

# A year of progress for the New Silk Road

by Mary Burdman

During 1996, the matter of expanding and increasing the workability of the Eurasian Continental Bridge, has moved to the center of the international strategic, economic, and political agenda. The Eurasian Continental Bridge refers to the growing network of railroad corridors linking the countries of the Eurasian landmass. Throughout 1996, *EIR* Founder and Contributing Editor Lyndon LaRouche, his wife Helga, and *EIR* have played a catalytic role in bringing this vast development project into focus, as the only project on a scale big enough to provide a "motor" to pull the world economy out of the cataclysm it faces. The LaRouche-*EIR* intervention has been especially important in bringing the reality of the emerging "New Silk Road," to the attention of policymakers and an interested public in the United States and western Europe, regions of the world going through a process of economic suicide, thanks to adherence to so-called "neo-liberal," or "Thatcherite" policies.

China and Iran continue to construct rail lines for the Eurasian Continental Bridge, and this impetus is causing the nations of Central and Southeast Asia to engage in ever-more-concrete discussions of building the Silk Road. Most important, the Silk Road has been put on the agenda of South Asia's giant, India.

Political discussion among China, India, and Russia reflect these changes. The visit of Chinese President Jiang Zemin to South Asia was especially important. In India, Jiang Zemin, the first Chinese head of state to visit New Delhi, and Indian President Shankar Dayal Sharma and Prime Minister H.D. Deve Gowda, stressed creation of a "partnership" oriented toward the twenty-first century. On Nov. 29, China and India signed an agreement on confidence-building measures along the China-India border areas. A dispatch of China's Xinhua news agency from New Delhi likened the agreement to the "similar military accord signed by China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan," in Shanghai in April. These measures were part of the overall diplomacy of China to promote a policy of "securing peace through common development" in the region, essential to building the Continental Bridge.

## Will U.S., Europe follow the British lead?

Serious problems remain in the functioning of the rail connections of the land-bridge from Central Asia to Europe, via Russia and the Caucasus. This situation makes the connec-

tion Iran opened from the Indian Ocean to Central Asia in May, all the more important. Now, however, there is new discussion of the policy in Russia, in which the section of the Continental Bridge opened between China and Kazakhstan in 1992 has been treated, generally, as a problem of "geopolitical" competition to the Trans-Siberian Railway.

Even in the United States, the Dec. 11, 1996 *Washington Post* gave prominent coverage to the importance of the Silk Road connection opened by Iran in May. Given the foolishness and shortsightedness of U.S. policy toward Iran at this time, the article, a fair picture of the importance of the "land-bridge," shows the impact the vast project is having.

The most forward-looking British strategists have identified this development as the "most serious threat to British geopolitical interests in decades." They cite the warning made by the British founder of geopolitics at the turn of the twentieth century, Sir Halford Mackinder, that Britain, as the central global "rim power," must always stop, at all costs, any potential for overall development of what they characterize as the "Eurasian landmass." These are the British mentors of former U.S. Secretary of State Henry Kissinger, the modern-day British descendants of those geopoliticians who set in motion the processes leading to World War I, in order to stop cooperation among the nations of continental Europe and Asia.

Proponents of "containment," targeting especially China and Iran, were hyperactive last year (see *EIR*, Nov. 22, 1996, "Ring Around China: Britain Seeks War").

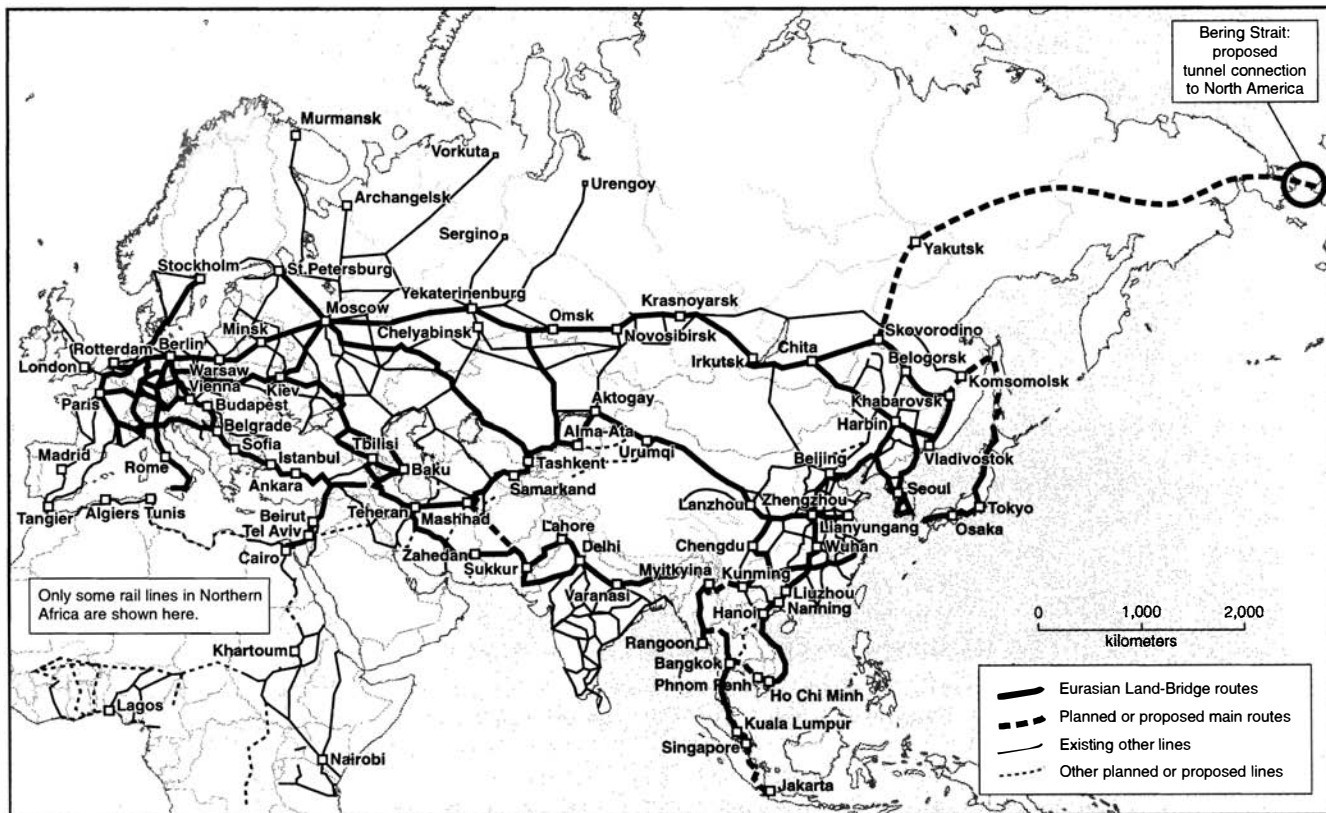
The question for 1997, is whether the nations of continental western Europe, now in the throes of political unrest due to suicidal economic policies, and the United States, will either promote this policy, or follow the British lead in impeding it.

## Building the land-bridge

The government of China has been the biggest force in the construction of the Second Euro-Asian Continental Bridge. The final connection of the last few hundred kilometers of railroad, from Urumqi to Kazakhstan, was finished on Sept. 12, 1990, and opened for full traffic in June 1992. This marked the completion of the new comprehensive transportation line connecting the Pacific and the Atlantic. The Continental Bridge was the subject of numerous conferences in China, but by far the most important, was the government-sponsored International Symposium held in Beijing in May 1996, with the purpose to create the strategic relationship with Europe necessary to make the land-bridge a functioning transport artery.

Since 1992, various political frictions, especially with Russia, had prevented the rail links from being effectively utilized. Chinese diplomatic efforts, including a major Asian-European rail conference held in Beijing in 1994, the confidence-boosting measures of April 1996, and President Jiang Zemin's tour of Central Asia in July last year, have changed the situation; the railroad is now operating much better there. Jiang Zemin had visited Uzbekistan, Kazakhstan, and Kyr-

## Eurasia: main routes and selected secondary routes of the Eurasian Land-Bridge



gyzstan. Uzbekistan's President, Islam Karimov, said that both China and Uzbekistan have been key links on the ancient Silk Road, and "today we are jointly making efforts to restore to its past glory the vital passageway linking the East and the West."

The International Symposium gathered over 460 delegates, from 34 countries and 13 international organizations, in Beijing on May 7-9. The meeting, organized by the State Science and Technology Commission, the State Planning Commission, and the Ministry of Foreign Trade and Economic Cooperation of the People's Republic of China, was the result of a two-year effort by its organizers, to promote development of the "Silk Road" railroad connecting Asia and Europe. The UN Development Program, World Bank, European Commission, and Asian Development Bank, were co-organizers (see *EIR*, June 14, 1996).

Speeches of a group of national leaders of China, Iran, and other nations along the Eurasian Continental Bridge, presented their vision of a new "continental-bridge era" in human history and development. The concept of a "continental bridge," put forward by the Chinese organizers of the symposium, is to create new economic regions, enabling mankind to bring civilization to the 80% of the Earth's surface now too desolate for such development. Using the most advanced

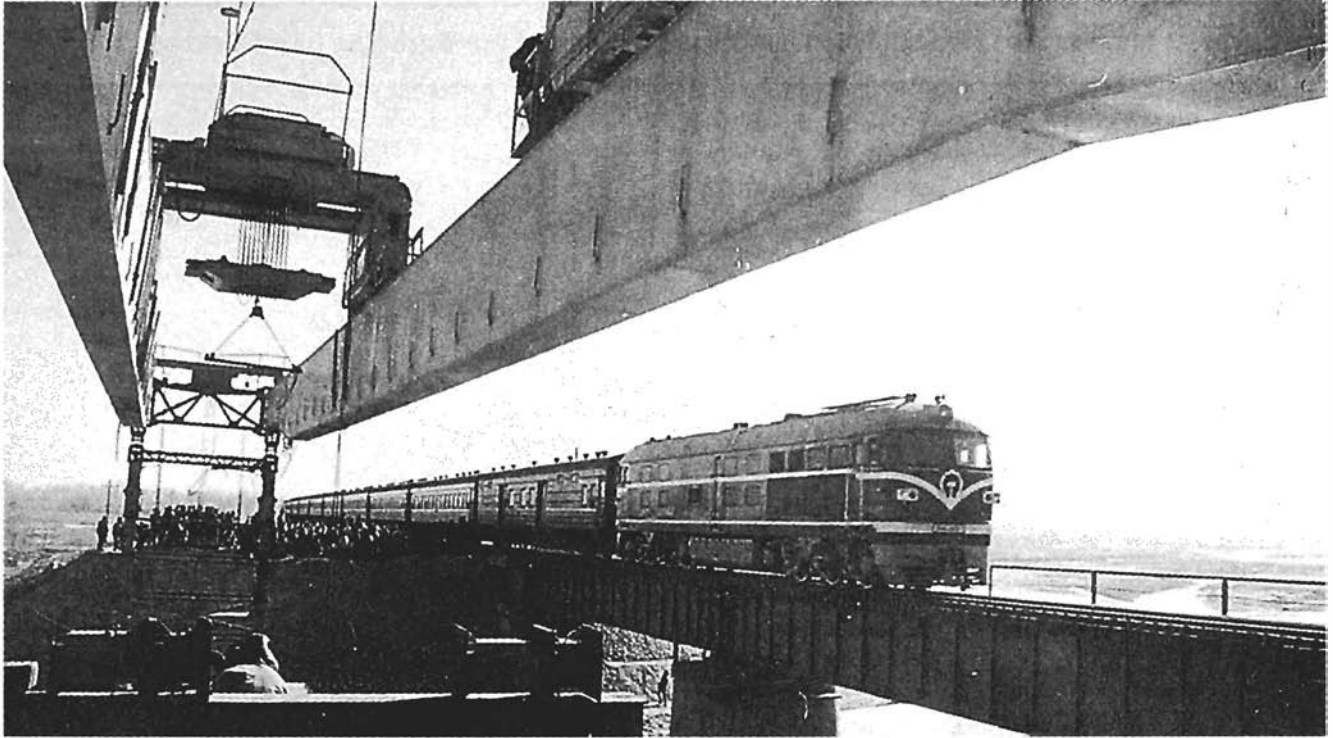
technologies, including the maglev train and nuclear energy, all regions of Europe and Asia, Africa, and the Americas, can be brought into the "continental-bridge era." A crucial idea was presented by Minister Song Jian of the Chinese State Science and Technology Commission: that respect for national sovereignty and "common development" are the only way to solve international problems along the bridge.

### Human reason

Schiller Institute founder Helga Zepp LaRouche, an invited speaker at the symposium, introduced the principle of human creative reason, as the necessary means to resolve the conflicts among nations fostered by geopoliticians, and the economic crisis.

"It were tragic," Zepp LaRouche said, "if we were to fall for such nonsense [as Samuel Huntington's 'clash of civilizations']. . . . There is no such contradiction among world cultures, that cannot be overcome. To the contrary, it is the characteristic of man, which differentiates him from all other living beings, that he possesses the unique quality of creative reason. This is the universal quality which unites all men, and allows man to find the ever-higher levels, on which conflicts can be solved. . . ."

"Based on this thinking, American economist Lyndon



*Construction of a new railway bridge in China. China is embarking upon an infrastructure development program on a grand scale; will Europe and the United States join in, or remain embroiled in British geopolitics and suicidal free market economics?*

LaRouche proposed an economic program, the foundation-stone of which is that only the global reconstruction of the world economy can create a way out of the present crisis. The development of the Eurasian land-bridge, and the integration of the Eurasian continent, must play the central role in this program.

“If, in the next years, we are to prevent seismic economic and demographic collapses, it would be urgently required to overcome the current underdevelopment of vast parts of the former Soviet Union, China, India, South and Southeast Asia, in basic infrastructure,” she said. The concept is: “Peace through development.”

The effects of several years of extensive Schiller Institute and *EIR* work to promote the LaRouche policies in China, was reflected in the speech of Gui Lintao of Shaanxi Province, who said that the “Continental Bridge . . . connects in the East with the Northeastern Asian Economic Rim . . . through Middle and Western Asia, and joins in the west to the Central European Region which is formed by triangle of Paris, Berlin, and Vienna,” the policy Lyndon LaRouche proposed for Eurasia (the Paris-Berlin-Vienna Productive Triangle) in the wake of the collapse of the Berlin Wall in 1989.

Construction of the land-bridge is continuing. On Sept. 6, Prime Minister Li Peng announced that China had begun building a new rail extension from the Continental Bridge, in Xinjiang, from Urumqi, Turpan, and Korla, another 975 kilometers, to Kashi, and will be completed in three and a half

years. The strategic importance of this railroad, is that the Karakoram Highway already connects Kashi, over the Karakoram, Pamir, and Himalaya mountain ranges, to Islamabad, Pakistan. The Karakoram Highway travels close to the Wakhan Corridor of Afghanistan. In addition, according to a well-informed Russian expert on Central Asia, there also were discussions at the Association of Southeast Asian Nations regional forum meeting in Jakarta at the end of July, attended by the Indian, Chinese, and Russian foreign ministers, of the possibility of building a road extension from the Karakoram Highway into India.

In June, Pakistan, China, Kyrgyzstan, and Kazakhstan signed a customs agreement to facilitate traffic on the Karakoram Highway. The nations had signed an agreement in 1994 to upgrade the highway, built in the 1970s by the Pakistani and Chinese militaries, to an international highway, and to build extensions to Almaty and Bishkek.

There will be other rail connections. For example, the current Eurasian Continental Bridge line, which crosses the border to Kazakhstan at the Alatau Pass, does not run directly to the Kazakh capital, Almaty. A new line to the south of the Tian Shan mountains, to Almaty, is now being planned.

South Korea has also begun using the Continental Bridge. A train, the first to carry containers from the Republic of Korea, left Lianyungang port, China, on June 30, bound for Europe. That month, container transport on the land-bridge had grown to 1,000, four times that of June 1995. The United

States, Kazakhstan, Uzbekistan, Kyrgyzstan, Japan, Thailand, and Hongkong have all been shipping containers on the Continental Bridge, and the port has signed contracts with 10,000 companies for transport. China has signed agreements with Kazakhstan, Russia, the Republic of Korea, Japan, Poland, and Italy for development of the Continental Bridge and border trade.

## The Southern Silk Road

At the same time as the Beijing Symposium (and proudly announced there by the Iranian government), the government of Iran celebrated the opening of the Mashhad-Sarakhs-Tajan railway, connecting northeast Iran to Turkmenistan. This is the first rail connection of Central Asia to South Asia and the Indian Ocean. Twelve heads of state and representatives from 50 nations attended the ceremony on May 13. Again, as in the China-Kazakhstan connection, the “missing link” had been a mere 165 kilometers. The route, however, had not been working since the Mongols devastated the region in the thirteenth century, followed by three centuries of British imperial geopolitics (see *EIR*, June 21, 1996, p. 11). Turkish President Suleyman Demirel attended the opening, and Chinese Prime Minister Li Peng praised the new railroad as “the Silk Road for the twenty-first century.”

On Dec. 13, Iran began construction of a 768-kilometer railway between Mashhad in northeast Iran, to Bafq in the south, providing a short-cut between Central Asia and the Persian Gulf, cutting current distances in half. The new railway is designed to transport 8 million tons of goods, and 1 million passengers, from China and Central Asia to the Persian Gulf every year; it also connects the Iranian ports in the southeast of the Caspian Sea, to those on the Persian Gulf. Bafq is located on the crossroads of the Iranian railway network, and is connected with an already-existing 200-kilometer railway to Kerman, from where a proposed railway would extend to Mirjaveh on the border with Pakistan—which would finally link the 1 billion people of South Asia to Europe by rail. No date has been announced for when construction on this rail line will begin. The line is politically sensitive, as long as Indian and Pakistani relations are not resolved. However, Indian and Iranian officials continue discussions, which have gone on over the past several years, to upgrade cooperation, when Iranian Majlis (Parliament) Speaker Ali Akbar Nateq-Nouri met Indian President Shankar Dayal Sharma in New Delhi on Nov. 26. Sharma said, “Iran provides the most important, as well as the safest and surest route to Central Asian markets.”

Complementing Chinese and Iranian railroad building, Central Asian leaders have also noted the importance of the Silk Road. In August, Uzbekistan President Karimov published *Stability and Reform*, a book stressing Uzbekistan’s role in the “building of a Eurasian economic, scientific, and cultural bridge along the lines of the Great Silk Road.” Karimov discussed the Tajan-Sarakhs rail line, the Andijan-Osh-

Ergashtom-Kashi Highway (providing access to China and Pakistan), and the Termez-Herat-Karachi Highway to the Indian Ocean. In addition, on Aug. 30, Kyrgyzstan President Askar Akayev, in an interview with the *Wall Street Journal Europe*, said that the Silk Road routes which linked Europe to Asia have to be rebuilt, with a link from Kyrgyzstan to Pakistan, for his nation to prosper. Kyrgyzstan must have “access to India, Pakistan, and China,” he said.

The strategic importance of the Silk Road was also the subject of intense debate at a workshop held in Pakistan on Nov. 25-27 (see *EIR*, Dec. 13, 1996, p. 51). The Schiller Institute representative there, filling in for Lyndon LaRouche, as well as representatives of Pakistan, China, and the Central Asian republics, presented the development of the Eurasian Continental Bridge as the only solution for such brutal conflicts as has been raging in Afghanistan, a nation which still has no rail system whatsoever—the result of several centuries of British geopolitics.

From Pakistan, former Chief of Staff Gen. Mirza Aslam Beg (ret.) has enthusiastically promoted the land-bridge perspective, stressing its importance, and quoting widely from *EIR*, at a speech made at a Beijing conference also attended by such implacable opponents of this strategic development policy as the odious Henry Kissinger (see *EIR*, Oct. 25, 1996, p. 47).

## Open debate in Russia

One of the most important indications of political shifts around the Silk Road, is the public debate on the Eurasian Continental Bridge which is now emerging in Russia. On Nov. 23, Vsevolod Ovchinnikov, an expert on Russian Far Eastern policy, wrote that Russia should not oppose the Eurasian land-bridge policy, in an article in *Rossiiskaya Gazeta* entitled “Russian Eagle Looks East as Well.”

In the article, Ovchinnikov, in discussing Russian Foreign Minister Yevgeny Primakov’s recent tour of Mongolia, Japan, and China, polemicizes against those Russian strategists who insist that the Silk Road policy would undermine Russia’s Trans-Siberian Railway.

Ovchinnikov writes: “The second focus of efforts is to join China, in making our countries the supports of bridges between Europe and Asia, between the Atlantic and the Pacific. This will not only create a secure foundation for cooperation between Moscow and Beijing, but will also bring Russia closer to the republics of Central Asia and strengthen its position in the Pacific Ocean basin.

“A ‘second transcontinental railroad’ has started operating in the nineties. Beginning at the Chinese port of Lianyungang, it goes via Kazakhstan, Russia, and Belarus to West Europe and Rotterdam. The eastern part of it almost coincides with the Great Silk Road, which in antiquity linked the civilizations of East and West. In order to organize container shipments on this route, a great deal of money will have to be spent on modernizing the old sections. Funds are also needed

for the fundamental reconstruction of the Trans-Siberian Railroad, constructed in tsarist Russia. Here, too, the question of priorities arises.

"I think it shortsighted of Moscow to seek preferential treatment for the Trans-Siberian. Russia's future interests are served by the efficient functioning of both railroads, and to set one off against the other is, I believe, a mistake. If we regard China's efforts to 'cut a window onto the West' merely as a threat to the Trans-Siberian, the main line of the new Silk Road could divert at Almaty and go to Baghdad and Istanbul, instead of going through Russia. Moreover, only through joint efforts by Russia, China, Japan, and Mongolia can magnificent energy plans for the next century be implemented, with the construction of a system of gas and oil pipelines from Central Asia and Siberia to eastern China, the Korean peninsula, and Japan. Relations with Beijing, Tokyo, and Ulaanbaatar are therefore foreign policy priorities for Moscow. So the Russian foreign minister's Far East trip was of strategic importance."

The other side of the debate has been expressed by Sergei Rogov, director of the U.S.A. and Canada Institute, at the National Press Club in Washington, D.C. on Nov. 11. The "struggle for the Eurasian Bridge," Rogov said, is one of the issues in Russian-Chinese relations. When questioned on whether the United States would play a "Russian card" against the rising power of China, Rogov said he did not see this happening. Russian concerns about retaining control over the underdeveloped and underpopulated Siberian and Far Eastern provinces would be one problem in the United States playing a Russia card against China. "There will also be the struggle for the Eurasian bridge—will it pass across Siberia or will the Silk Route be restored," Rogov said.

Debate over development of the Tumen River development zone project, reflects the same issues. Opponents of the project in Russia allege that it will only benefit the Chinese rail system, but, according to an article in *Rossiiskaya Gazeta* on Nov. 11, the Russian Federation Foreign Ministry is convinced that the Russian participation in the project will attract business for the Trans-Siberian and Baikal-Amur railroads.

### **The southern tier**

The "southern tier" of the Silk Road is far less developed, and will be the critical issue for the coming years. This project, known as the "Trans-Asia Railway," has been under consideration since the 1960s, and the subject of a number of studies by the UN Economic and Social Council for Asia and the Pacific (ESCAP), based in Bangkok, but no government in the region has taken the initiative, except China and, more recently, Iran, to begin construction on the rail line. China is now determined to build sections of the railway, as New Delhi's *Hindustan Times* noted Oct. 23. China will build the rail line in southwest Yunnan province, which will connect China to Laos and Thailand. The newspaper reported a few days later that, except for the efforts of China and Iran, the Trans-Asia Railway project "remains elusive." While Iran is

constructing the vital link between Kerman and Zahedan (near Pakistan), even when this link, connecting the subcontinent to the Middle East and Europe, is finished, there is still no possibility of "through traffic" to Southeast Asia.

The changing view from India, could provide the essential political impetus, as discussed by *EIR* New Delhi bureau chief Ramtanu Maitra (see article, p. 64). The reality of what China is doing, as the *Hindustan Times* indicates, is having its effects. South Korea has also given big support to the project.

Rail connections in Southeast Asia and Indochina have barely advanced from the situation in pre-World War II colonial times. Two antiquated and inadequate rail lines connecting Vietnam and China finally reopened after almost two decades—both had been shut down after the 1979 border war. One line, linking Phnom Penh, Cambodia, with Ho Chi Minh City and Hanoi, Vietnam, was opened to Nanning, in Guangxi province, China, in February; the second, linking Hanoi to Kunming, Yunnan province, China, via the Vietnamese border town of Lao Cai, finally opened at the beginning of December.

Otherwise, the situation is primitive. Rail lines link Singapore with Bangkok and Chiang Mai in Thailand, but go no farther. Laos has no railways at all. In Myanmar, a rail line links Yangon (Rangoon) with Mandalay and Myitkyina, but this line has no links to the Indian-Bangladeshi railroads, which go as far as Chittagong, Bangladesh, nor with Thailand, nor China. Indonesia has rail lines only on the main islands of Java and Sumatra; there is no line which could be linked to the nearest mainland connection at Singapore.

A key problem in this area remains financing, which the governments of Thailand, Malaysia, and Singapore have consistently relegated to private investment.

South Korea provided the impetus to put the Trans-Asia Railway on the agenda of the Asia-Europe Meeting (ASEM), held in Bangkok March 1-2. While this meeting, conceived to simply continue trading relations between Europe and East Asia, with no Eurasian strategy (the nations of the Indian subcontinent and Russia were not even invited), South Korean President Kim Young-sam proposed building the Trans-Asia Railway. He said that Korea had already secured the understanding of China, Vietnam, and Singapore to build the Trans-Asia Railway. "North Korea has yet to agree on this project, but I believe that is a matter of time," Kim said. Joint construction of the railroad should begin along with development of the Mekong River region in Southeast Asia, Kim said.

ASEM leaders agreed to support Malaysia coordinating a study of the integration of the Trans-Asian Railway, with a study of possible integration with the European rail network. This would include building the first railroad through Laos, connecting northeast Thailand to Yunnan province in China, as well as the Korea-China railroad, which would likely connect to the Trans-Siberian Railway. Discussion was, however, "at a very early stage," one observer reported.

ESCAP and the second World Infrastructure Forum-Asia



*The main railway line in Lanxin in northwestern China.*

held another conference in New Delhi in October, which set up an “Asian Infrastructure Development Alliance” of government, private sector, and multilateral agencies, to be based in Singapore. The chairman of the project, Graham Galloway, stressed the importance of private sector investment to “engage the private sector in comprehensive and consistent dialogue to find realistic solutions” for infrastructure needs.

Thailand has also announced that it plans to build a railroad connecting Bangkok to Nam Tok, and then to the Myanmar border at Three Pagoda Pass. A railroad is being built from Yangon to Tavoy, which will join the Thai railroad at Thanbuzyat. Malaysian and Singaporean officials are considering a dual-track electric train between Kuala Lumpur, Malaysia and Singapore, which would cut travel time from seven hours now, to 90 minutes.

There are more signs of movement: The study to test the feasibility of the Trans-Asia Railway will start next month, Malaysian Transport Minister Ling Liong Sik announced Dec. 2. KTM, the Malaysian National Rail company, was to appoint a consultant group in December to undertake the study, according to Ling. Malaysia will grant \$800,000 for the study, which is expected to take 10 months. Consultants are to submit four reports to a supervisory committee of experts from the eight countries involved, including Singapore, Malaysia, Thailand, Cambodia, Vietnam, Laos, Myanmar, and China.

Three routes have been “shortlisted” for the Trans-Asia

Railway. It will begin in Singapore, go north through peninsular Malaysia, to Bangkok. One branch of the railway will run through the Mekong River basin, connecting Phnom Penh, Cambodia, to Ho Chi Minh City, Vietnam, to Kunming, in southern China. A second link will run from Bangkok to Vientiane, Laos, and from there also to Kunming. (The Mekong region is the least developed in Southeast Asia.) A third route runs from Nam Tok, Thailand to the city of Ye, Myanmar, which will link Yangon to the main line which also connects to Kunming.

Ling said that priority would be given to routes that will take the shortest time to build, which can be done by completing the missing links in existing networks. According to the London *Financial Times* on Dec. 4, Malaysia is seeking international consortia to fund and build the railway. Financing, which would total \$4 billion, has yet to be settled.

Ling said that preliminary studies show that the least-costly and quickest-to-complete rail route would run 4,700 kilometers from Singapore, via Kuala Lumpur, to Bangkok, to Phnom Penh, to Ho Chi Minh City and Hanoi, Vietnam, to Kunming, China. This could then connect to the Chinese rail network, and thus to either route to Europe, via Central Asia (the land-bridge) or the Trans-Siberian Railway. “Apart from two gaps along the route, in Cambodia and Vietnam, where new tracks have to be built, the rest is in place,” Ling said. “The east coast line is not the shortest, but we feel that it is the one which can make the project a reality in the shortest time.”