

Manufacturing relocation and port/shipping development along the Maritime Silk Road

Abstract

This study identifies the trends of manufacturing concentration along the Maritime Silk Road (MSR) using GDP and industry value added (% of GDP), as well as survey data on the origins of individuals' daily wares in three developed countries. Based on the location quotient and industry life cycle theories, this study selects 20 MSR countries and identifies the potential countries for future development in manufacturing centres. These countries are further evaluated in terms of production costs and their willingness to undertake the manufacturing development. In this manner, 13 countries are found to have the potential to develop manufacturing centres, which provides a direction to relocate manufacturing to them. Finally, future trends of port and ocean shipping are projected based on the experiences of Chinese ports, shipping, logistics and manufacturing development and strategies to strengthen shipping logistics and manufacturing are proposed in the context of the 21st century MSR to create a win-win situation for both China and the MSR countries.