

New Silk Road Resonates with Austria

by Rainer Apel

April 28—An extraordinarily positive development of a growing commitment to the New Silk Road has developed in Austria during the past twelve months. Only a year ago, Austrian relations with China seemed at an all-time low, as petty party interests and frictions had driven the government into a crisis and collapse at the end of April—the direct result being that Austria called off the participation of its transport minister, Joerg Leichtfried, in the Belt and Road Summit in Beijing in mid-May 2017. The cancellation of the China trip by Leichtfried, who had been a strong proponent of his country joining the Silk Road, kept Austrian politics paralyzed until the mid-October early elections. Angered by this standstill in bilateral relations, leading officials of Austrian industry and transport associations launched a strong lobbying for the next government to make a clear commitment to active cooperation with China's New Silk Road.

A week after the Austrian elections, a delegation headed by leaders of the country's national chamber of industry (*Wirtschaftskammer Österreich*, or WKO) and the state railway company (*Österreichische Bundesbahnen*, or ÖBB), left for a several-day tour of China. There, they not only signed a cooperation agreement with their respective partner institutions on the Chinese side, but also stated at press briefings that they expected the new government of Austria to give a “clear priority” to a New Silk Road orientation; otherwise the New Silk Road's enormous dynamic would bypass the Austrian economy.

Remarks such as these, and a big conference of the WKO on the New Silk Road in Vienna on November 21, created the required environment for the two winners of the early elections and coalition partners—the OVP (Austrian People's Party) and the FPÖ (Freedom Party of Austria) to express a clear commitment to working with China. The official government program of the new coalition partners stated:

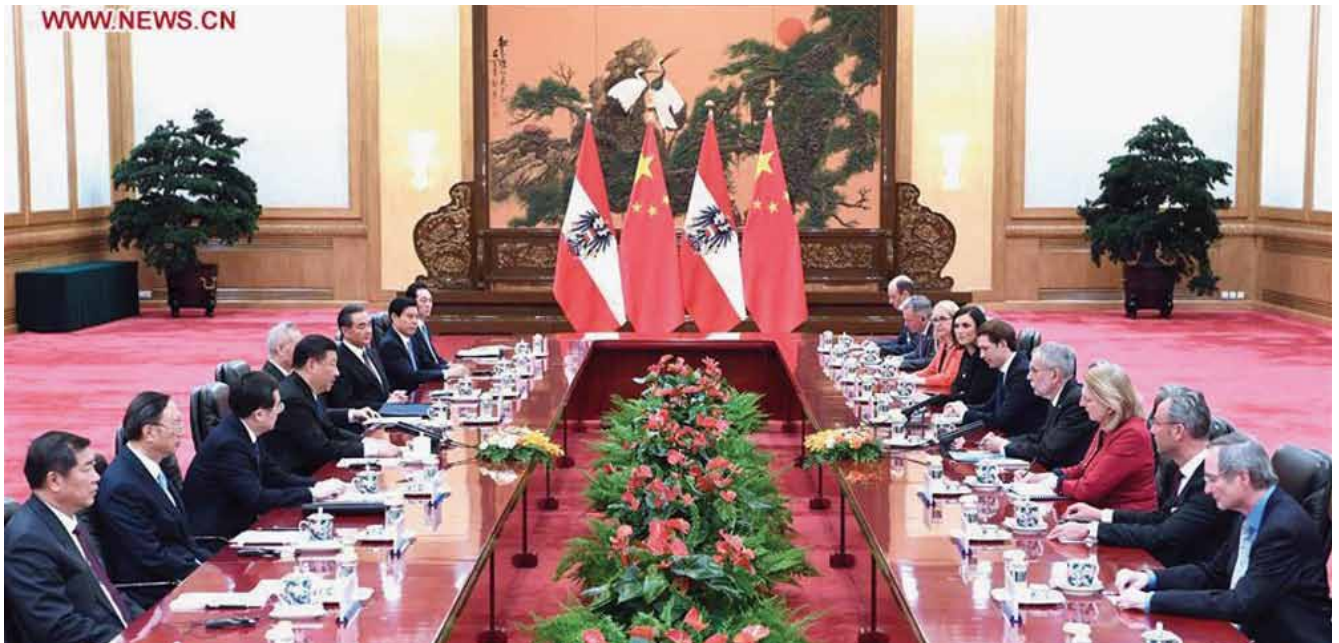


Xinhua

Austrian President Alexander van der Bellen (pointing), Austrian Minister for Digital and Economic Affairs Margarete Schramböck (center), and other guests inspect a new China-Europe freight train from Chengdu, China, to Vienna, at the Vienna South Freight Center, April 27, 2018.

Austria lies in the middle of Europe, and thus through its geographic location alone represents an important hub. This position can have an additional enormous benefit from a stronger development of the trans-European networks. We must make sure that big supra-regional and geostrategic infrastructure projects such as, for instance, the planned Silk Road project, or the broad gauge rail project, as well, do not bypass Austria, but that we are a part of it as a hub.

This particularly refers to the extension of the Russian Trans-Siberian Railroad's broad gauge line from Kosice in eastern Slovakia to a huge, new logistics complex near Austria's capital, Vienna—a distance of 400 km. Discussed for many years, this project alone will create 140,000 permanent jobs, but a much broader engagement of Austria's industry and engineering capacities in projects of the New Silk Road in all of Europe's East and Southeast is envisaged as well. This was stated clearly by Johann Strobl, CEO of Austria's Raiffeisen International Bank, who in a year-end interview criticized the EU's China-bashing against the “16



Xinhua/Zhang Ling

Xi Jinping holds talks with Austrian President Alexander van der Bellen in Beijing, China, April 8, 2018.

plus 1” Summit.¹ He said there is no reason to get alarmed over China’s increased role in Eastern and Southeastern Europe: “This is good news. Financial means from outside that flow into Eastern Europe improve the economic potential of the region. Being a bank specializing in Eastern Europe, we are benefiting from that.” The EU should change its attitude about China, Strobl added, and “simply face the challenges and find constructive solutions with which the differences in views can be bridged.”

China has taken positive notice of these and other recent changes in Austria. During an event on the New Silk Road organized by the prestigious Austrian Society for Traffic and Transport Science (*Österreichische Verkehrswissenschaftliche Gesellschaft*, or ÖVG) in Vienna on January 31, Chinese Ambassador Li Xiaosi directly called on his hosts to make constructive proposals for joint projects, and to even join the “16 plus 1” format, turning it into a “16 plus 1 plus Austria.” In response, a spokeswoman for the Austrian foreign ministry said that the Chinese proposal would be carefully studied, once presented officially, but that for the time being, Austria would remain a very close observer of the “16 plus 1.”

The first concrete steps in the realization of the New

Silk Road transport connection were made at an international railway conference held in Vienna, February 20-22, during which Russian Railways CEO Oleg Belozеров and Austrian Railways CEO Andreas Mattae signed an agreement for the realization of an integrated Eurasian railway corridor. The 250 delegates to the event, called “Strategic Partnership 1520: Central Europe,” included the CEOs of railway companies from 24 countries. An accompanying agreement was signed by the transport ministers of Russia and Austria, Maxim Sokolov and Norbert Hofer, as well.

Under the Russian-Austrian agreements, the parties committed the railway companies and transport agencies of Austria, Slovakia, and Ukraine to construct a new broad gauge (1,520 mm) railway line from Kosice (Slovakia) to Vienna (400 km), including an international logistics center in the twin-city region Vienna-Bratislava. At present, Kosice is the end point of the Russian broad gauge grid. The project is to be carried out by the *Breitspur Planungsgesellschaft mbH*, a joint venture established in 2009 that is registered in Austria, involving Russia, Ukraine, Slovakia, and Austria. This will allow uninterrupted rail freight service from the Kazakh-Chinese border to Central Europe on the Russian broad gauge, with an annual capacity of one million containers, with freight trains reaching a frequency of several hundred weekly. The logistics hub realization alone will create up to 140,000 jobs and spark broader industrial and economic initiatives along the new rail route, creat-

1. The “16 plus 1” format is an initiative of the People’s Republic of China, aimed at expanding its cooperation with 16 Eastern European and Balkan countries. The initiative was launched at a summit held in Warsaw, Poland, in 2012.

ing more than 600,000 jobs. Concerning the funding of the about 7 billion euros required for the broad gauge extension, Austrian Transport Minister Norbert Hofer also hinted that “investors from Asia” will be interested in the project, which will be completed by 2033.

The central plenary session of the Vienna conference proceeded under the theme, “Eurasian Corridor and New Silk Road. Towards Each Other.” Participants discussed ways to achieve higher interoperability between the Chinese and European standard gauge (1435 mm) and the Russian broad gauge (1520 mm). Austria’s railway CEO Andreas Matthae said at the Vienna event:

“The further development of the Eurasian Railway-Landbridge will not only make sure that Europe and Asia come closer to one another, but will also boost economic progress in the participating regions.” Matthae has been one of the leading proponents of Austrian constructive cooperation with China’s New Silk Road strategy.

Alexander Misharin, First Deputy General Director of Russian Railways, said in Vienna: “The Project OBOR [One Belt One Road] will not only consolidate a unified gauge in the transport systems . . . and promote the emerging of a united Eurasian economic area. The cooperation with the ÖBB is an important step toward a cooperation beneficial for both sides, for the industry as well as for the population of both countries.”

In his concluding speech at the Vienna conference, Clemens Foerstl, CEO of RailCargo Austria AG, a freight subsidiary of ÖBB, declared: “We are glad to note that the New Silk Road and the extension of the broad gauge railroad to Vienna are not seen as two different projects, but rather as the common objective to advance Eurasian rail transport. Austria welcomes and supports the development of rail infrastructure in the Eurasian corridor. . . . The Russian-Austrian agreement is a milestone in our efforts to establish the Eurasian Transport Corridor.” A follow-up conference was announced for Sochi (Russia) to be held in June 2018.

Austria Steps Beyond the EU

The commitment of the Austrians to step beyond the boundaries of EU geopolitics and enter a new paradigm of international relations became visible March 27,



kremlin.ru

Austrian Chancellor Sebastian Kurz.



BMEIR/Angelika Lauber

Austrian Foreign Minister Karin Kneissl.

when the government of Austria refused to expel Russian diplomats over the Skripal incident. In a March 28 interview with OE1 radio, Austrian Foreign Minister Karin Kneissl invoked her country’s historical tradition of acting as a bridge between East and West, implying that Austria would not expel diplomats, as they are urgently needed right now to solve political issues among countries. The Austrian “no” was all the more justified, she said, as no hard evidence had been presented in the Skripal case, and that even if Russia’s blame were to be proved, Austria would “most likely not change views on the matter.”

A few days later, Austrian Chancellor Sebastian Kurz explained in an April 4 talk show broadcast on Puls4 TV that he, together with Kneissl, made that decision, “since we traditionally maintain good relations with Russia, are a neutral country, and act as the headquarters for many international organizations such as [an office] of the United Nations and the Organization for Security and Cooperation in Europe. . . . Every day hundreds of diplomats hold talks in Vienna, on neutral territory, and we develop our role in building bridges.” On the eve of her meeting with Russian Foreign Minister Sergey Lavrov in Moscow on April 18—a meeting profoundly disliked by the geo-politicians at the EU and NATO—Kneissl reiterated views she had stated on March 28.

The Austrian government also thumbed its nose at the EU geo-politicians by forcefully developing cooperation with China, in clear opposition to the EU’s stonewalling on the New Silk Road issue. The largest Austrian delegation ever sent to China visited Beijing, Hainan, and Chengdu, April 7-12. In addition to Aus-

trian President Alexander van der Bellen and Chancellor Kurz, four cabinet ministers (foreign affairs, economics, transport, and environment) joined the delegation of 170 businessmen, 30 academicians, and representatives of the culture sector. That van der Bellen was also an honored guest speaker at the prestigious Boao Forum in Hainan, at the conclusion of his China visit, illustrates that bilateral relations between Austria and China have reached an all-time high.

Foreign Minister Karin Kneissl who, before joining the newly elected government, published a book last September on the rapid rise of China in world affairs, titled *Changing of the Guard*, stated in interviews with the Chinese media that her talks during this trip would not only take into account the role of the Chinese as global investors, but also their increasing importance as political players internationally. Kneissl is known for addressing the inflexibility of the EU's concept of "Europe." In her book, she provocatively writes that young Europeans should enroll at Chinese universities, rather than remain in Europe, since only in China could they really hope to learn something for the future.

Austrian Transport Minister Norbert Hofer—signing a memorandum of understanding with his Chinese counterpart on their common interest in completing the rail corridor from the Greek Mediterranean sea port of Piraeus to Austria's capital Vienna—proudly declared April 10 that his country was "a first mover in Europe" for cooperation with China. To complete the rail corridor, two sections via Hungary and Macedonia must be built.

Symbolizing the new quality of cooperation, the Austrian delegation also attended the ceremony seeing off the first direct freight train departing Chengdu April 12 with Vienna as its destination.

Silk Road of Music

The China tour of the Austrian delegation also featured a high emphasis on culture, philosophy, and music. On the first day of their stay, they were given a special tour of the Confucius Temple in the Forbidden City in Beijing, where the official heritage of the philosopher's contributions is engraved in stone pillars. It was here that Chinese emperors would spend the first hour of their days with ceremonies and meditations, seeking inspiration for a day of good government.

Also on April 10, China's Fosun Group and the Vienna Boys' Choir (*Sängerknaben*) signed a cooperation agreement that envisages a vast expansion of proj-



photo provided to Chinadaily.com.cn

The Vienna Boys Choir performing.

ects in classical music education in numerous cities of China. The agreement, constituting a virtual "Silk Road of Music," was signed in the presence of visiting Austrian President Alexander van der Bellen.

Following an earlier "Silk Road" tour of the Choir ten years ago, about which a feature length film, [*Silk Road, Songs Along the Road and Time, with the Vienna Boys' Choir*](#), was produced on their performances, Vienna's musical input into China has continuously grown, surpassing the intensity of contacts that had existed since 1992. Gerald Wirth, President and Artistic Director of the Vienna Boys' Choir, has been giving classes to Chinese youth in many parts of China during the past several years, always insisting that the training of one's voice is not only good for the development of the individual person, but also for the improvement of society as a whole, because singing ennobles the human character.

Ping Gong, Executive Director and Senior Vice President of the Fosun Group, agrees: "Music—and in particular singing—is an essential part of human culture. Singing connects peoples." In this context, the Vienna performance ten years ago of the opera *Mulan* (Magnolia) by the Beijing Opera, featuring Peng Liyuan, the wife of future Chinese President Xi Jinping as a leading soprano, was recalled vividly, not just by the Austrian delegation, but also by the President's wife. As the home and working stage of Haydn, Mozart, Beethoven, and Schubert, Vienna is viewed by many Chinese as the "world capital of classical music." Next to specialized machinery and high-tech products, classical music will be an important cultural heritage exported by Austria to—and shared with—China in the future.