

CHINA'S NEW SILK ROAD

Changing the Paradigm Toward Global Development¹

by William C. Jones and Michael Billington

On September 7, 2013, the world changed. On that day Chinese President Xi Jinping, speaking at Nazarbayev University in Astana, Kazakhstan, called for the development of a “Silk Road Economic Belt” (SREB) stretching “from the Pacific Ocean to the Baltic Sea.” “We must expand the development of Eurasia,” Xi said, “creating an economic belt along the Silk Road.”

The idea of the Silk Road hearkens back to a period 2,000 years ago, in the Han Dynasty, when Zhang Qian, an envoy of the Han Emperor, was sent on a visit to Central Asia in order to establish trade among nations of the region stretching all the way to Europe and to the Middle East and Africa. “More than 20 years ago relations between China and Central Asia began to take off,” Xi said. “The old Silk Road began to radiate with a new vitality.” President Xi was decidedly intent on creating a “new vitality in a world economy today” that was quickly self-destructing. “Developing friendly relations with the countries of Central Asia has now become a priority for China’s foreign policy,” Xi said. “We should have wider aspirations, broaden our field of vision of regional cooperation, and together create new brilliance in the region.”

One month later, during a visit to Indonesia, President Xi announced a similar Maritime Silk Road, also referring to Chinese history, specifically when Chinese Admiral Zheng He in the 1400s conducted a series of maritime voyages to Southeast Asia, South Asia, and Africa, creating a network of economic and cultural ties between the nations along his route.

What gives these proposals such power, of course, is the rapid development of the Chinese economy over the past four decades. Not only is

1. Reprinted from “The New Silk Road Becomes the World Land-Bridge,” EIR Special Report, Dec. 1, 2014.

FIGURE 1



this major diplomatic initiative of the “Two Silk Roads” a serious attempt to create a peaceful and prosperous neighborhood for China—an FDR “Good Neighbor Policy” in Eurasia—but also it provides a paradigm to bring prosperity to the world as a whole (Figure 1).

This was underlined by the visits of President Xi and Premier Li Keqiang to Europe this past Spring. President Xi celebrated the ties between China and Germany during his March visit to Duisburg, Germany, the western terminus of the Silk Road, declaring, “Greater integration of our two economies, or cooperation between strong growth poles in Asia and Europe, will greatly promote the formation of a big Asia-Europe market and the growth of the entire Eurasian continent, and will have a far-reaching impact on the world economy and the world trade structure. Closer cooperation between China, a country that is committed to the path of peaceful development, and Germany will be in the interest of the formation of a multi-polar world and of world peace, stability, and prosperity.”

Premier Li Keqiang, during his visit to Eastern Europe and Greece in June, proposed to bring the Silk Road Economic Belt to them, through rail, port, and related development projects. His proposals came as a clear contrast to the devastation that the collapse of the New York-London financial system has had on their countries.

Now, several months later, and in the wake of the BRICS process taking hold internationally, the Silk Road Economic Belt paradigm is being integrated with a global development perspective, in which increasing numbers of nations are joining together for great projects in space, nuclear power, water projects, rail, and in-depth development—a true new world economic order.

The Progress of the New Silk Road

China’s 2013 Silk Road Economic Belt and Maritime announcements hearken back directly to the principle of development posed in the early 1990s, after the collapse of the Soviet Union, by Lyndon LaRouche and his wife, Helga Zepp-LaRouche, in their program for the “Eurasian Land-Bridge”—development corridors spanning the Atlantic to the Pacific.

Their discussions with Chinese and Russian colleagues led to a conference on the topic of the “Eurasian Land-Bridge” in May 1996 in Beijing, sponsored by the Chinese Ministry of Science and Technology, at which Helga Zepp-LaRouche was a major speaker. From that conference, the LaRouche movement and *EIR* launched an international campaign for the Eurasian Land-Bridge/New Silk Road perspective, publishing an extensive special report, and organizing conferences throughout the world.

In 1998, Mrs. LaRouche returned to China, where she keynoted another conference dealing with the Silk Road perspective, entitled “Asia-Europe Economic and Trade Relations in the 21st Century and the Second Eurasian Land-Bridge.” By that time, she had earned the title “The Silk Road Lady,” due to her indefatigable battle for the peace-through-development perspective. That year also saw the beginnings of tripartite cooperation between China, India, and Russia, with the highly significant proposal by then-Russian Premier Yevgeni Primakov during a state visit to India in December, for the formation of a “Strategic Triangle” that would contribute to “peace and stability” in the Asia-Pacific region and the world.

But the 1997-98 “Asia Crisis,” brought on by the raid on the Asian currencies by the hedge funds (which nearly brought down the world financial system), put a damper on the momentum for the Eurasian Land-Bridge project, although China proceeded at a slower pace to construct the primary rail route through China, Kazakhstan, Russia, and into Western Europe. In January 2008, the first pilot container train left Beijing for Hamburg, Germany, through Kazakhstan, Russia, Belarus, and Poland. By 2011 service began between China and Duisburg, carrying electronic goods and textiles from China to Germany, and industrial goods and machinery from Germany to the central Chinese industrial region.

Now the Silk Road is a reality. New lines, logistics, and infrastructure are being mapped out, built, and completed every month. At the time of President Xi’s November 2013 speech calling for the SREB, representatives from 24 cities in eight countries along its route

formally signed an agreement, committing to mutual development and prosperity. The SREB corridors cut across 18 Asian and European nations directly, but affect 40 nations, with a total population of three billion people.

One of the most dramatic manifestations of the process was the opening in June this year of the high-speed rail line, in the middle stretch of the SREB, in western China. It runs from Lanzhou, in Gansu Province, westward across Xinjiang, to Urumqi, and thence to either the northern corridor of the SREB across Kazakhstan into Russia and beyond, or arcing to Southwest Asia, to southern Europe and Africa.

On June 3, 2014, the first high-speed test train traveled this new Lanzhou-Urumqi High-Speed Railway route. Full commercial service is to start by the end of the year. Running for 1,776 km (1,104 mi), the line is exceeded in length only by the 2,298 km (1,428 mi) Beijing to Guangzhou high-speed route, and it travels through harsh western conditions, with an operating speed up to 350 km/h (217 mph). To counter the fierce desert winds, one part of the track is protected by a 67 km (42 mi)-long wind-break structure. The route also boasts the highest high-speed rail tunnel in the world, where, near Qilianshan, Tunnel No. 2 is at 3,607 m (11,834 ft) above sea level.

When Helga Zepp-LaRouche returned to China in late August 2014, she visited Lanzhou and Beijing, and encountered a pervasive spirit of optimism around the Silk Road Economic Belt perspective. It was also evident, as expressed at a Sept. 5 government-sponsored conference in Beijing on the SREB policy, that the conceptual input of the LaRouche movement, especially from her and her husband Lyndon LaRouche, was warmly appreciated.

High-Speed Rail—Driver of Productivity

Join the three central lines by means of the fourth, and decide if, in ten years, a revolution will not have occurred in Peru, a revolution at once both physical and moral, because the locomotive—which, like magic, changes the face of the country through which it passes—also civilizes. And that is perhaps its main advantage: populations are put into contact. It does more than civilize; it educates. All the primary schools of Peru could not teach in a century, what the locomotive could teach them in ten years.

—*Manuel Pardo*, President of Peru, 1872-76

The railroad is like a leaven, which creates a cultural fermentation among the population. Even if it passed through an absolutely wild people along its way, it would raise them in a short time to the level requisite for its operation.

—*Count Sergei Witte*, Prime Minister of Russia under Czar Nicholas II, 1905-06

As the two leaders cited above state, the construction of rail lines, especially high-speed ones, accompanied by development corridors, serves to lift up a population to a higher platform of productivity, thus better preparing citizens for participation in higher national missions based on a science-driver program.

The remarkable new Lanzhou-Urumqi high-speed span in the Silk Road Economic Belt, underscores this general point. **Figure 2** is a map from China Railways, showing the rail grid as of September 2014, with high-speed rail routes designated by travel speed.

China's total rail network has a route-length of more than 100,000 km (62,140 mi), the second-largest after the United States, whose total land area is larger. But China's high-speed rail network had a total length of more than 11,028 km (6,852 mi) as of December 2013, by far the world's longest. It is expected to reach 18,000 km (11,000 mi) at the end of 2015, and is projected for 50,000 km (31,070 mi) by 2020.

In 2000, China had no high-speed service at all! But in the 1990s, plans had been laid for the HSR (high-speed rail) project, and in just over a decade, the biggest high-speed rail system in the world was built, and has been expanding rapidly since.

The principle involved, right from the start, was to increase the productivity of surface transportation, by separating passenger from freight haulage, and building key corridors. This has multiple gains, lifting the productivity up to new levels nationwide. This was spelled out emphatically by Dr. Sergei Sazonov, senior researcher at the Russian Academy of Sciences Institute of Far East Studies, in the newspaper of the Russian Railways, *Gudok*, June 24, 2014 (“The Development of High-Speed Mainlines Is a Stimulus for National Economic Development”). A few items in Sazonov's list of China's HSR hallmark successes are given under the railway map in Figure 2. His summary of the productivity impact of HSR is impressive:

“Key achievements of the Chinese railway sector's reform [upgrade] have been the ability of the railway complex to be specialized, allowing a radical increase

FIGURE 2
China Railway Map-High Speed (CRH) and Other Services, September 2014



China Railways, Sept. 16, 2014

in speeds, and a simultaneous increase in the carrying capacity of conventional-speed railroads, reducing the cost of bulk freight carriage on those older lines. According to analysis done by the Chinese Ministry of Railways, removing just one train from a mixed-use mainline (that is, building a special, dedicated HSR for the passenger traffic) raises the carrying capacity of the mainline by 1.5 to 2 freight trains daily.

“After the Beijing-Shanghai [passenger] HSR began operating, the daily carrying capacity of freight trains on this route rose by 140,000 metric tons, or 50 million metric tons per year.

“The development of HSR in China produces a significant multiplier effect within the industry. High-speed rail ‘compresses’ the great distances within China, not only connecting various cities, but driving domestic demand, and it is becoming a strategic sector of Chinese industry, promoting the development of related high-technology industries, as well.”

In the forefront of new surface transportation technologies is magnetic levitation, where again, China leads the world. The maglev train between Pudong and the Shanghai International Airport, the only commercially functioning maglev in the world, can reach 430

km/h (268 mph) on its 30 km (18.6 mi) route. It opened in January 2004. Additional projects have been under consideration, including an extension from Shanghai/Pudong, southwest by 210 km (130.5 mi) to Hangzhou.

The Tibet rail line (“rail in the sky”) is another demonstration of new technologies. The Qinghai-Tibet Railway is the first ever to connect the Tibet Autonomous Region, a land of extreme height and rough terrain, to anywhere else. The first 815 km (506 mi) section was constructed in 1984 to connect Golmud with Xining, in Qinghai Province. Then in 2006, the spectacular 1,142 km (710 mi) stretch was completed between Golmud and Lhasa, the capital of Tibet, overcoming extreme conditions in ways that will be invaluable for building rail lines across the tundra of the far north of Eurasia and North America. For example, about 550 km (340 mi) of the main Golmud-Lhasa line run on permafrost. There are 675 bridges.

Many new records were set. The line has the world’s

highest track route and railway station, in the Tanggula Pass, which is 5,072 m (16,640 ft) above sea level. The Fenghuoshan Tunnel is the world’s highest, at 4,905 m (16,093 ft) above sea level. The trains provide oxygen contingency services for passengers.

In August 2014, the third stretch of the Qinghai-Tibet Railway was completed, a 253 km (157.2 mi) line linking Lhasa with Shigatse, Tibet’s second city. This puts the line 540 km (335.5 mi) from Nepal’s border, and plans for a rail extension on this span were officially raised at the Nepal-Tibet Trade Facilitation Committee’s fifth meeting, in Lhasa, September 2014.

Thus, the drive by China for advanced rail service is contributing to the connectivity on many fronts in Asia. China’s extensive and high-technology rail networks harken back to the original nation-building railroad plan put forward at the beginning of the last century by the founding father of the Republic of China, Sun Yat-sen (**Figure 3**).

High-Speed Rail Drives Chinese Economic Development

From Dr. Sergei Sazonov:

- In 2006, the highest altitude railway in the world started operating between Qinghai and Tibet, with a high-speed segment, Golmud-Lhasa. Construction began in 2008 on the 1,318 km (819 mi) Beijing-Shanghai HSR, which had been in the planning for 18 years. December 2012 saw operations start on the Harbin-Dalian (904 km or 561.7 mi) and Beijing-Guangzhou (2,298 km or 1,428 mi) HSR; the latter cut the travel time between the country’s two largest megalopolises from 22 hours down to eight.
- In June 2013, trains began to move on two HSR segments from Hangzhou: a 249 km (154.7 mi) line to Nanjing and a 150 km (93.2 mi) section to Ningbo.
- Traffic on the Nanning-Wuzhou HSR started moving on April 18, 2014. Construction was completed December 28, 2013 on the 1,249 km (776.1 mi) Beijing-Harbin HSR; in all, that month, seven

new HSR segments, with a total length of 2,285 km (1,420 mi), began operating.

- Thus, in 10 years, as of the beginning of 2014, the biggest HSR system in the world had been created, with a total length of 10,463 km (6,214 mi), of which around 7,000 km (4,350 mi) is in the interior regions of China. As of early 2014, high-speed express trains are running on 34 dedicated HSR lines. Around 60% of the Chinese HSR network’s trains run at 200-250 km/h, while the rest have speeds of 300 km/h or more.
- HSR has substantially increased the mobility of the Chinese population: as of the beginning of 2014, around 25% of all passenger rail carriage is on high-speed lines. The number of passengers on the Beijing-Tianjin HSR has grown 20% annually since it opened, while the Beijing-Shanghai HSR line’s passenger growth has been 40% each year. High-speed trains on these routes now depart every four or five minutes.... In its first year of operation, the longest HSR in the world, the Beijing-Guangzhou route, carried 100 million passengers.”

Source: *Gudok*, the newspaper of the Russian Railways, June 24, 2014, interview with Dr. Sergei Sazonov, senior researcher, Russian Academy of Sciences Institute of Far East Studies, “The Development of High-Speed Mainlines Is a Stimulus for National Economic Development.”

FIGURE 3

Sun Yat-sen's Vision of a China Rail Network

(At the time, China's borders included modern Mongolia)



An International Mandate

Today China is in high demand internationally, to build high-speed or conventional modern rail routes in Africa, across South America, and other key spans, as well as the Silk Road proper. This derives from a conscious policy enunciated in November 2013 by Professor Wang Mengshu, a professor of engineering at Beijing Jiaotong (Communications) University, and a member of the National People's Congress of China. Wang told Global Times reporters that China is clearly a world leader in high-speed rail: "When people talk of watches, they think of Switzerland. When they think of small electronics, they think of Japan. When they think of space, they think of America, and talking about machinery, they think of Germany. Now when they think of high-speed rail, China becomes the brand name."

Under the strategy Wang described, China has completed a high-speed rail line for Turkey, connecting Istanbul and Ankara, the capital. China firms are on stand-by for track construction and/or train sets in many other locales, for example, if Kazakhstan decides to proceed to connect Almaty with its capital Astana by high-speed rail.

Wang Mengshu also envisions a line going through northeast China, and then through Siberia to Chukotka, where it would meet with the planned rail line to the Bering Strait tunnel.

In October 2014, at the time of a visit between Premier Li Keqiang and Russian President Vladimir Putin, a memorandum of understanding was signed between rail firms and transport officials of China and Russia, on building a 803 km (499 mi) high-speed rail line from Moscow to Kazan, in Tatarstan, which, it is understood,

could be the first stage of high-speed rail service to Beijing. The full project would be more than 7,000 km (4,350 mi) to connect the two capitals by fast train, making it more than three times the length of the world's current longest high-speed line, Beijing to Guangzhou.

In the Americas, a Chinese consortium is reportedly the sole bidder for a tender to build a 210 km (130.5 mi) high-speed line from Mexico City to Querétaro, in the north central region. In Venezuela, China Railway Group has a project underway to link the cities of Tinaco and Anaco, on the edge of the great central plains, to further inland economic activity and population growth potential. In the United States, Chinese manufacturers have tendered official submissions of interest to supply train sets to the California High Speed Railway Authority, if the future 1,287 km (800 mi) route from San Francisco to Los Angeles finally comes into being.

FIGURE 4
Xinjiang—‘Traffic Hub’ of Rail Routes, Existing and Proposed for Silk Road Economic Belt



Alan Yue/EIR 2014

Shown are key rail routes through Xinjiang, either completed, e.g., Urumqi to Lanzhou (high speed); or intended, e.g., Golmud to Holan.

Xinjiang—‘Traffic Hub’ for the SREB

For China, the western Xinjiang region is intended as the jumping-off point for the Silk Road Economic Belt to multiple points westward and to the south. China is planning three corridors to run through Xinjiang. The northern-most route (not shown), not built yet, is a corridor to proceed from Beijing, via Hohhot, into Kazakhstan, north of Urumqi, thence to Russia and beyond. The other corridors are shown on the map in **Figure 4**, from north to south: (1) the current route going through Urumqi, then branching off into two routes westward across the Kazakhstan border; (2) an intended route from Kashgar into Kyrgyzstan and westward; and (3) the proposed southern route, for a rail line southward through Pakistan to Gwadar on the Arabian Sea. China has begun a study of this 1,800 km (1,118.5 mi) route, which presents stiff construction challenges to traverse the Karakoram Mountains and Pamir Plateau. In May 2013, Pakistan awarded control of Gwadar Port to the China Overseas Ports Holding Co., transferring operational rights from the Singapore Port Authority.

There are exciting new achievements, and visionary plans on all these routes. In July 2014, Zhao ShiaoYang, the Chairman of the Chinese Railway Company CSR, spoke of an option for China to build a high-speed line from China to Turkey through Kyrgyzstan, Uzbekistan, Turkmenistan, and Iran. This could then be integrated into Turkey's own Chinese-built high-speed line from Ankara to Istanbul.

Xinjiang, comparable in size to Alaska, borders eight countries, with its 5,700 km (3,542 mi) boundary. It is home to the Takla Makan and other deserts, mountain ranges, and continental temperature extremes, but is now on the front line as one of the world's most exciting development frontiers. Remote sensing analysis suggests groundwater resources in the Takla Makan Basin. The intention is for the new rail corridors, and new industrial and commercial establishments, to be built up in the politically sensitive Xinjiang region in order to raise the standard of living for its 22 million inhabitants.

China has long had a policy of developing its central and western regions, and the launching of the New Silk

Road Economic Belt has given new life to this commitment. The key rail lines between the east coast of China and the western regions have been replaced by high-speed rail. Connectivity is being built up in Xinjiang itself. The largest expressway project now under construction in China is in southern Xinjiang. The highway stretches 428.5 km (266.3 mi) from Aksu (in the far west of the province), southwesterly to Kashgar. The multi-lane highway will be opened by the end of 2014, and developed as an economic corridor. Xinjiang now has 16 airports, with four to six new airports in the planning stages, and some others to be renovated or expanded in the coming three years.

More plans for Xinjiang were announced June 26-27, 2014 at a forum in Urumqi. Zhang Chunlin, Director of the Xinjiang Development and Reform Commission, said that the province will become a “traffic hub” for the Silk Road Economic Belt. It will “make full use of its geographical and cultural advantages, [to] further open up and make efforts to act as the main force and vanguard in building the Silk Road Economic Belt.” He spoke of a range of economic activities, including developing oil and gas, mining coal and miner-

als, providing new medical services, and establishing science and education centers.

There are currently 17 land ports in Xinjiang, and plans are underway to expand the number of border railway ports, bonded zones, and other facilities to serve all aspects of domestic and international requirements for the SREB trunk lines and localities. Xinjiang is in the geographic heartland of Eurasia, and its commitment to systems of logistics lays a foundation for early negotiations for a China-Central Asia Trade Zone.

Research contributed by Mary Burdman, Rachel Douglas, and Marcia Merry Baker

For Further Reading:

“China Builds Sun Yat-sen’s Great National Rail Project,” by Mary Burdman, *EIR*, Jan. 29, 2010.

“Ideas for Cooperation Along the Silk Road,” a speech by Shi Ze, Director for International Energy Strategy Studies, and Senior Fellow, China Institute of International Studies, given at the October 18-19, 2014 Schiller Institute conference in Frankfurt, Germany. See www.newparadigm.schillerinstitute.com

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