies affects shared values, however, because of differences in culture; and the way of doing business makes it more complex to align actions that need to be taken jointly. As there is no shared culture, it is harder to develop a shared vision based on shared values. Section 4.2 discussed the influence of culture on behavior; this is the basis of this mismatch when it comes to aligning the interests of companies for the greater good, especially when it is not specifically business oriented but oriented towards the city or the region. There was a general feeling among the respondents that this willingness to go further together has changed, and not for the better. The Rotterdam community has changed as well. The influx of people from other countries, who in many cases belong to a weaker socioeconomic class, do not have a mental relationship with the port at all, but there is still a feeling of "don't touch our port" within the port worker community, because, like in Antwerp, this community realizes the importance of the port for The Netherlands.[83] However, many respondents notice that the general feeling of creating something greater than just Rotterdam is not shared by all of Rotterdam's stakeholders, and this is regretted by many. For the Port Authority of Rotterdam, the concept of shared values, like for Antwerp, is restricted to economic issues. It mentions the Havenvisie 2030 as a result of a joint effort of the port authority, the city, and Deltalinqs, in which it reclaims the position of the port for the national economy. It does so for two years in a row but, for the years following, there is hardly any mention of sharing visions or values again. Antwerp more or less uses the concept to frame the collaboration of the three sectors, but such a translation of shared interests cannot be observed in the Rotterdam reports.

9.10.2 Antwerp

"…what does the common citizen of Antwerp think about this, then you feel.… they are conscious of the history, of a port, of the fact that it creates a lot of wealth."[84]

83 The Port of Rotterdam, but not Schiphol Airport, is one of the 50 topics of the National Canon.

84 *"…wat denkt de gewone Antwerpenaar daarvan, dan voel je wel van…, die zijn zich wel bewust van de geschiedenis, van een haven, van het feit dat die veel welvaart creëert."*

Shared values in the port of Antwerp are based in Antwerp city. They reflect the common attitude of the Antwerp community, citizens, port employees, port employers, and Antwerp politicians towards port business. The fact that Antwerp port hosts these, as they call them, three-pronged activities – maritime based, industry based, and logistics based – creates welfare for the people who work and live there, and they are very aware of that. From the perspective of the common laborer, this can even go beyond the direct relationship between employer and employee. Dockers in one company are willing to help dockers in another company when they cannot finish their job in time. This has partly to do with the fact that they feel united because of the labor pool; on the other hand, it is also the can-do mentality that is typical of Antwerp port culture, as some respondents remarked. Another deeply rooted understanding of a value that is shared by everyone and also rooted in the past is the awareness of the importance of an open Scheldt, which creates a position for the port that is irreplaceable. The Antwerp workers are aware (a collective notion) that they have a unique position in the Flemish economy. Not all Antwerp people work in the port, but the idea of having the motor of the economy within the city's boundaries is a widely held notion. It is also typical of the Antwerp situation that this general feeling does not exist at all among the workers on the Left Bank, who live in the Waasland area. Half of the population of the city of Beveren is employed in the port, but their involvement with it is rather small. This has to do with the controversy between the urban (chauvinistically experienced) Antwerp citizen who has seen the port increasing from generation to generation and the (originally agriculture-based) Waasland people, who see the port as an intruder. This sympathy for the port is not supported by the Flemish politicians either, who never "dared to stand up for the port in parliament". This was already discussed in section 9.2.2, regarding business relations. Outside Antwerp, the development of the port is seen as important for Antwerp, and Antwerp alone; this is a rather curious situation for Europe's second port. The Port Authority of Antwerp in its annual reports hardly promotes the concept of an idea or something to be valued. For the port authority, there is a shared vision, acknowledged by everyone and strongly characterizing the port (as discussed in the section on business relations), that it is the optimization of the logistics chain that is most important. Over the years, this emphasis on collaboration has been seen as the way to share the objectives of the various stakeholders (in accordance with their customers) to be able to fulfill the can-do mentality "encapsulated in the slogan 'Everything is possible at the port of Antwerp'" (Antwerp Port Authority, 2014, p. 11). So, for the port of Antwerp, the concept of shared values (in terms of shared vision) is strongly related to the economic development of the port itself.

9.10.3 Hamburg

"And representing a port means, you represent the values of free trade, of openness, of welfare, of safe workplaces." "Our mission as a port authority is to ensure the creation of jobs and add value for the city."

The idea of togetherness and sharing values is most directly evident in the port of Hamburg if one considers shared values from the perspective of port authority, port companies, and port city. The citation above makes that very clear. Neither in Antwerp nor in Rotterdam is the formulation of the importance of the port for the city expressed so clearly. The mentioning of openness in the first part may be peculiar, but it should not be forgotten that everything that has to do with trade and that enhances prosperity encounters an open attitude. The thing that protects the interests created by this free trade is the closeness of the community that benefits from this free trade, as seen in section 9.2. All the Hamburg respondents started by rephrasing the Hanseatic tradition so omnipresent in the Free and Hanseatic City of Hamburg – this idea of trading, building long-term relations, which is based on a long-term perspective, combined with realizing that this is an 800-year-old port city. This idea is woven into the city's social fabric in all its manifestations. Fairness in doing trade was translated as an understanding that the opposite party also needed a living and that one would be pennywise pound-foolish not to recognize this. In Hamburg, the fact that the whole is more than the sum of its parts is appreciated by the businessmen. When there were indications that the CEOs of some companies did not know one another well enough, their entrepreneurs' organization, Unternehmensverband Hafen Hamburg E.V., decided that the logistics cluster should become more acquainted with the aviation cluster, so actions were taken to collaborate on some issues to have a more strongly balanced situation, in which opposing decisions were not appreciated. Not only the employers were involved, but also the unions and company branches. A value strongly shared by both unions and employers is the general understanding that Hamburg (German) labor relations are not characterized by hire and fire. Lasting relationships are seen as more important than quick wins. The location of the port in the city also enforces another shared value (to guarantee the license to operate). In the annual reports of the Port Authority of Hamburg, three components that need to be balanced out and the values that need to be taken seriously are mentioned almost every year: the environment, the economy, and social sustainability. The port authority works closely together with the city's governmental entities to realize this, for example, in the use of port energy. These collaborations cannot prevent some severe clashes between environmental groups and the port city regarding the widening and the deepening of the Elbe. If shared values are absent in Hamburg, this is the most hotly debated subject.

9.10.4 Conclusion

Shared values certainly exist among the citizens of Antwerp, and they are directly related to the acknowledgement that the wellbeing of the city depends on them. In Rotterdam, this is less the case, although there is a certain pride among the Rotterdam people, also rooted in Rotterdam's history and based on Rotterdam's presumed position in the national economy. The Antwerp dockers are more aware of a shared value, which might be enhanced by the institutional framework of the labor pool. For the port community in both cities, Rotterdam and Antwerp, shared values manifest themselves in an economic way as a shared vision, although in Rotterdam this is rapidly decreasing, as the annual reports show. For Hamburg, shared values are expressed in an economic as well as a cultural sense. The Hanseatic idea, although not crystallized in written documents or organizations or other touchable entities, is the basis for this. It is present within the city community as well as in the business community and directs its actions towards how businesses should be run as well as how to cope with developments from outside. The evaluation of this concept is summarized in Table 9.13. Cultural shared values mirror the concept of personal trust. This is rather predictable, as trust and these types of shared values have a close resemblance. The scores for the three ports overlap. For economic shared values, there is an aberration whereby the higher score for Rotterdam is explained by its position within the national economy, and the somewhat moderate score for Hamburg is based on the controversy about environmental issues.

Table 9.13 Evaluation shared values

	Rotterdam	Antwerp	Hamburg
Shared values cultural	-	+/-	++
Shared values economic	+/-	+	+

9.11 Evaluating the empirical findings

Evaluating the concepts individually might not reveal much difference at first glance. Because of historical developments, it is logical that there is a variation in the composition and developments of the three port/port city clusters, but the differences are in the details. As stated, comparisons between the ports in the Le Havre–Gdansk range very often relate to measurable variables. For this analysis of Rotterdam, Antwerp, and Hamburg, data have also been used to illustrate complementarities and diversity, as these are concepts that help to define the differences in the composition of clusters. However, the composition of the port city clusters is not a static situation. The external influences in terms of the global dynamics discussed in Chapter 1 need to be addressed. The way in which this has been done is influenced by forces for which the other concepts were chosen, and it is there that differences between Rotterdam, Antwerp, and Hamburg become even more apparent. Even then, when one looks at the concepts individually, the outcome in differences might be seen as modest. It is in their combination that these factors are reinforced. It is in this integration that the different outcomes of the influence of the same global dynamics become clear. Chapter 10 deals with this integration.