



PART 1

Read the text below and answer questions 1–13.

THE CONTAINER REVOLUTION

A

Before the mid-twentieth century, the movement of international freight was dominated by break-bulk shipping, a method defined less by efficiency than by improvisation. Cargo reached ports in innumerable forms—burlap sacks of coffee and grain, barrels of oil and chemicals, timber bundles, and wooden crates of machinery—each requiring separate handling, storage, and stowage techniques. On the docks, gangs of stevedores worked among winches, ropes, and pallets in a chaotic choreography that depended heavily on experience and physical endurance. Goods were shifted repeatedly between warehouses, rail sidings, and quays, then lowered into ship holds in nets or slings, where they were packed to minimise movement in rough seas. At every transfer point, items were counted, checked against paper manifests, moved again, and often repacked because packaging that survived a rail journey might fail in a humid hold. This fragmentation produced three predictable outcomes: long delays, frequent damage, and widespread **theft**, since cargo could sit for days in exposed sheds or on open wharves, passing through many hands. The system also made costs uncertain: a delay at one port could ripple into missed connections elsewhere, forcing merchants to carry larger inventories “just in case” and to accept premiums for insurance and security.

B

Containerisation solved the break-bulk problem by replacing variety with standardisation—yet the decisive innovation was not the metal box itself but the intermodal system built around it. The key idea was that freight should be unitised into a sealed container that could move intact between truck, train, and ship, eliminating the need to handle the goods inside. This principle—often termed intermodalism—required agreement on the container’s dimensions, corner fittings, and locking mechanisms so that equipment across borders could grip, stack, and secure identical units. Achieving such agreement was contentious. Different shipping lines and rail operators had invested in incompatible designs, and ports feared committing to a standard that might quickly become obsolete. Nonetheless, the efficiencies were compelling, and the standard gradually emerged through industry negotiation and international regulation. Once sizes became predictable, ports could redesign yards, stacking systems, and schedules around uniform units. However, the transformation demanded heavy capital spending. Terminals required specialised gantry **cranes**, reinforced quays, expanded storage yards, and improved road and rail access. In addition, the new system depended on information:



documentation, tracking, and allocation had to be coordinated with far more precision than in the break-bulk era, where delays were expected and often absorbed by “buffer” time.

C

The early history of containerisation is inseparable from the figure of Malcom McLean, a trucking entrepreneur who grasped that the greatest inefficiency lay not at sea but in port. In 1956, his converted tanker, the *Ideal X*, sailed from Newark to Houston carrying dozens of truck trailers mounted as containers, demonstrating a radical reduction in port time and handling. Yet proof of concept did not mean easy adoption. Dock labour was highly unionised, and in many ports the livelihood of thousands depended on manual cargo handling. Because containers reduced the number of “touches,” they threatened established job categories and wage structures, leading to strikes, political lobbying, and prolonged negotiations over retraining and compensation. Resistance also came from within the shipping industry. Traditional lines owned fleets designed for break-bulk holds, not for stacked boxes, and many faced the prospect of writing off existing assets. Crucially, the costs of transition were uneven. A shipping line might benefit from faster turnaround and lower per-unit costs, while a port authority had to fund expensive cranes, deepen berths, and reorganise land use before those gains could be realised. Even when the long-term savings were clear, the short-term burden fell differently on different players, complicating decisions and slowing the shift.

D

Once major routes adopted containers, productivity improvements became dramatic enough to reshape the geography of trade. Containers reduced the time a ship spent in port from days to hours, allowing vessels to travel more and wait less, and the resulting reliability encouraged firms to plan schedules with tighter margins. However, the new terminals needed space: a container yard is not merely a dock but a sprawling logistics platform where boxes are stacked, inspected, and transferred between modes. Traditional ports near city centres often lacked the land required for large yards and high-capacity access roads. As a result, many regions developed new container terminals on cheaper peripheral land where highways and rail links could be integrated more easily. Economic activity therefore shifted away from older waterfront districts, which were sometimes redeveloped for housing or commercial uses. At the same time, inland distribution nodes expanded. “Dry ports” emerged where customs clearance, sorting, and intermodal transfers could occur away from congested seaports, extending the container system deep into national territories. This reorganisation did not mean that every historic port disappeared, but it did mean that competitive advantage increasingly belonged to hubs that could combine deep water, large yards, and seamless inland connections.



E

As container networks matured, they reinforced a new model of global production built on predictability. Because containers moved more cheaply and with fewer disruptions than break-bulk cargo, firms could split manufacturing across countries, sending components to assembly sites and shipping finished goods to distant consumer markets with greater confidence. The language of supply management shifted accordingly: instead of holding vast warehouses of spare parts, companies sought to reduce inventory and respond quickly to demand. This approach aligned with **Just-in-time** manufacturing, in which materials arrive precisely when needed for production rather than months in advance. Containerisation made such strategies more feasible by compressing shipping times, stabilising schedules, and lowering the cost of long-distance transport per unit. Retailers, in turn, could source from distant factories while maintaining competitive prices, and exporters in developing economies gained access to markets that had previously been uneconomic to serve. Yet the same efficiency that lowered costs also increased interdependence: supply chains became tightly linked sequences of deliveries, where a delay at one point could halt production elsewhere.

F

The container revolution, however, created vulnerabilities alongside efficiency, revealing that a highly connected system can be surprisingly fragile. When containers flow through tightly coordinated networks, disruptions can cascade: storms, labour actions, sudden demand shifts, or a single blocked channel can leave boxes stranded in the wrong place. Port **congestion** is particularly damaging because it combines physical limits—berths, cranes, yard space—with informational bottlenecks such as scheduling conflicts and documentation delays. Since many firms reduced stockpiles to cut costs, even short interruptions can stop assembly lines that depend on regular deliveries. Security and regulation also became central concerns. A sealed container simplifies trade, but it can also conceal illicit goods, from counterfeit products to narcotics, precisely because it moves as a standard unit through multiple jurisdictions. Governments responded with screening regimes, tracking requirements, and digital documentation, improving oversight but sometimes slowing throughput when ports lacked scanning capacity or when data systems were incompatible across borders. Today, the original achievement of containerisation can be overlooked because the box itself appears ordinary. Yet its core impact remains clear: by reducing the friction of distance, it reshaped ports, shipping, manufacturing, and the everyday availability of goods—while introducing systemic risks that modern economies must constantly manage.



Questions 1–6

Select the correct answer.

1 What does the passage suggest was a key reason break-bulk shipping was costly and unreliable?

- A** Cargo could not be moved between different transport modes.
- B** Ports refused to coordinate schedules with rail companies.
- C** Goods had to be repeatedly counted, moved and repacked at transfer points.
- D** Insurance firms would not cover damage during ocean crossings.

2 Why does the writer stress that the real innovation was “not simply a metal box but a standard”?

- A** Standardisation allowed equipment, port design and scheduling to be organised around predictable units.
- B** The durability of early containers was more important than their dimensions.
- C** Metal containers were necessary because wooden crates were prohibited in many ports.
- D** A single global manufacturer controlled the production of containers.

3 According to the passage, which combination best explains early resistance to containerisation?

- A** Containers were unreliable at sea and frequently damaged in storms.
- B** Port authorities lacked any access to rail links and highways.
- C** Shipping firms had already achieved similar efficiencies using break-bulk methods.
- D** The shift threatened established labour arrangements and required unevenly distributed investment.

4 What does the passage indicate about the infrastructure demands created by containerisation?

- A** It reduced reliance on a small number of hub ports by spreading traffic across more routes.
- B** It mainly benefited smaller ports because container terminals required shallower channels.
- C** It lowered per-unit costs while requiring ports to invest in cranes, deeper berths, and reorganised land use.
- D** It ended consolidation in the shipping industry by enabling more new entrants.

5 What was one consequence of containerisation for the location of major port activity?



A Most container terminals were built inside older waterfront districts to preserve existing infrastructure.

B Port functions often moved away from city centres because large yards needed space and good land transport access.

C Container terminals generally replaced inland distribution centres because customs had to remain at seaports.

D The need for terminals declined once ships grew large enough to carry goods directly to factories.

6 What is the main argument of the passage?

A Standard container sizes were adopted mainly to improve ship design.

B Containerisation reduced “friction” in trade but also created new systemic risks.

C Ports became more secure only after governments introduced new regulations.

D Break-bulk shipping remained competitive because it required less capital investment.

Questions 7–10

Complete the notes below. Choose **ONE WORD ONLY** from the text for each answer.

The development and consequences of containerisation

- Repeated handling left break-bulk cargo exposed to frequent damage and widespread **7**
- Predictable container sizes led ports to install specialised gantry **8** and redesign their yards.
- More reliable deliveries supported **9** manufacturing, in which materials arrive only when needed.
- The passage explains that systemic disruptions, including port **10**, can leave containers stranded in the wrong place.

Questions 11–13

Choose **TRUE** if the statement agrees with the information given in the text, choose **FALSE** if the statement contradicts the information, or choose **NOT GIVEN** if there is no information on this.

11 The passage suggests that containerisation reduced opportunities for theft partly by cutting the number of times cargo was handled.

12 The passage indicates that all traditional city-centre ports were abandoned once container terminals were developed elsewhere.



13 The passage states that the introduction of standard containers made it impossible to conceal illicit goods in transit.

Answer Key

1. C
2. A
3. D
4. C
5. B
6. B
7. theft
8. cranes
9. Just-in-time
10. congestion
11. TRUE
12. FALSE
13. FALSE