



Driving globalization: The rise of logistics in Europe 1950 - 2000

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Abstract

The rise of logistics is explained by three factors. The first factor is an economic one: The development of a mass consumption society. In European countries, one can observe mass motorization and a gradual expansion of the motorway networks between 1960 and 1990. These networks facilitated truck transport, leading to the development of cheap transport, warehousing and distribution of consumer goods. This development is part of a mass consumption society, i.e. logistics enable the development of mass consumption societies. Another driver towards transportation and logistics was the European traffic policy. In the 1950s, it enabled trucks to cross borders with full loads and to transit certain countries. Prior to 1980, the quotas for international truck traffic were regulated by bilateral agreements. But these quotas remained small. In the 1980s and 1990s, the European Union pursued a policy toward attaining a uniform market in the European Union. This pertained to the exchange of goods and for truck transportation services. The third factor refers to innovations in the parcel industry. In the 1990s, logistics and transportation changed fundamentally. We can almost speak of a logistics revolution caused by a co-occurrence of various developments, much like the liberalization of the transport and telecommunications industries, the proliferation of internet technologies, the unification of Europe and the dissipation of communism, leading to a new orientation of logistics in the European market.

Keywords: Logistics; Transport; Mass consumption; Traffic policy.

1. Introduction

In the last decades logistics changed fundamentally: from a microeconomic point of view, logistics developed from an auxiliary function in materials management to an independent factor of production that would go onto coordinate world-wide supply chains. From a macroeconomic point of view, the rise of the logistics sector as an important employment sector is fundamental and a force for deepening the division of labor. This paper explores the driving factors of the rise of logistics. It demonstrates how traffic policy of a gradually unified Europe shaped the development of logistics from its basic functions of transport, handling of cargo, and storage to the modern

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