

The Rhine Economy on a New Basis. The Switch from Coal to Oil and the Implications for the Transnational Rhine Region, 1945-1973

Veranstalter: Transnational Rhine Network

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The changing basis of the Rhine economy from coal to oil was the subject of the Third Rhine meeting, which was preceded by two earlier conferences: the kick-off meeting in Rotterdam in 2009 and the conference on the coal-based economy in Frankfurt in 2010. This third conference was held at the Institute for Social Movements-Ruhr University in Bochum, with special thanks to the Rachel Carson Center for Environment and Society, LMU Munich.

The Third Rhine meeting was full of lively and fruitful discussions about the Transnational Rhine Region, which is defined here as the region between Rotterdam and Basel, including the lower, middle and upper Rhine. Questions concerning the character of this economic region were elucidated and elaborations were given about the changes in this economic region. The central focus of this conference was the transition from coal to oil during the 1950s and 1960s. The aim of the conference was to explore the rise of an oil-based economy and its consequences for the transnational economic region from Rotterdam to Basel from the 1950s up to the 1970s. Five themes had been selected to explore the transition: oil on a new basis; chemical and industrial clusters; European integration and the Rhine economy; transport and logistics; and the Rhine as an environmental system. Scholars were invited to present their papers on these themes, which were discussed during the different sessions.

The Rhine conference was opened by Dieter Ziegler, who gave an historic introduction on the position of Bochum within the Transnational Rhine Region economy. The keynote speaker, RAY STOKES (Glasgow) gave an introduction into the increasing importance of oil in the Rhine-Ruhr economy. Until 1945, there were no oil refineries in the Ruhr area,

with the exception of the coal based oil refineries. The increasing importance of oil can be explained, among others by the role of the West German government, the rules of the Allied occupation and the role of Rotterdam. Furthermore, Stokes outlined three specific themes that needed more research: networks, such as pipelines and electricity; business relationships, such as production systems; and environmental issues, such as the influence of oil spills. Especially, the relation between business history and environmental history should be given more attention, since both subjects differ in time and space.

The theme of the first session was 'oil: a new basis for the Rhine economy'. The main focus of MARTEN BOON's (Rotterdam) paper, presented by Joep Schenk (Rotterdam), was the importance of the hinterland in Germany for the development of the Rotterdam oil port (1945-1975). According to Boon, the dominant view that the oil port of Rotterdam grew due to the drive to become less depended on Germany and the 'oil-effect' is only a part of the story. At least as important was the port-hinterland relation. As a result of the improvement of the relation between the Ruhr-area and Rotterdam the oil port of Rotterdam grew explosively. BEN WUBS (Rotterdam) focused on the recovery and expansion of one of the most important foreign oil companies in West-Germany, Royal Dutch Shell, from 1945 until 1970. His main question was how this company could grow so fast in West Germany during the 1950s and 1960s. Wubs concluded that Royal Dutch Shell had, first of all, locational advantages, since market imperfections could only be solved by transactions inside multinationals. Secondly, Shell had ownership advantages, for example the access to superior technology. However, path dependence was also of great importance to Shell, because only the big foreign oil companies, which had dominated the market before the Second World War, were able to provide the necessary capital and technology to make a transformation possible. Discussant, Alfred Reckendrees (Copenhagen) advised to use production data to strengthen the conclusions of both papers.

Consecutively, HEIN KLEMMANN (Rotterdam) presented a second key note speech fo-

cusing on the question whether the Ruhr-Rhine area is a core-region, and how and when it developed. Showing that the current historical research is nationally biased, he urged for research on transnational organizations, companies and contacts, and cross-border statistical analysis. Two important theories on this matter were presented: Micheal Porter's theory of clusters and Paul Krugman's theory of economic core-regions. Porter's interpretation that clusters are measurable, links his theory to Krugman's, who argues that 'increasing returns to scale', keep core-regions intact. Agreeing with the discussants, Klemann argued that whether there are more core-regions/clusters in the Ruhr-Rhine, should be an open question.

The second session was on 'chemistry and industrial clusters.' CHRISTIAN KLEIN-SCHMIDT (Marburg) showed ideas for a new project on the Europeanization and industrialization of the West German chemical industry after 1945. In a case study he showed that three major German chemical companies, BASF, Bayer and Degussa, chose Antwerp for the establishment of a subsidiary, because of, among other reasons, locational advantages. Antwerp offered plots that could be bought, in contrast to Rotterdam. However, further research will be needed to strengthen this assumption. Whereas Kleinschmidt focused on the establishment of companies in ports, RALF BANKEN (Frankfurt am Main) explored the pipelines (1938-1975) that connected the ports with the German hinterland. In a case study of the oxygen network in the Ruhr-area he showed the importance of further research into the pipelines that currently connect Rotterdam with the Ruhr-area. The discussant, Ernst Homburg (Maastricht) stressed the importance of researches as discussed above. For that reason, he encouraged Kleinschmidt to do more comparative case studies as well as comparative port studies.

'Transport and Logistics' was the theme of the third session. INGO HEIDBRINK (Norfolk) described the development of tankers on the Rhine and other inland waterways (1950-ca. 1980). Between 1945 and the 1970s the importance of tankers grew enormously. The main reasons were that there was no

competition, new technologies were implemented and there was an increasing demand for crude oil. However, in the 1970s competitive pipelines, the oil crisis and the increasing safety and environmental standards, caused a crisis in the tanker branch. Currently, tankers fill up a segment between the road and pipelines and are transporting chemicals rather than oil. For the latter reason, the tanker is a traditional low-technology and low budget sector no more. MARTIJN VAN HORST's (Delft) paper on coordination in hinterland transport chains was the only paper that concerned the current and future situation of the Ruhr-Rhine area. He stressed that for competitive reasons and reasons of sustainability, coordination between different chains is of essential importance. For that reason, he described twelve problems and four arrangements that, currently, take place to face those problems, thereby indicating how coordination could be improved. The discussant, Richard Coopey (London) stressed the importance of the integration of comparative history in the paper of Van Horst. As an example, he mentioned the port competition between Bristol and Liverpool.

The fourth session was on 'European integration'. In her paper KLARA PAARDENKOOOPER (Rotterdam) elucidated the European cooperation in rail freight transport (1835-2008). After elaborating on different attempts to standardize the rail before and after the Second World War, she concluded that the conflictive relations between France and Germany had a great deal of influence on the failure of cooperation. HISASHI WATANABE (Kyoto) focused on another aspect of the European integration: the 'Euregions'. These regions were formed by the European Union in order to improve the effectiveness of regional investments. However, he concludes that it will remain uncertain whether the Euregions really can create a single economic area. Finally, CHRISTOPHER KOBRAK (Paris) discussed the question if there was a finance network in the Rhine-Ruhr region (1950-1980). Since, the topic needs more investigation, only some suggestions could be put forward. First, the degree and type of cross-border dependencies are highly influenced by politics. Secondly, much of the research on globaliza-

tion focuses on a macroeconomics, but it is, especially, in the microeconomic level where the Rhine region has its greatest financial impact. Discussant Joost Jonker (Utrecht) said that he was surprised by the wide variety of papers on the subject. Moreover, he urged that the region should be the start and not the end of the analysis.

'The Rhine as an environmental system' was the subject of the final session. CHRISTOPH BERNHARDT (Erkner) explored the environmental problems and perceptions of the Upper Rhine (1945-1975). The speaker argued that different turning points can be distinguished: the emergence of awareness in the 1930s, the institutionalization of environmental awareness in the 1950s, and the restoration of the landscape in the 1970s. Based on a case study of the construction of Le Grand Canal d'Alsace along the Rhine, he demonstrated that environmental awareness arose in the 1930s. However, it would take twenty years before environmental bargaining began about reducing the intervention in the river. Finally, the restoration of flood planes and other natural river characteristics took place in the 1970s. Whereas Bernhardt focused on the landscape of the Rhine, CORNELIS DISCO (Twente) investigated the changing quality of the water of the Rhine. Disco pointed out that national initiatives were the basis of international actions, and not the other way around. For example, in 1964 the German water law forced BASF to clean their river disposal and not the International Commission for the Protection of the Rhine (ICPR). Moreover, the speaker stresses that also the private sector suffered from the pollution of the Rhine, and for that reason he assumed that BASF even cooperated in the creation of the German water law. For that reason, he concluded that the cleaning up of the Rhine was an international, national, but also a matter of the private sector. The discussant, Uwe Lübken (Munich) summed up the main arguments of both speakers, and concluded that localism was the most important incentive for the environmental changes.

At the end of the conference HEIN KLEMMANN (Rotterdam) urged the conference to do more statistical analysis in the future, in order to increase the cohesion of the research

project. Furthermore, he invited the participants for the fourth Transnational Rhine Conference which will take place in November 2012 in Rotterdam to discuss the Core Rhine Region in a Global Context.

It can be concluded that the nature of the Transnational Rhine Region is divers, as signs of its existence can be traced back to the oil and chemical sector, transport and logistics as well as environmental legislation. What is more, the different perspectives of the scholars gave new insights. However, still the challenge ahead, remains to define the true extent of this region over time as Hein Klemann pointed out in his synthesis at the end of the conference. For that reason, the Third Rhine Conference was a good incentive for all scholars to continue their research on the existence and extent of the Transnational Rhine Region.

Conference overview:

Introduction: Dieter Ziegler (Ruhr-University Bochum)

Keynote

Ray Stokes (University of Glasgow), Oil on the Rhine: Origins and Location of a new Industry

Session I: Oil: a new Basis for the Rhine Economy

Discussant: Alfred Reckendrees (Copenhagen Business School)

Marten Boon (presented by Joep Schenk) (Erasmus University Rotterdam), Energy Transition and Port-Hinterland relations. The Rotterdam oil port and its relations to the Rhine-Ruhr hinterland during energy transition, 1950-1975.

Ben Wubs (Erasmus University Rotterdam), Royal Dutch Shell in Germany 1945-1960: Recovery and Expansion

Keynote

Hein Klemann (Erasmus University), River Dependence

Session II: Chemistry and Industrial Clusters

Discussant: Ernst Homburg (University of Maastricht)

Christian Kleinschmidt (Philipps-University Marburg), Rhine or Schelde? Bayer's Decision to locate in Antwerp and its Role as a Gateway

to the World Market 1961-1979

Ralf Banken (Goethe-University Frankfurt am Main), The Development of the West European Pipeline Network and its Implications for the Chemical Industry in the Rhine Economy 1938-1975.

Session III: Transport and Logistics

Discussant: Richard Coopey (London School of Economics)

Ingo Heidbrink (Rachel Carson Center/Old Dominion University Norfolk), Tankers on the Rhine and other inland waterways - from barges in tow to supertankers (1950 - ca. 1980).

Martijn van der Horst (Erasmus University Rotterdam/ Delft University of Technology), Coordination in hinterland transport chains: a major challenge for the seaport community.

Session IV: European Integration

Discussant: Joost Jonker (University of Utrecht)

Klara Paardenkooper (Erasmus University Rotterdam), European cooperation in rail container transport. European Rail Networks: CEMT, Interfirma, Intercontainer, Interfrigo, Europool.

Hisashi Watanabe (Kyoto University), The Euregios on the Dutch-German Border – Transitional zone between Randstad and Rhine-Ruhr?

Christopher Kobrak (ESCP Europe, Paris), From Rhine to Transnational Finance: The Role of Regionalism in International Banking, 1950-1980.

Session V: The Rhine as an environmental System

Discussant: Uwe Lübken (Rachel Carson Center/Ludwig Maximilian University Munich)

Christoph Bernhardt (Leibniz-Institut für Regionalentwicklung und Strukturplanung e.V. (IRS), Erkner), From pipe to riverscape: Environmental problems and perceptions of the Upper Rhine during the „trente glorieuses“ (1945-1975) from a transnational perspective.

Cornelis Disco (University of Twente), From the Chemicals Convention to the Rhine Action Plan (1976-1986): The power of positive

thinking.

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